

Referrals report of recommendations from Cabinet

Report number:	COU/WS/22/021	
Report to and date:	Council	13 December 2022
Documents attached:	Report number: CAB/WS/22/068 'Western Way Project Review – December 2022'	

A. Referrals from Cabinet: 18 October 2022

There are no referrals emanating from the Cabinet meeting held on 18 October 2022.

B. Referrals from Cabinet: 8 November 2022

1. West Suffolk Statement of Licensing Policy

Portfolio holder: Councillor Andy Drummond

Cabinet Report number: [CAB/WS/22/060](#)

Appendix A: [Statement of Licensing Policy consultation responses](#)

Appendix B: [West Suffolk Statement of Licensing Policy](#)

Recommended:

That the revised West Suffolk Statement of Licensing Policy 2022 to 2027, as contained in Appendix B to Report number: CAB/WS/22/060, be adopted.

- 1.1 The Licensing Act 2003 established a single integrated scheme for licensing premises in England and Wales which are used for the sale or supply of alcohol, to provide regulated entertainment, or late-night refreshment. The legislation supports public safety through upholding the following four licensing objectives:
- the prevention of crime and disorder
 - public safety
 - the prevention of public nuisance
 - the protection of children from harm.

- 1.2 In order to license this activity, section 5 of the 2003 Act requires a licensing authority to prepare and publish a statement of its licensing policy at least every five years. Such a policy must be published before the authority carries out any function in respect of individual applications and notices made under the terms of the 2003 Act. If the licensing authority determines and publishes its policy in this way, a new five-year period commences on the date it is published.
- 1.3 The policy must be kept under review during the five-year period and the licensing authority may make any revisions as it considers appropriate, such as those relating to feedback from the local community on whether the licensing objectives are being met, so it continues to be relevant and fit for purpose throughout the relevant time period.
- 1.4 The proposed substantive changes to the Statement are minimal and they are primarily dictated by changes in guidance and legislation.
- 1.5 The key alterations are:
 - An additional segment has been added on ancillary delivery of alcohol and late-night refreshments. This has been added due to changes in business and customer habits caused by COVID-19. As more premises licensed to sell alcohol are providing a delivery service, which is an ancillary to the main use of the premises, it is important to ensure that this kind of business is captured within the council's policy. Applications for premises that intend to sell alcohol in this way will generally be granted subject to not being contrary to other policies within the Statement of Licensing Policy. It will also need to meet certain criteria, such as:
 - Delivery only takes place within relevant core hours
 - Delivery to residential addresses or workplace will remain ancillary to the main premises use
 - The applicant implements their own age verification procedures and ensures staff are appropriately trained
 - Ensure that delivery adheres to other core objectives of the Statement.
 - The entire opening section setting out the area profile has been redrafted. This is to ensure that the information has been updated and condensed.
- 1.6 Besides the above changes, most other alterations have been made to shorten the document to make it easier to navigate and more accessible. This includes additional appendices which have been added to reduce the substantive policy and avoid repetition.
- 1.7 There is a statutory duty to undertake a consultation to gauge impact and opinion among key stakeholders. This was held between 21 June and 22 July 2022.
- 1.8 The consultation followed best practice by focusing on direct engagement with the key stakeholders. The stakeholders identified were:

- The police constabulary
- Parish and town councils
- Persons/bodies representative of license holders/businesses in the area

- 1.9 In total, three responses were received, from the Suffolk Constabulary, a parish council and a licensee. The council has set out specific responses to each comment, as contained in [Appendix A](#) to Report number: CAB/WS/22/060.
- 1.10 No comments received resulted in necessary changes to the Statement of Licensing Policy. While the response was small, the consultation findings support the changes to the Statement of Licensing Policy at [Appendix B](#) to Report number: CAB/WS/22/060, as proposed.

C. Referrals from Cabinet: 6 December 2022

The following referrals have been compiled before the decisions have been taken by the Cabinet and are based on the recommendations contained within each of the reports listed below. Any amendments made by the Cabinet to the recommendations within these reports will be notified to members in advance of the meeting accordingly.

