

Report to: Cabinet

Date: 15 November 2021

Report of: Deputy Chief Executive **Report No:** 31508

Contact Officer: Sue Johnson, Ext 1502

Report Title: Council Tax Base for 2022/23

Non Confidential: This report does **not** contain information which warrants its consideration in the absence of the press or members of the public

Purpose: This report updates Cabinet on any changes in the taxbase to be used in the calculation of the Council Tax and Business Rates for 2022/23 (the tax base for tax setting purposes).

Background Doc(s): None

Appendices / Attachments None

Recommendations: It is recommended that the Cabinet approves:-

- (a) the report of the Deputy Chief Executive for the calculation of the Council's tax base for tax setting purposes for the year 2022/23.
- (b) that the Council Tax base for the year 2022/23 shall be 77,795 band D equivalents.

Decision:

Signed:

Leader / Executive
Member

Monitoring Officer

Date:

Summary:

This report sets out the calculation of the taxbase to be used in the calculation of the Council Tax and Business Rates for 2022/23 (the tax base for tax setting purposes).

1. **INTRODUCTION**

This report sets out the calculation of the taxbase to be used in the calculation of the Council Tax and Business Rates for 2022/23 (the tax base for tax setting purposes). This is a technical and complicated issue and is presented in some detail on the advice of the LGA.

2. **THE COUNCIL TAX BASE FOR TAX SETTING PURPOSES**

Appendix 1 shows the calculation of the Council Tax base for tax setting purposes for 2022/23, in accordance with the method stipulated by the regulations. This is complex, but is included for completeness and information. The main features of the calculation are:

- exempt properties are removed (e.g. unoccupied and unfurnished etc.)
- disablement relief is based upon those eligible
- discounts (including the Council Tax Support Scheme) are included based upon predicted trends.

The above changes result in a taxbase before adjustment for losses on collection of 79,383 band D equivalents.

Over and above the factors mentioned above, the Council needs to determine its collection rate for the year, which is to take account of collection difficulties. Based on an assessment of past collection performance, this has been maintained at 98% and results in a taxbase for tax setting purposes of 77,795 band D equivalents, an increase of 1,514 properties (1.99%) on the 2021/22 tax base.

Council Tax base for tax setting 2022/23

For each property valuation band, the total number of properties is calculated by adjusting the actual number of properties in the band shown on the Council Tax valuation list for:

- * the estimated full year effect of changes in the year (e.g. boundary changes, demolished properties)
- * the estimated full year effect of discounts in the year (for single persons, Council Tax Support Scheme, students etc.)
- * the appropriate fraction of the band D tax payable in that band (to reflect the fact that properties in bands below band D will pay less than band D and properties in bands above band D will pay more than band D)

The figures for each band are then totalled and multiplied by the authority's estimate of its overall collection rate for the year.

The calculation is set out on the next page.

Council Tax Base for Tax Setting 2022/23 (Items A to J relate to specific references in the regulations)

	Band A*	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
Total no of dwellings on the valuation list	64,757	22,014	18,754	10,617	5,669	2,291	1,874	242	126,218
<u>Known changes</u>									
less demolished properties	0	0	0	0	0	0	0	0	0
less exempt dwellings	(1,613)	(324)	(289)	(126)	(73)	(21)	(19)	(1)	(2,466)
Disabled relief-net change	108	35	(52)	(34)	(26)	0	(8)	(23)	0
Changes following appeals	72	(11)	(26)	(16)	(11)	(2)	(5)	(1)	0
<u>Adjusted number of dwellings (Item H of calculation of ctaxbase)</u>	63,324	21,714	18,387	10,441	5,559	2,268	1,842	217	123,752
Total number of single person/student discounts etc. (Item I of calculation of ctaxbase)	(29,190)	(7,765)	(5,284)	(2,445)	(997)	(393)	(330)	(30)	(46,434)
<u>Rate of discount (Item E of calculation of ctaxbase) - 25%</u>									
Total discounts in property equivalents ie item I multiplied by E	(7,298)	(1,941)	(1,321)	(611)	(249)	(98)	(83)	(8)	(11,609)
Family Annexe and Empty Properties	442	88	45	29	16	6	6	4	636
Adjustment for Discounts under the Council Tax Support Scheme	(13,515)	(1,921)	(927)	(279)	(101)	(22)	(13)	(1)	(16,779)
Net property numbers (after known changes)	42,953	17,940	16,184	9,580	5,225	2,154	1,752	212	96,000
<u>Adjustments</u>									
Demolished properties/boundary change in 2022/23	0	0	0	0	0	0	0	0	0
Additional discounts in properties claimed during the year	0	0	0	0	0	0	0	0	0
<u>Total adjustments (item J)</u>	0	0	0	0	0	0	0	0	0
Net property numbers after adjustment	42,953	17,940	16,184	9,580	5,225	2,154	1,752	212	96,000
<u>Calculation of band D equivalents</u>									
<u>Band proportion (item F)</u>	5 & 6	7	8	9	11	13	15	18	
<u>Band proportion for band d (item G)</u>	9	9	9	9	9	9	9	9	
Relevant amount for valuation band net property numbers multiplied by F divided by G (Item A of calculation ctaxbase)	28,623	13,953	14,386	9,580	6,386	3,111	2,920	424	79,383
Estimated collection rate for the year (item B of calculation of ctaxbase)									98.00%
<u>Council tax base for 2022/23 ie item A multiplied by item B</u>									77,795

* includes Band A properties entitled to disabled relief