



Cabinet 10 December 2013

Council Tax Base for Tax Setting Purposes 2014/2015 (Dec13/05)

1. Summary and reasons for recommendations

- 1.1 The report sets out the basis of the formal calculation for the Council Tax base for the financial year 2014/2015.

2. Recommendations

- 2.1 It is **RECOMMENDED** that full Council notes:
- (1) the tax base for 2014/2015, for the whole of St Edmundsbury is 34,725.00 equivalent Band 'D' dwellings, as detailed in paragraph 4.8 of Report E198; and
 - (2) the tax base for 2014/2015 for the different parts of its area, as defined by Parish or special expense area boundaries, are as shown in Appendix 2 to Report E198.

Contact details

Name

Title

Telephone

E-mail

Portfolio Holder

David Ray

Portfolio Holder for Resources
and Performance

01359 250912

david.ray@stedsbc.gov.uk

Lead officer

Rachael Mann

Head of Resources and
Performance

01638 719245

rachael.mann@westsuffolk.gov.uk

3. Corporate priorities

- 3.1 The estimation of the tax base for the forthcoming budget year is a key element of the Council's Medium Term Financial Strategy (MTFS), as it determines the expected level of council tax income for that year.

4. Key issues

- 4.1 The Council Tax Base of the Council is the total taxable value at a point in time of all the domestic properties in its area, projected changes in the property base and the estimated collection rate.
- 4.2 The total taxable value referred to above is arrived at by each dwelling being placed in an appropriate valuation band determined by the Valuation Office, with a fraction as set by statute being applied in order to convert it to a Band 'D' equivalent figure. These Band 'D' equivalent numbers are then aggregated at a district wide level and are also sub totalled for parishes. This has to be done by the Council responsible for sending the bills out and collecting the council tax ('the billing authority'). In two tier areas, district councils fulfil this function.
- 4.3 The Council Tax Base is used in the calculation of Council Tax. Each authority divides its total Council Tax required to meet its budget requirements by the Tax Base of its area to arrive at a Band 'D' Council Tax.

Calculation of the tax base for tax setting purposes

- 4.4 The calculation of the tax base for tax setting purposes consists of three stages:
- (a) Calculation of the tax base for Revenue Support Grant purposes as at 7 October 2013;
 - (b) analysis of Band 'D' equivalents over each of the Parish areas; and
 - (c) adjustment of the Band 'D' equivalents to reflect changes in the tax base as a result of valuation changes, exemptions, discounts and a collection rate.

Tax base for Revenue Support Grant purposes

- 4.5 The Tax Base return CTB1 is summarised at Appendix 1. This shows the analysis of properties across the eight Bands for the following classifications of liability:
- (a) properties attracting 100% liability;
 - (b) properties with an entitlement to a 25% discount;
 - (c) properties with an entitlement to a 50% discount;
 - (d) properties with an entitlement to a 100% discount;
 - (e) exemptions;
 - (f) discounts, including local council tax reduction scheme discounts; and
 - (g) Disabled Relief Adjustments.

4.6 The figures used to make the above calculations are derived from the Valuation List as deposited on 9 September 2013, and as amended to reflect any errors or omissions so far detected in reviewing that list.

Analysis of Band 'D' Properties

4.7 The Band 'D' Properties figure as at 7 October 2013 of 34,477.90 as quoted in the CTB1 form has been updated as at 19 November 2013 to allow for:

- (a) technical changes outlined in report E197 (for the purpose of the CTB1 form the full property is removed and therefore the element chargeable for council tax under each individual authority's scheme, needs to be added back into the council tax base); and
- (b) potential growth in the property base during 2014/2015 taken from an average of the housing delivery numbers for those sites within the local plan and those that have planning permission, adjusted for an assumed level of discounts/exemptions within that growth of property base.

4.8 An allowance is then made for losses on collection, which assumes that overall collection rates will be maintained at approximately 98.5%. In addition to this collection rate change, an adjustment has been made to allow for the collectability of the council tax arising from the changes in the new Local Council Tax Support scheme, which has been assessed at 90%. The resulting Tax Base for Council Tax collection purposes has been calculated as 34,725.00 which is an increase of 44.48 on the previous year.

4.9 The Table below shows the actual number of dwellings in each tax band based on the current valuations which are discounted to 1 April 1991 and the percentage in each band. There has been no national revaluation since that date.