1. Delivering a Sustainable Medium Term Budget

Portfolio holder: Councillor Sarah Broughton

Cabinet Report number: [CAB/WS/22/066](#)

Performance and Audit Scrutiny Committee Report number:
[PAS/WS/22/021](#)

Recommended:

That the proposals, as detailed in Section 2 and Table 1 at paragraph 3.2 of Report number PAS/WS/22/021, be included in the medium term financial plans to 2027.

- 1.1 At its meeting on 29 September 2022, report number [PAS/WS/22/017](#) outlined the process and approach to setting the council's 2023 to 2024 budget and the principles and challenges faced in achieving this.
- 1.2 The Committee on 17 November 2022, received an update on key budget assumptions proposed in the development of the 2023 to 2024 budget and medium-term plans. The proposed key budget assumptions were set out in Section 2 of the report (and below).

1.3 **Extract from Report number PAS/WS/22/021: (Section 2 and Table 1)**

1.3.1 2. Proposals within this report – key budget assumptions

2.1 Report number [PAS/WS/22/017](#) set out a number of key budget assumptions proposed in the development of the 2023 to 2024 budget and medium-term plans and the rationale behind those assumptions. These assumptions are constantly under review, in response to further data and intelligence. Since this last report, there have been the following updates as set out below.

Government funding – Spending Review 2022

2.2 The UK Government Autumn Statement and Medium-Term Fiscal Plan is set to be delivered on 17 November 2022. At this point the only measures known to be included are the reversal of increases to National Insurance and the Health and Social Care Levy. What is not known at this time is the methodology, level or distribution of local government funding.

2.3 There is also no confirmation on local government funding reforms relating to the Fairer Funding Review and 75 per cent Business Rates Retention (BRR) scheme. The Government remain committed to these reforms, although have not set out any confirmed timeframe for when they would be completed and implemented. A roll forward of the 2022 to 2023 settlement has not been ruled out at this stage.

2.4 As a result of this current uncertainty about the detail of future Government funding we continue to include the following assumptions in our medium-term financial plans:

- That no Revenue Support Grant or New Homes Bonus allocation (or replacement) will be rolled forward into 2023 to 2024 as it was always the Government's intention to phase out these grant streams.
- The budget estimates assume a continuation of the 10 per cent reductions in the centrally held un-ringfenced grants budget for 2022 to 2023 in line with previous Government funding reductions. This includes grants such as Housing Benefit Administration.
- There will be no Fairer Funding Review and some form of BRR scheme resetting (potentially in 2025) will take place. The current projections already assume a significant loss of BRR scheme growth (accumulated since the scheme was implemented in 2013) from April 2023 and this assumption remains unchanged at this stage.
- That Suffolk authorities will remain in a business rates pool for 2023 to 2024, retaining additional BRR Scheme income for Suffolk than that of individual authorities.

2.5 These Government funding assumptions will be kept under constant review as part of the budget process. This includes following any announcements regarding the detailed funding allocations (expected following the Autumn

Statement on 17 November 2022 but likely to be late December as per previous years) and grant payments and/or consultations from central Government. This collection of assumptions has the biggest financial impact on the council's budget given the sums involved.

Pay Assumptions

- 2.6 Agreement has been reached on pay awards for local government services ('Green Book employees) between the National Joint Council for local government services and Trade unions, Unison and GMB for 2022 to 2023. A pay rise of £1,925 per annum has been agreed across all pay scales. This is effective from April 2022. The impact of this award and future estimates for pay has been included in Table 1 below.
- 2.7 The pay assumptions beyond April 2023 (previously assumed at 2 per cent) are currently under review and economic reports and assumptions expected within the Autumn Statement on 17 November will also help form a view on the final assumptions to be used in the medium-term budgets. Based on discussions with other Suffolk and partners authorities within Anglia Revenues Partnership, we have updated the 2023 to 2024 budget to assume a 4 per cent pay award, with the assumption then returning to 2 per cent from April 2024. The 2023 to 2024 pay assumption change in Table 1 also assumes the removal of the additional 1.25 per cent national insurance health and social levy.
- 2.8 The tri-annual pension report has been received and discussions are taking place regarding the level of contributions required for the pension fund from April 2023. The recent report stated that the West Suffolk pension fund is currently 102 per cent funded which provides for the opportunity to look at a reduction in pension contribution rates from those paid 2020 to 2023. Sensitivity analysis over rates is currently underway. An update on the next three years pension contribution rate will be included in the January 2023 Performance and Audit Scrutiny Committee report.

