



<b>REPORT OF:</b>	FINANCE MANAGER
<b>AUTHOR:</b>	BILL PALLETT
<b>TELEPHONE:</b>	01737 276559
<b>E-MAIL:</b>	Bill.Pallett@reigate-banstead.gov.uk
<b>TO:</b>	COUNCIL
<b>DATE:</b>	15 DECEMBER 2011

<b>WARD(S) AFFECTED:</b>	All
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<b>SUBJECT:</b>	THE COUNCIL TAX BASE FOR 2012/13
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**RECOMMENDATION:**

In accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the Council Tax base for 2012/13 for each of the Council's areas shall be as follows:

<b>Reigate &amp; Banstead Council as a whole:</b>	<b>59,403</b>
<b>Horley Town Council area:</b>	<b>8,883</b>
<b>Salfords &amp; Sidlow Parish area:</b>	<b>1,413</b>

**REASONS FOR RECOMMENDATION:**

The Council's Constitution states that the Council Tax Base can only be approved by the full Council.

**EXECUTIVE SUMMARY:**

The Council Tax Base is the measure of the relative taxable capacity of each of the three different tax-raising areas of the Borough (the Borough as a whole, the Parish Council area and the Town Council area). It has to be determined before 31 January each year and reported to the Department for Communities & Local Government.

**STATUTORY POWERS**

1. Section 67 of *The Local Government Finance Act 1992* (as amended by Section 84 of the *Local Government Act 2003*) requires a Local Authority to determine its Council Tax Base for the following financial year before 31 January each year.

**ISSUES**

2. The Tax Base is the measure of the relative taxable capacity of each of the three different tax-raising areas of the Borough (the Borough as a whole, the parish council area and the town council area). It identifies the number of "Band D

equivalents” within each area and because of this it does not directly correlate to the number of dwellings on the electoral register. Once determined, it is reported to the Department for Communities & Local Government (DCLG) each year and is used in the calculation of Revenue Support Grant (RSG).

3. The number of properties in each Council Tax band is identified and then adjusted to take account of discounts and exemptions.
4. The level of discounts has reduced the chargeable base by 8% for 2012/13, which is the same percentage as for 2011.
5. The adjusted numbers of dwellings are then restated as “Band D equivalents” and it is these figures that are reported to the DCLG.
6. A provision for non-collection is then applied. It is proposed that a non-collection rate of 0.8% is applied for the 2012/13 base, the same as for the 2010/11 base. This means the Council will budget to collect (over time) 99.2% of the Council Tax for next year. The resulting figures form the Tax Base.
7. The 2012/13 calculations (detailed in Annexes 1, 2 and 3) are summarised in Table 1 below, together with the last year’s figures for comparison.

**Table 1: 2012/13 Council Tax Base Summary (Band D Equivalents)**

<b>Area</b>	<b>2011/12</b>	<b>2012/13</b>	<b>% Change</b>
Reigate & Banstead as a whole	58,944	59,403	+0.8%
Horley Town Council	8,761	8,883	+1.4%
Salfords & Sidlow Parish Council	1,400	1,413	+0.9%

8. The overall increase in the number of dwellings reflects developments being completed and occupied.

## **OPTIONS**

9. When calculating and setting the Tax Base the Council has to follow specific regulations laid down under statutory instruments. There is therefore no opportunity for Members to make any changes to the levels set out in the recommendation.

## **LEGAL IMPLICATIONS**

10. The Council Tax base is a key element of the statutory calculation of the Council Tax.

## **FINANCIAL IMPLICATIONS**

11. Determining the Council Tax base is a prerequisite for the calculation of the Council Tax. Budget and Council Tax levels will be addressed in the coming months.

### **EQUALITIES IMPLICATIONS**

12. There are no specific equalities implications arising from this report.

### **RISK MANAGEMENT CONSIDERATIONS**

13. There are no risk management considerations.

### **OTHER IMPLICATIONS**

14. There are no other implications arising from this report.

### **CONSULTATION**

15. There is no consultation requirement associated with this report.

### **POLICY FRAMEWORK**

16. The Corporate Plan 2011/15 (a Level One policy document under the Council's Constitution) includes the corporate priority "achieve savings to deliver a balanced budget and the Council's priorities".

**Background Papers:** *Council Tax Base 2011/12*  
Council  
9 December 2010