

**Subject: Council Tax – Tax Base  
Council Tax Discounts**

Report to: Policy and Resources Committee 28 November 2017  
Council 14 December 2017

Report by: Stuart Brabben – Revenues Manager

### **SUBJECT MATTER/RECOMMENDATIONS**

This report asks the Council to approve the calculation of the 2018/19 tax base totaling 28,064. This is the total number of domestic properties in the Borough using band D as the average property band.

The Council is also asked to approve the levels of Council Tax Discount that shall apply for 2018/19 as set out in the report.

#### **RECOMMENDATIONS:**

To approve the estimated tax bases for the Borough and for each parish, as shown in Appendix A

To approve the council tax discounts as shown in Section 3.1 which will apply for 2018-19

## **1. INTRODUCTION/BACKGROUND**

The Council Tax base is a technical calculation that has to be formally set each year. It is the first stage of the Council Tax setting process that will be finalised once the budgets have been agreed.

## **2. TAX BASE CALCULATION**

2.1 Dwellings have been valued in accordance with the following valuation bands:

<i>Valuation</i>	<i>Range of Values</i>	<i>Proportion of 'Band D charge'</i>
A	Up to £40,000	6/9=2/3
B	Over £40,000 up to £52,000	7/9
C	Over £52,000 up to £68,000	8/9
D	Over £68,000 up to £88,000	9/9=1
E	Over £88,000 up to £120,000	11/9
F	Over £120,000 up to £160,000	13/9
G	Over £160,000 up to £320,000	15/9

The tax bill for each band is calculated in proportion to band D, which is deemed to be the average for these purposes. Accordingly, a taxpayer whose home is in band A will pay two-thirds of what someone whose home is in band D will pay; a taxpayer whose home is in band H will pay twice what someone whose home is in band D will pay.

- 2.2 A tax base calculation has to be done in accordance with the Local Authority (Calculation of Council Tax Base) Regulations 1992 and Local Authority (Calculation of Council Tax Base) Regulations 2012 as amended, for each parish based on the number of taxable dwellings calculation in terms of band D equivalent.
- 2.3 The calculation involves the following:
- (a) The number of current chargeable dwellings for each band shown in the valuation list;
  - (b) The number of discounts and disabled reductions which apply to those dwellings;
  - (c) The estimated changes during the coming year, for example, for new properties, discounts and appeals;
  - (d) The proportion which dwellings in a band bear to dwellings in band D (as shown in paragraph 1.1); and
  - (e) The estimated collection rate (98.25%)
- 2.4 For the purposes of this report the Local Council Tax Support Scheme has been estimated for a maximum award of 91.5% for working age claimants
- 2.5 The overall tax base for the Borough has increased by 722 Band D equivalents compared to last year. The main reasons for this are:
- (a) The estimated net number of Band D equivalent new properties to be added the remainder of this year and next year is 230
  - (b) The Council used its discretion in 2017-18 to reduce certain discounts connected with unoccupied and empty dwellings and a prudent estimate was made of these changes within last year's tax base. However, a greater tax base increase has occurred than predicted.
  - (c) The Council has carried out a mobile home review during 2017-18, which has resulted in over 130 properties being identified.
  - (d) The Council has carried out a review of single resident discounts during 2017-18 and this has resulted in properties previously receiving a single resident discount now receiving a full council tax charge

### 3. COUNCIL TAX DISCOUNTS

- 3.1 Under Section 11A of the Local Government Finance Act 1992 as enacted by Section 75 of the Local Government Act 2003, Section 11B of the Local Government Finance

Act 1992, as enacted by Section 11 and Section 12 of the Local Government Finance Act 2012 and in accordance with the provisions of the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 and the Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 the mechanism for levying council tax discount on unoccupied and empty domestic properties is set out. The regulations allow Councils some discretion in setting the level of council tax charged in respect of these unoccupied properties and second homes. For the financial year 2018/19 it is proposed that these discounts will remain the same as for 2017/18 and are as follows;