Other income assumptions

- 2.9 There has been a detailed line by line review of the 2023 to 2024 income budget assumptions across a best, base and worst-case scenario. The material outcomes of this review are included on Table 1 below and in most cases are based on levels currently being experienced during the current 2022 to 2023 financial year (further details are contained in the Quarter 2 Budget Monitoring report number [PAS/WS/22/023](#)). There is expected to be a significant level of volatility in these income assumptions given the relationship between wider economic trends and income generation for the council. This volatility will need to be closely monitored and reflected in the Section 151 report to members on the robustness of estimates and balances as part of the budget process.

Business Rates estimate for 2023 to 2024

- 1.10 The Autumn Statement on 17 November will deliver the Government plans for taxation and local authority funding. Until that date (and receipt of the following detail of allocation of funds) it is difficult to predict the impact that this will have on the financial position of the council. The current

assumption included in this Medium-Term Financial Plan is that Business Rates Retention Scheme will continue under its current guise.

3.2 **Table 1**

Budget assumption changes pressures/(improvements)	2023 to 2024 £m
Savings requirement – February 2022 budget process	1.16
Pressures:	
Income Assumption reviews (primarily based on 2022 to 2023 forecast levels): <ul style="list-style-type: none"> - Car Parking (recovery across West Suffolk car parks, however still not to pre-COVID levels for some within Bury St Edmunds), £1.1m impact - Grounds Maintenance, cleansing and tree services – reduced income levels to focus resources towards increase demand for these type of council services £0.18m impact - Other incomes, £0.06m impact 	1.34
Review of the council's (and our contribution towards the Anglia Revenue Partnership) establishment and overall cost of employment assumptions as set out in paragraph 2.6 to 2.8.	1.82
Additional utilities energy charges, resulting from worldwide economic pressures. Reduced by both £0.43m to reflect recharges to partners in shared buildings and £0.67m to reflect the use of the Toggam Solar generation in Council buildings (this will ultimately show as an income to the solar cost centre in the final budgets).	0.18
Vehicle fuel costs, increased to reflect current prices	0.27
Land Charges income, element of fee income now payable to HM Land Registry	0.06
Increased bank charges from transactional volumes as a result of customer behavioural changes	0.03
Increased third party contractual payments resulting from inflationary and economic pressures	0.08
Total pressures:	3.78
Improvements:	
Increased solar income as a result of improved rates for 2023 to 2025. Total benefit to the solar cost centre to be £1.75m additional income, allowing for use of solar generation to Council buildings under the new contract from April 2023. Reduced by £0.03m for increased R&M allowance and contractually increase in land lease.	(1.05)
Net overall increase in property rents as a result of improved occupancy and lease reviews	(0.32)
Increased investment interest as a result of rising interest rates on cash balances assumed during 2023 to 2024	(0.67)

	2023 to 2024 £m
Delivery of Solar for Business programme, increased power purchase rates on excess generation contracts. Reduced by £0.01 increase repairs and maintenance costs.	(0.10)
CCTV - net additional contract income, after allowing for increased costs	(0.08)
Budget assumption changes pressures/(improvements)	
Recycling Performance Payment - higher commodity prices (net impact as garden and multi bank rate/tonnage assumed to reduce creating a budget impact).	(0.04)
Housing Options - provision of two additional properties, amount net of operational costs	(0.09)
West Suffolk Taxi licence fee levels from April 2023 as per Cabinet report CAB/WS/22/052	(0.04)
Other minor budget changes including WSOH and Mildenhall Hub various budget changes to reflect more recent cost profiles - netting off in the main.	(0.02)
Total improvements:	(2.41)
Remaining budget gap	2.53