Band	Number of Chargeable dwellings adjusted for discounts etc	Relevant Proportion	Relevant Amount	Tax Band values as at 01/04/1991 (£)	Actual Number of dwellings (on Valuation List)	Actual Number of dwellings as a percentage
@ *	-20.64	5/9	-11.80		0	0.00%
A	2,743.91	6/9	1,829.30	Up to 40,000	5,258	11.15%
B	12,831.64	7/9	9,980.20	40,001 to 52,000	17,455	37.02%
C	7,775.14	8/9	6,911.20	52,001 to 68,000	9,324	19.77%
D	6,634.42	9/9	6,634.60	68,001 to 88,000	7,252	15.38%
E	3,918.84	11/9	4,789.70	88,001 to 120,000	4,325	9.17%
F	1,791.66	13/9	2,588.00	120,001 to 160,000	1,926	4.08%
G	1,397.56	15/9	2,329.30	160,001 to 320,000	1,482	3.14%
H	106.40	18/9	212.80	Over 320,000	132	0.28%
Total	<u>37,178.93</u>		<u>35,263.30</u>		<u>47,154</u>	<u>100.00%</u>
Actual taxbase after applying collection rate			<u>34,725.00</u>			

* Disabled reduction results in charging the property at one band lower (1/9th) than its actual band. The @ figure relates to Band A properties (1/9th below a band A charge) which are eligible for a disabled reduction.

Precept Payment Arrangements for 2014/2015

4.10 In line with the delegated authority to administer the Council's financial affairs as outlined in the Constitution, the arrangements for the scheduling of the precept payments for 2014/2015, will be determined by the Head of Resources and Performance (Chief Financial Officer).

4.11 It is expected that the payments schedule for Parish and Town Councils will take the same form as previous years of full payment by 30 April 2014.

5. Other options considered

5.1 None.

6. Community impact

6.1 **Crime and disorder impact** *(including Section 17 of the Crime and Disorder Act 1998)*

6.1.1 None.

6.2 **Diversity and equality impact** *(including the findings of the Equality Impact Assessment)*

6.2.1 None

6.3 **Sustainability impact** *(including completing a Sustainability Impact Assessment)*

6.3.1 None.

6.4 **Other impact** *(any other impacts affecting this report)*

6.4.1 None.

7. Consultation *(what consultation has been undertaken, and what were the outcomes?)*

7.1 The tax base figures provided within Appendix 2 of the report have been communicated to town and parish councils so they can start to factor these into their budget setting process.

8. Financial and resource implications *(including asset management implications)*

8.1 The Council Tax Base calculations are used to determine the Revenue Support Grant received by the Council, and the level of Council Tax set by the Council. Once approved, the Tax Base for Council Tax collection purposes of 34,725.00 will be included in the Council's Medium Term Financial Strategy.

9. Risk/opportunity assessment (potential hazards or opportunities affecting corporate, service or project objectives)

Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
The Council's ability to collect Council Tax income in the current economic climate.	High	Two separate collection rates have been applied to the taxbase calculations in respect of collectability. Communication plan in place.	Medium

9.1 The level of the Council Tax base is significant in as much as:

- (a) any increase or decrease compared to the previous year has the effect of either changing the level of Council Tax or changing the Council's budget requirement (if there is a limit on Council Tax levels); and
- (b) if the actual level of total taxable value is higher or lower than the estimated figure, a surplus or deficit may arise. High degrees of fluctuation may result in pressure on local authority budgeting decisions.

9.2 It is therefore important that councils take a realistic view and use robust information when calculating their tax base. The approach to estimating losses on collection is of particular significance.

9.3 An allowance has been made for losses on collection that assumes collection rates will be 98.5% for 'standard' council tax and 90% in respect of the income generated from the new Local Council Tax Reduction scheme.

10. Legal and policy implications

10.1 It is a requirement of the Local Government Finance Act 1992 and the Local Authorities (Calculation of Tax Base) Regulations 1992 that the Council determine its tax base for the 2014/2015 financial year.

10.2 There is a requirement under Regulation 4 for a Billing Authority to supply certain information to local Precepting Authorities, (Parish Councils) upon written request, within ten days of receipt of that request. The information to be supplied is information relating to the Tax Base for the part of the Billing Authority's area falling within the area of the local Precepting Authority (commonly referred to as the 'Parish Tax Base').

11. Wards affected

11.1 All.

12. Background papers

12.1 Valuation list as at 9 September 2013.

12.2 Local Government Finance Act 1992, and associated regulations as detailed in this report.

12.3 Local Government Act 2003 and associated regulations as detailed in this report.

12.4 Local Council Tax Reduction Scheme and Council Tax Technical Changes
2014/2015 – Report E197

13. Documents attached

13.1 Appendix 1: CTB1 Return made to Central Government on 7 October 2013; and
Appendix 2: 2014/2015 Tax base for each Parish and Town Council and for
St Edmundsbury Borough Council.