<b>Class C:</b> Properties vacant (unoccupied and unfurnished) for one month or less	100% discount
<b>Class C:</b> Properties vacant (unoccupied and unfurnished) for one month and one day or more and up to 2 years	0% discount (full 100% charge)
<b>Class B:</b> Furnished Properties and second homes that are no one's main residence	0% discount (Full 100% charge)
<b>Class C:</b> Properties vacant (unoccupied and unfurnished) for 2 years or more	150% charge (50% Empty Property Premium)
<b>Class D:</b> Property that is vacant (unoccupied and unfurnished) and (a) it requires or is undergoing major repair work to render it habitable,  (b) It is undergoing structural alteration or  (c) it has undergone major repair works to render it habitable or structural alteration and less than six months have elapsed since the date on which the work was substantially completed and the dwelling has remained vacant since that date.	0% discount (full 100% charge)
<b>Class A:</b> Properties that fall into Class A of Section 11A of the Local Government Finance Act 1992 and the Council Tax	10% discount

<p>(Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012</p> <ul style="list-style-type: none"> <li>- A property that is not the sole or main residence of an individual,</li> <li>- which is furnished, and</li> <li>- the occupation of which is restricted by a planning condition preventing occupancy for a continuous period of at least 28 days in a relevant year</li> </ul>	
---	--

**4. FINANCIAL IMPLICATIONS**

To comply with a statutory requirement as the first stage of the Council Tax setting process

**5. RECOMMENDATIONS**

To approve the calculation of the 2018/19 tax base totaling 28,064 and the estimated tax bases for the Borough and for each parish, as shown in Appendix A.

To approve the levels of Council Tax discounts to apply for 2018/19 as shown in section 3.1.

**6. BACKGROUND PAPERS**

Local Authority (Calculation of Tax Base) Regulations 1992 and 2012.

The Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003.

<b>Area for consideration</b>	<b>Comment</b>
Monitoring Officer Consultation:	<b>None</b>
Section 151 Officer Consultation:	<b>Section 151 Officer consulted</b>
Existing Council Policies:	
Financial Implications:	<b>To comply with a statutory requirement as the first stage of the Council Tax setting process.</b>
Legal Implications (including human rights):	<b>As above</b>

Risk Implications:	None
Equality Issues/EQIA assessment:	None
Crime & Disorder:	None
Every Child Matters:	None

**TAX BASE -EQUIVALENT BAND'D' for 2018/2019 -OVERALL TAXBASE**

Appendix A

	Current Data base after discounts	Adjustments for Assumptions				Adjusted total	Non- collection 1.75%	TAX BASE	Current % in parish
		+ New Props	Less Appeals	Less Seasonal	Discount Changes				
<b>PARISH:</b>									
Gt Yarmouth/Gorleston	12,487	115	0	0	0	12,602	-221	12,381	43.60%
Ashby with Oby	23	0	0	0	0	23	0	23	0.08%
Belton with Browston	1,142	2	0	0	0	1,144	-20	1,124	3.99%
Bradwell	3,534	75	0	0	0	3,609	-63	3,546	12.34%
Burgh Castle	475	9	0	-13	0	471	-8	463	1.66%
Caister on Sea	2,819	0	0	0	0	2,819	-49	2,770	9.84%
Filby	324	15	0	0	0	339	-6	333	1.13%
Fleggburgh	388	4	0	0	0	392	-7	385	1.35%
Fritton with St Olaves	273	1	0	0	0	274	-5	269	0.95%
Hemsby	1,542	-20	0	-138	0	1,384	-24	1,360	5.38%
Hopton	1,039	0	0	0	0	1,039	-18	1,021	3.63%
Martham	1,111	5	0	0	0	1,116	-20	1,096	3.88%
Mautby	145	5	0	0	0	150	-3	147	0.51%
Ormesby St Margaret	1,728	10	0	-103	0	1,635	-29	1,606	6.03%
Ormesby St Michael	114	0	0	0	0	114	-2	112	0.40%
Repps with Bastwick	151	1	0	0	0	152	-3	149	0.53%
Rollesby	344	1	0	0	0	345	-6	339	1.20%
Somerton	116	2	0	0	0	118	-2	116	0.41%
Stokesby	119	1	0	0	0	120	-2	118	0.42%
Thurne	51	1	0	0	0	52	-1	51	0.18%
West Caister	74	1	0	0	0	75	-1	74	0.26%
Winterton	639	2	0	-50	0	591	-10	581	2.23%
<b>TOTAL</b>	<b>28,638</b>	<b>230</b>	<b>0</b>	<b>-304</b>	<b>0</b>	<b>28,564</b>	<b>-500</b>	<b>28,064</b>	<b>100%</b>