- 1.5 The Performance and Audit Scrutiny Committee considered the report in detail and asked questions to which comprehensive responses were provided. Discussions were held on the budget gap; pensions and the tri-annual pension report; recruitment freeze; pay award; outsourcing; the ground maintenance service and whether the council was charging commercial rates, for example for grass cutting; car park revenue; the impact of the capital programme on the budget, and the announcement made on 17 November 2022 about a possible Devolution Deal for Suffolk and whether this would have an impact on the Council's budget.
- 1.6 Detailed discussions were also held on street lighting. Some members raised concerns that there was no financial provision made in the budget for the perceived street lighting disparity in some areas of the district and felt there was no definitive move to resolve the issue and were sceptical that Cabinet would look at this further in 2023. They felt that unless financial provision was made for street lighting for the medium-term, then it would slip again. Officers advised that Cabinet on 8 November 2022 received a report on street lighting, ([Report number CAB/WS/22/058](#)) setting out the timescales and the process. In terms of the budget, there was provision for street lighting for those currently in the Council's ownership. The Committee was informed that when Forest Heath and St Edmundsbury councils joined up, street lighting had not been highlighted as a potential issue of budgetary concern, and asked members to bear with Cabinet and officers given the focus over the last few years, since becoming a single council, had been supporting the West Suffolk businesses and communities through a pandemic.
- 1.7 On 6 December 2022, the Cabinet will consider the recommendations of the Performance and Audit Scrutiny Committee, as reproduced above. Pending any amendments made by the Cabinet, these recommendations are referred to Council

for final approval for incorporation into the budget setting process for 2023 to 2024 and the medium term plans to 2027.

- 1.8 The second recommendation put forward to Cabinet by the Performance and Audit Scrutiny Committee is reproduced below for information:

'The concerns raised by some members of the Performance and Audit Scrutiny Committee of the absence of specific funding for street lighting in the former Forest Heath area be noted.'

This will also be considered by Cabinet on 6 December 2022. However, as it is an executive decision and currently only for noting, it has not been referred to Council for final approval.

2. Treasury Management Report (September 2022)

Portfolio holder: Councillor Sarah Broughton

Cabinet Report number: [CAB/WS/22/067](#)

Financial Resilience Sub-Committee Report number: [FRS/WS/22/005](#)

Appendix 1: [Arlingclose Economic and Interest Rate Forecast - September 2022](#)

Recommended:

That the Treasury Management Report (September 2022), as contained in Report number FRS/WS/22/005, be approved.

2.1 Investment Activity 1 April 2021 to 30 September 2022

Following the Financial Resilience Sub-Committee's consideration of Report number: [FRS/WS/22/005](#) on 7 November 2022, the Service Manager (Finance and Procurement) verbally reported on the Sub-Committee's consideration of the report.

- 2.2 The Council held investments of £78,000,000 as at 30 September 2022. Interest earned during the first half of the financial year amounted to £317,734, against a profiled budget for the period of £22,500.

- 2.3 External borrowing as at 30 September 2022 was £13,875,000, a reduction of £125,000 from 1 April 2022, which relates to the repayment plan for the recent Public Works Loan Board (PWLB) £10 million 40-year loan, with the Council's level of internal borrowing increasing slightly to £41,699,661 as at 30 September 2022. Overall borrowing, weighted towards internal borrowing is expected to increase over the full financial year.

- 2.4 Borrowing costs, which included interest payable and Minimum Prudential Indicators (MRP) for the year are forecast to be £1,069,488 against an approved

budget of £2,268,350. However, this could change if more external borrowing is undertaken than is currently forecast.

- 2.5 The 2022-2023 Annual Treasury Management and Investment Strategy sets out the Council's projections for the current financial year. The budget for investment income for 2022 to 2023 was £45,000, which was based on a 0.25 percent target interest rate of return on investments.
- 2.6 The report also included a summary of the borrowing activity during the period; borrowing strategy and sources of borrowing; borrowing and capital costs – affordability; borrowing and income – proportionality; borrowing and asset yields and market information.
- 2.7 The Sub-Committee scrutinised the investment activity for 1 April 2022 to 30 September 2022, and asked questions to which responses were provided. In particular, discussions were held on the current interest rate rises; what happened to the additional interest received on cash balances; the solar farm yield for 2021 to 2022 and the Barclays £4 million loan.
- 2.8 The Performance and Audit Scrutiny Committee on 17 November 2022 scrutinised the report. In particular, discussions were held on what the Council's policy was for lending to other local authorities; gilt yields; capital projects and investment levels.
- 2.9 Discussions were also held on the £4 million Barclays loan and whether the Council has considered paying off the loan early. Officers advised that the Council was looking at options and was in discussions with its advisors regarding this matter.
- 2.10 On 6 December 2022, the Cabinet will consider the recommendation of the Performance and Audit Scrutiny Committee, as reproduced above. Pending any comments made by the Cabinet, this recommendation is referred to Council for final approval.