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Base for Tax Setting Purposes.doc

CTB(October 2013)

Calculation of Council Tax Base for Revenue Support Grant PurposesPlease e-mail to : ctb.statistics@communities.gsi.gov.uk

Please enter your details after checking that you have selected the correct local authority name

Ver 1.0d

Please select your local authority's name from this list



Check that this is your authority : **St Edmundsbury**

Local authority contact name : _____

Local authority telephone number : _____

Local authority fax number : _____

Local authority e-mail address : _____

CTB(October 2013) form for > St Edmundsbury

Completed forms should be received by DCLG by Friday 18 October 2013

Dwellings shown on the Valuation List for the authority on Monday 9 September 2013	Band A entitled to disabled relief reduction COLUMN 1	Band A COLUMN 2	Band B COLUMN 3	Band C COLUMN 4	Band D COLUMN 5	Band E COLUMN 6	Band F COLUMN 7	Band G COLUMN 8	Band H COLUMN 9	TOTAL COLUMN 10
1. Total number of dwellings on the Valuation List		5,258	17,455	9,324	7,252	4,325	1,926	1,482	132	47,154
2. Number of dwellings on valuation list exempt on 7 October 2013 (Class B & D to W exemptions)		329	503	297	274	133	43	22	7	1,608
3. Number of demolished dwellings and dwellings outside area of authority on 7 October 2013 (please)		3	0	2	4	0	0	1	0	10
4. Number of chargeable dwellings on 7 October 2013 (treating demolished dwellings etc as exempt) (lines 1-2-3)		4,926	16,952	9,025	6,974	4,192	1,883	1,459	125	45,536
5. Number of chargeable dwellings in line 4 subject to disabled reduction on 7 October 2013		7	70	49	56	34	20	17	15	268
6. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	7	70	49	56	34	20	17	15		268
7. Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6 or in the case of column 1, line 6)	7	4,989	16,931	9,032	6,952	4,178	1,880	1,457	110	45,536
8. Number of dwellings in line 7 entitled to a single adult household 25% discount on 7 October 2013	2	3,245	6,033	2,542	1,500	691	253	151	12	14,429
9. Number of dwellings in line 7 entitled to a 25% discount on 7 October 2013 due to all but one resident being disregarded for council tax purposes	0	21	130	92	60	36	12	16	0	367
10. Number of dwellings in line 7 entitled to a 50% discount on 7 October 2013 due to all residents being disregarded for council tax purposes	0	4	6	9	5	7	13	16	5	65
11. Number of dwellings in line 7 classed as second homes and so treated for Formula Grant purposes as being entitled to a 50% discount on 7 October 2013 (even if a lower discount has been granted in practice)		64	66	43	38	38	23	25	4	301
12. Number of dwellings in line 7 classed as empty and receiving a zero% discount on 7 October 2013		60	60	29	23	14	8	12	1	207
13. Number of dwellings in line 7 classed as empty and receiving 50% discount on 7 October 2013		0	0	0	0	0	0	0	0	0
14. Number of dwellings in line 7 classed as empty and receiving a discount between zero% and 100% (excluding 50%) on 7 October 2013.		55	160	68	48	25	15	8	1	380
15. Number of dwellings in line 7 classed as empty and being charged the Empty Homes Premium on 7 October 2013.		34	9	10	7	3	18	1	1	83
16. Total number of dwellings in line 7 classed as empty on 7 October 2013 (lines 12, 13, 14 & 15) and assumed to be receiving 100% discount for Revenue Support Grant purposes		149	229	107	78	42	41	21	3	670
16a Number of dwellings that are classed as empty on 7 October 2013 and have been for more than 6 months. NB These properties should have already been included in line 16 above.		88	72	42	34	19	25	13	1	294
16b Number of dwellings that are classed as empty on 7 October 2013 and have been for more than 6 months and were previously eligible for Class A exemptions. NB These properties should have already been included in line 16 above.		0	3	4	5	2	0	2	0	16
16c Line 16a - line 16b. This is the equivalent of lines 12+14+15 on the CTB(October 2012) and will be used to calculate the New Homes Bonus.		88	69	38	29	17	25	11	1	278
17. Number of dwellings in line 7 where there is liability to pay 100% council tax (lines 7-8-9-10-11-16)	5	1,506	10,467	6,239	5,271	3,364	1,538	1,228	86	29,704
18. Number of dwellings in line 7 that are assumed to be subject to a discount for Revenue Support Grant purposes (lines 8+9+10+11+16)	2	3,483	6,464	2,793	1,681	814	342	229	24	15,832

CTB(October 2013)

Calculation of Council Tax Base for Revenue Support Grant Purposes

Please e-mail to : ctb.statistics@communities.gsi.gov.uk
Please enter your details after checking that you have selected the correct local authority name

