

Subject: Council Tax – Tax Base

Report to: EMT 17 November 2016, Policy and Resources Committee 29 November 2016 and Council 22 December 2016

Report by: Stuart Brabben – Revenues Manager

SUBJECT MATTER/RECOMMENDATIONS

This report asks the Cabinet to approve the calculation of the 2017/18 tax base totaling 27,342. This is the total number of domestic properties in the Borough using band D as the average property band. It is recommended that the estimated tax bases for the Borough and for each parish, as shown in Appendix A be approved.

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. MAIN BODY

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	$15/9=5/3$
H	Over £320,000	$18/9=2$

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 The overall tax base for the Borough has increased by 689 Band D equivalents compared to last year. The main reasons for this are:

- (a) The estimated net number of new properties to be added the remainder of this year and next year is 280.
- (b) The Council resolved on 3 November to change Council Tax discounts where they have discretion, in the following ways;
 - (i) . That the Council Tax discount for second homes defined as being within Class A of the Regulations has been changed from 50% to 10% for 2017/2018;
 - (ii) That the Council Tax discount for second homes as defined by Class B of the Regulations has been changed from 5% to 0% for 2017/2018;
 - (iii) That the Council Tax discount for empty dwellings defined as being within Class C of the Regulations has been changed for 2017/2018, so that the 100% discount has been changed from a three month period to a one month period starting on the day the property becomes unfurnished. Following the expiry of one month 0% discount will be charged
 - (iv) That the Council Tax discount for uninhabitable dwellings defined as being within Class D of the Regulations has been changed to 0% for 2017/18;

2.5 The estimated collection rate has been reduced by 0.25% from the previous year, as following the discount changes above, there may be some collection problems in the first year

3. **FINANCIAL IMPLICATIONS**

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

4. **RISK IMPLICATIONS**

5. **CONCLUSIONS**

6. **RECOMMENDATIONS**

To approve the calculation of the 2017/18 tax base totaling 27,342 and the estimated tax bases for the Borough and for each parish, as shown in Appendix A.

7. **BACKGROUND PAPERS**

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

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

Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?

Area for consideration	Comment
Monitoring Officer Consultation:	
Section 151 Officer Consultation:	Section 151 Officer consulted
Existing Council Policies:	
Financial Implications:	To comply with a statutory requirement as the first stage of the Council Tax setting process.
Legal Implications (including human rights):	As above
Risk Implications:	
Equality Issues/EQIA assessment:	
Crime & Disorder:	
Every Child Matters:	

TAX BASE -EQUIVALENT BAND'D' for 2017/2018 -OVERALL TAXBASE

Appendix A

~~~~~Adjustments for Assumptions~~~~~									
Current	+ New	Less	Appeals	Less	Seasonal	Discount	Adjusted	Non-	TAX
Data base	Props				Changes	*	total	collection	BASE
after								1.75%	
discounts									
<u>PARISH:</u>									
Gt Yarmouth/Gorleston	97	0	0	0	0	119	12,131	-212	11,919
Ashby with Oby	0	0	0	0	0	0	23	0	23
Belton with Browston	11	0	0	0	0	5	1,131	-20	1,111
Bradwell	79	0	0	0	0	12	3,532	-62	3,470
Burgh Castle	4	0	0	-7	0	10	413	-7	406
Caister on Sea	5	0	0	0	0	17	2,793	-49	2,744
Filby	14	0	0	0	0	2	325	-6	319
Fleggburgh	1	0	0	0	0	2	392	-7	385
Fritton with St Olaves	2	0	0	0	0	2	273	-5	268
Hemsby	16	0	0	-88	0	119	1,376	-24	1,352
Hopton	10	0	0	0	0	4	1,030	-18	1,012
Martham	5	0	0	0	0	7	1,100	-19	1,081
Mautby	2	0	0	0	0	1	146	-3	143
Ormesby St Margaret	19	0	0	-63	0	88	1,614	-28	1,586
Ormesby St Michael	1	0	0	0	0	1	116	-2	114
Repps with Bastwick	1	0	0	0	0	1	150	-3	147
Rollesby	2	0	0	0	0	1	342	-6	336
Somerton	3	0	0	0	0	1	118	-2	116
Stokesby	1	0	0	0	0	1	120	-2	118
Thurne	1	0	0	0	0	0	50	-1	49
West Caister	1	0	0	0	0	0	76	-1	75
Winterton	5	0	0	-28	0	37	578	-10	568
<b>TOTAL</b>	<b>280</b>	<b>0</b>	<b>-186</b>	<b>430</b>	<b>27,829</b>	<b>-487</b>	<b>27,342</b>	<b>100%</b>	