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3. Western Way Project Review – December 2022

Portfolio holder: Councillor Joanna Rayner

Cabinet Report number: [CAB/WS/22/068](#): Also attached in full to this report

Report number: CAB/WS/22/068 [Main Document](#)

Appendix 4: [Risk Assessment](#)

Recommended, that:

- 1. This review and update of the business case for the Western Way (WW) project, Bury St Edmunds and, as part of that wider scheme, the replacement of the Bury St Edmunds Leisure Centre, be approved, so that Cabinet and officers can continue to deliver phase 1 of the project and any interim works to the rest of the site on the revised basis set out in this review and in accordance with the Council's Constitution.**
- 2. The existing authorities, financial provisions, safeguards and financial tests for delivery of the project be updated as follows:**
 - (a) the remainder of the due diligence for the second stage of tendering be carried out in accordance with the two new gateways defined in Section E of this review.**
 - (b) for either facility to be included in the phase 1 construction contract, Suffolk County Council must have entered into a formal pre-let agreement for an archive facility and/or pre-school which meets the One Public Estate principles of full cost recovery.**
 - (c) the previous spending caps and financial tests for the hub and leisure centre be replaced by a new combined and reduced net capital expenditure limit of £65 million for the total phase 1 scheme defined in this report i.e. project costs, market analysis, enabling works, construction of the initial community hub, installation of renewables.**
 - (d) in addition to this cap on expenditure, at the time the main construction contract is signed, the phase 1 scheme must not increase the Council's existing MTFS provision of £724,000 for Bury St Edmunds Leisure Centre and, in relation to other ancillary elements of the new hub, be capable of achieving at least a break-even position over the whole life of the borrowing.**
 - (e) in addition to the phase 1 scheme defined in the review, a further capital allocation of up to £10 million be made in the Council's capital programme for interim works to the remainder of the Western Way site as defined in Appendix 3**

of this report and also on the basis of at least a break-even income position over the life of the borrowing.

- (f) subject to consultation with the relevant portfolio holders, approval be given for interim or enabling works ahead of the main contract for phase 1, to be financed from within the new combined WW capital budget of £75m. But only where these works will increase the commercial value of the site irrespective of whether the WW project proceeds or not.**
- (g) the cash flow risk being managed.**
- (h) the most beneficial and economic funding method for the project is identified, including entering into agreements with third-party investors if required; and**
- (i) any phase 2 scheme for a permanent use of the remainder of the WW site be subject to a new and separate business case to councillors before the conclusion of the phase 1 construction programme.**

- 3.1 The Western Way (WW) project in Bury St Edmunds is part of a network of existing or planned community hub projects across the whole West Suffolk area being delivered by partners in the public, charity and community sectors. These range in scale from a community-led hub project in Clare up to the multi-agency Mildenhall Hub which opened in June 2021.
- 3.2 WW was approved for delivery by Council in late 2019 and achieved planning consent in 2021 on the completion of its Section 106 agreement. After reviewing the impact of the COVID-19 pandemic, Council gave support for a phased delivery of the project in June 2021. In both instances, a set of financial tests were set to safeguard the interests of taxpayers. A final review of these tests by Cabinet is currently required before any contract can be awarded. This would not occur before March 2023.
- 3.3 Given the current economic situation and the changing requirements of partners, Cabinet has asked that an interim review of the status of the project be carried out before the end of 2022 so that Council can consider whether it wishes to continue with the current project. This report provides that review.
- 3.4 Therefore, Members are requested to refer to Report number CAB/WS/22/068 and associated documentation, as attached to this report, which sets out the review in full.