Ver 1.0d

19. Total equivalent number of dwellings after discounts, exemptions and disabled relief (to 2 decimal places)	6.50	3,989.50	15,125.25	8,240.50	6,462.50	3,931.75	1,754.75	1,373.75	99.50	40,984.00
20. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
21. Total number of band D equivalents (to 1 decimal place) (line 19 x line 20)	3.6	2,659.7	11,764.1	7,324.9	6,462.5	4,805.5	2,534.6	2,289.6	199.0	38,043.5
22. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2012-13 (to 1 decimal place)										322.0
23. Tax base for Revenue Support Grant purposes (to 1 decimal place) (line 21 col 10 + line 22)										38,365.5

Certificate of Chief Financial Officer

I certify that the information provided on this form is based on the dwellings shown in the Valuation List for my authority on 9 September 2013 and that it accurately reflects information available to me about exemptions, demolished dwellings etc, disabled relief, discounts and premiums applicable on 7 October 2013 and, where appropriate, has been completed in a manner consistent with the form for 2012.

Local authority contact name : 0
Local authority telephone number : 0
Local authority fax number : 0
Local authority e-mail address : 0

Chief Financial Officer : Date :

Ver 1.0d

Now open the sheet called Validation to see if there are any inconsistencies in your form

24. Total equivalent number of dwellings after discounts, exemptions and disabled relief (to 2 decimal places)	6.50	3,989.50	15,125.25	8,240.50	6,462.50	3,931.75	1,754.75	1,373.75	99.50	40,984.00
25. Reduction in tax base due to Council Tax Support (to 2 decimal places)	0.19	1,456.39	2,564.95	599.33	254.08	76.18	16.77	10.43	0.00	4,978.32
26. Total equivalent number of dwellings after discounts, exemptions, disabled relief and council tax support (to 2 decimal places)	6.31	2,533.11	12,560.30	7,641.17	6,208.42	3,855.57	1,737.98	1,363.32	99.50	36,005.68
27. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
28. Total number of band D equivalents (to 1 decimal place) (line 26 x line 27)	3.5	1,688.7	9,769.1	6,792.2	6,208.4	4,712.4	2,510.4	2,272.2	199.0	34,155.9
29. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2012-13 (to 1 decimal place)										322.0
30. Tax base after council tax support (to 1 decimal place) (line 28 col 10 + line 29)										34,477.9

Parish Estimates 2014/2015

APPENDIX 2

TAXBASE

PARISH/TOWN	2014/2015
	Taxbase (Number of Band D Dwellings)
Ampton, Timworth and Livermere	49.94
Bardwell	288.32
Barnardiston	54.77
Barnham	226.78
Barningham	314.32
Barrow cum Denham	608.56
Barton, Great	915.52
Bradfield Combust with Stanningfield	217.93
Bradfield St Clare	67.33
Bradfield St George	151.94
Bradley, Great	156.93
Bradley, Little (Nil)	21.35
Brockley	125.30
Cavendish	420.11
Chedburgh	241.32
Chevington	264.00
Clare	765.93
Coney Weston	163.38
Cowlinge	132.73
(Culford	181.16
(Wordwell	8.50
(West Stow	73.75
Denston	54.77
Depden	81.74
Euston	59.01
Fakenham Magna	59.64
Flempton-Cum-Hengrave	131.96
Fornham All Saints	265.48
Fornham St Martin-cum-St Genevieve	487.71
Hargrave	114.55
Hawkedon	62.16
Hawstead	130.83
Hepworth	206.62
Honington-Cum-Sapiston	287.16
(Hopton	229.02
(Knettishall	10.60
(Horringer	405.91
(Ickworth	7.85
Hundon	418.73
Ingham	152.45
(Ixworth cum Ixworth Thorpe	736.17
Kedington	624.50
Lackford	102.06
Lidgate	99.34
Livermere, Great	72.82
Market Weston	97.18
Nowton	67.36
Ousden	109.95
Pakenham	338.13
Poslingford	82.24
Rede	47.74
Risby	269.55
Rushbrook with Rougham	397.55
The Saxhams	128.89
Stansfield	84.89

Parish Estimates 2014/2015

APPENDIX 2

PARISH/TOWN	2014/2015
	Taxbase (Number of Band D Dwellings)
Stanton	802.46
Stoke By Clare	215.41
Stradishall	154.38
Thelnetham	98.24
Thurlow, Great	81.17
Thurlow, Little	102.45
Troston	287.56
Westley	98.12
Whelnetham, Great/Little	349.33
Whepstead	212.44
Wickhambrook	458.35
Withersfield	198.03
Wixoe	66.92
Wratting, Great	84.74
Wratting, Little	64.72
Town Councils:	
Bury St Edmunds	12,647.70
Haverhill	6,928.55
Total of Parishes and Town Councils	34,725.00

1. Grouped parishes which levy a precept are shown bracketed together.
2. Grouped parishes which precept as a group are shown on one line.