4. West Suffolk Local Council Tax Reduction Scheme (LCTRS) 2023 to 2024

Portfolio holder: Councillor Sarah Broughton

Cabinet Report number: [CAB/WS/22/069](#)

Appendix A [Summary of Consultation Responses](#)

Appendix B [Equalities Impact Assessment](#)

Appendix C [Draft West Suffolk Local Council Tax Reduction Scheme](#)

Recommended, that:

- 1. The Local Council Tax Reduction (LCTRS) Scheme for 2023 to 2024, as outlined in Report number CAB/WS/22/069, be reviewed.**

- 2. The changes to the Scheme outlined in section 2 of Report number CAB/WS/22/069 and that the maximum discount change only relates to 2023 to 2024, be agreed.**

- 4.1 Each year the Council is required to review its Local Council Tax Reduction Scheme (LCTRS). This report provides an annual review of the 2022 to 2023 scheme and proposes to make changes to the scheme for 2023 to 2024.

- 4.2 Councils are required to review their LCTRS schemes annually and consider whether any changes need to be made. Where it is determined to retain the existing scheme, this must be decided by 11 March of the preceding financial year.

- 4.3 Where councils decide that they wish to amend their schemes they need to consult preceptors and stakeholders prior to a wider consultation to inform a final scheme design by 28 February of the preceding financial year.

- 4.4 The current West Suffolk Working Age LCTRS scheme provides a maximum benefit of 91.5 per cent for working age claimants and the scheme also fully protects war pensioners. The aim in designing the scheme was to achieve a balance in charging an amount of Council Tax to encourage customers back into work whilst setting the amount charged at an affordable and recoverable level during the year.

- 4.5 A separate statutory scheme applies to pensioners who can receive up to a maximum 100 per cent reduction of their Council Tax bill.

- 4.6 West Suffolk Council identified potential changes to the LCTRS for 2023 to 2024. This would be for one year only and designed to support low-income working age residents, in light of the current pressures on the cost of living. These proposals are set out in section 2 of this report.

- 4.7 A Portfolio Holder decision was taken on 7 October 2022 to consult on the proposals. The consultation ran from 18 October to 18 November 2022. Major preceptors and stakeholders have responded and the responses received and the key points raised are covered in section 4.1 of Report number CAB/WS/22/069.

Proposals

- 4.8 The proposed change to the West Suffolk Local Council Tax Reduction Scheme where it is proposed should take effect from 1 April 2023 (and last for one year only) is that **the maximum reduction on Council Tax paid should be increased from 91.5 per cent to 100 per cent. This would be a means tested scheme.**

This would reduce the amount that many Council Tax payers have to pay and could result in some working-age residents paying zero Council Tax.

- 4.9 The background to the proposed changes is as follows:
1. This is part of an initiative to help those residents in financial hardship in light of the current cost of living crisis.
 2. Many councils across Cambridgeshire, Suffolk and Norfolk are considering 100 per cent schemes to help mitigate rising costs living costs for customers.
 3. In Suffolk, the proposals would help support Suffolk County Council's Tackling Poverty Action Plan by maximising residents' financial resilience.
 4. The proposal is very well targeted as it will reach those who are already on means tested benefits and has low administrative costs
 5. The impact on household budgets must also be considered, we would expect the impact of higher costs to affect individuals' ability to pay into the 2023 to 2024 financial year.
 6. The aim is that by providing additional support to customers it could help avoid crisis situations, for example, homelessness and lead to fewer applications for Exceptional Hardship Payments from those in receipt of council tax support.
 7. This proposal is a short-term measure for the financial year 2023-2024. After this period West Suffolk Council's LCTRS Scheme would revert to the current 8.5 per cent contribution rate as set out in the recent consultation.
- 4.10 It should be noted that the maximum reduction would not only apply to those already receiving a 91.5 per cent reduction. The increase would effectively 'stretch' the reductions that could be received, thereby benefitting a wider range of customers.
- 4.11 Separate from these proposals, the figures used in the calculation of how much a Council Tax payer needs to live on (known as the applicable amounts) will be automatically increased in 2023-24 in line with Government policy. This will enable a number of new residents to claim Council Tax support for the first time.

5. Council Tax Base for Tax Setting Purposes 2023 to 2024

Portfolio holder: Councillor Sarah Broughton

Cabinet Report number: [CAB/WS/22/070](#)

Appendix 1 [West Suffolk CTB Return made to DLUHC as at 3 October 2022](#)

Appendix 2 [Distribution of West Suffolk Properties and Tax Base across Valuation Bands](#)

Appendix 3 [2023 to 2024 Council Tax Base for each Town and Parish area within West Suffolk](#)

Recommended, that:

1. **The tax base for 2023 to 2024, for the whole of West Suffolk be 57,987.01 equivalent band D dwellings, as detailed in paragraph 2.3 of Report number CAB/WS/22/070.**
2. **The tax base for 2023 to 2024 for the different parts of its area, as defined by parish or special expense area boundaries, be as shown in Appendix 3 of Report number CAB/WS/22/070.**

- 5.1 The council tax base is the total taxable value at a point in time of all the domestic properties in the council's area. It is a yearly calculation and represents the estimated number of chargeable dwellings after allowing for exemptions and discounts, projected changes in the property base and after applying an estimated collection rate.
- 5.2 The total taxable value referred to above is arrived at by each dwelling being placed in one of eight valuation bands (A – H) by the Valuation Office, with a statutorily set fraction then 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 calculation 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.
- 5.3 The council tax base is used in the calculation of council tax. Each authority divides the total council tax income it needs to meet its budget requirement by the tax base of its area to arrive at its band D council tax. The same fractions referred to in the previous paragraph are then used to work out the council tax for properties in each of the other bands.
- 5.4 The calculation of the tax base for council tax setting purposes consists of three stages:
1. Calculation of the tax base for central government purposes as at 3 October 2022 (DLUHC return – CTB).
 2. Calculation of the tax base for council tax setting purposes by adjusting the band D equivalents to reflect changes in the tax base as a result of Local

Council Tax Support Scheme changes (considered elsewhere on the Cabinet agenda Report number CAB/WS/22/069), projected changes in the property base and predicted collection rates.

3. Analysis of band D equivalents over each of the parish areas in order to determine individual parish council tax bases.

5.5 The tax base return 'CTB' is used by central government for data collection, grant allocations and policy development (see Appendix 1). This return shows the analysis of properties across the eight valuation bands for the following classifications of liability:

- properties attracting 100 per cent liability
- properties attracting a premium, such as second homes
- properties with an entitlement to a discount of 25, 50 or 100 per cent, such as disabled relief
- properties that are exempt, such as those occupied by United States air force personnel
- local council tax reduction scheme discounts

5.6 The figures used to make the above calculations are derived from the Valuation List as deposited on 12 September 2022, and as amended to reflect any errors or omissions so far detected in reviewing that list. They are based on the data held on the council tax system at a set point in time – 3 October 2022. The tax base for this purpose, which is calculated at a West Suffolk level, is 59,131.5.

5.7 The band D properties figure as at 3 October 2022 of 59,131.5, as quoted in line 33 of the CTB form at Appendix 1, has been updated as at 31 October 2022 to allow for:

1. Any changes to the Local Council Tax Support (LCTS) scheme. Proposals to increase the discount for Council Tax given to people on low incomes, which is being considered elsewhere on this agenda (Report number CAB/WS/22/069), have been incorporated into the calculation of the tax base.
2. Any technical changes to discounts and exemptions such as empty properties and second homes. There are no plans to change the current scheme for 2022 to 2023.
3. Potential growth in the property base during 2023 to 2024 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.
4. An allowance for losses in collection, which assumes that the overall collection rate for 2023 to 2024 will be 98 per cent.

5.8 The resulting tax base figure for council tax collection purposes, expressed in terms of the number of band D equivalent properties, is **57,987.01** for 2023 to 2024. This is an increase of 580.67 on the tax base for the current year of 57,406.34.

5.9 The table at Appendix 2 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.

It also shows the spread of the tax base across the bands totalling the tax base for central government purposes (CTB) and the tax base for council tax setting purposes after all of the adjustments have been made.

- 5.10 The tax base figure for West Suffolk outlined in paragraph 2.6 of the report, is analysed further across individual town and parish councils to form their tax base figures for the purpose of budget setting and determining the parish band D tax levels in each of those areas. Town and parish tax base figures are set out in Appendix 3. 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 2023 to 2024, will be determined by the Director (Resources and Property) (Chief Financial Officer). The payments schedule for all parish and town councils in West Suffolk will be full payment of the precepts by 30 April 2023.