



<b>REPORT OF:</b>	FINANCE MANAGER
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<b>TO:</b>	COUNCIL
<b>DATE:</b>	12 DECEMBER 2013

<b>WARD(S) AFFECTED:</b>	All
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<b>SUBJECT:</b>	THE COUNCIL TAX BASE FOR 2014/15
<b>RECOMMENDATION:</b>  <b>1. In accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the Council Tax base for 2014/15 for each of the Council's areas shall be as follows:</b>  <b>Reigate &amp; Banstead Council as a whole: 57,001</b>  <b>Horley Town Council area: 8,479</b>  <b>Salfords &amp; Sidlow Parish area: 1,341</b>	
<b>REASONS FOR RECOMMENDATION:</b>  The Council's Constitution states that the Council Tax Base can only be approved by the full Council.	
<b>EXECUTIVE SUMMARY:</b>  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

### Background

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). Town and Parish Councils ("local preceptors"), the County Council and the Police Authority ("major preceptors") are then notified of the proposed tax base relevant to them. As the billing authority, Reigate & Banstead Borough Council ("the Council") are responsible for the collection of council tax and payment of precepts to the precepting bodies.

### The Council Tax Base calculation

3. The Council Tax base represents the estimated full year number of chargeable properties in an area, expressed as the equivalent number of "Band D" properties. These calculations are based on the numbers of properties by Council Tax band in the Valuation List, plus the estimated new properties likely to be occupied in 2014/15. The result is adjusted for discounts, exemptions and reductions and then an estimated collection rate applied. It is due to these adjustments that the total number of properties for Council Tax base purposes does not directly correlate to the number of properties on the electoral register. The 2014/15 Council Tax Base (detailed in Annexes 1, 2 and 3) is set out in Table 1 below.

**Table 1: 2014/15 Council Tax Base Summary** (Band D Equivalents)

Area	2013/14	2014/15	% Change
Reigate & Banstead as a whole	56,697	57,001	+1%
Horley Town Council	8,362	8,479	+1%
Salfords & Sidlow Parish Council	1,367	1,341	-2%

4. 2013/14 was the first year of the Local Council Tax Support scheme which replaced Council Tax Benefit. In 2013/14 the Council paid an annual grant to the local precepting bodies for the difference between the precept that would have been raised if the Local Council Tax Support scheme was not included and the precept set with it included. This was to provide certainty to local precepting bodies and the Council will continue to pay these grants in 2014/15 at the same level as in 2013/14.
5. These grants will be paid from the Council's general fund and included within the 2014/15 budget proposals. The grant payable to Horley Town Council will be £20,841 and Salfords & Sidlow Parish Council will be £979.
6. The Local Government Finance Act 2003 provided devolved powers for billing authorities to make decisions on council tax discounts for certain properties based on local circumstances such as second homes and long-term empty properties. Additional freedoms have been added by the Local Government Finance Act 2012 extending the range of discounts that can be awarded.

7. It was agreed in 2013/14 to use a number of these additional freedoms to raise the level of Council Tax on some properties to meet the additional cost of the Council Tax Support scheme. There are no changes to these discounts in 2014/15.

### **Collection Rate**

8. An assumed provision for non-collection is applied when calculating the tax base. In determining the non-collection rate a number of factors are taken into account including losses in income due to banding reductions, non-payment, and back-dated awards of discounts and exemptions. The assumed non-collection rate of 0.8% is applied which has not changed from 2013/14. The Council will budget to collect 99.2% of the Council Tax over time.

### **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:** None



## 2014/15 COUNCIL TAX BASE: REIGATE & BANSTEAD BOROUGH COUNCIL (RBBC) GENERAL AREA

	Council Tax Bands								Total	
	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H		
<b>Number of dwellings</b>	<b>1,044</b>	<b>3,597</b>	<b>11,573</b>	<b>16,664</b>	<b>10,407</b>	<b>7,085</b>	<b>7,042</b>	<b>971</b>	<b>58,383</b>	
Less: disabled	-1	-1	-45	-92	-58	-46	-71	-22	-336	[note 1]
Add: disabled	1	45	92	58	46	71	22	0	336	
Less: exempt dwellings	-113	-89	-144	-105	-93	-45	-45	-7	-641	
Less: demolished dwellings	-3	0	0	0	0	-2	-2	0	-7	
<b>Adjusted Number of dwellings</b>	<b>928</b>	<b>3,552</b>	<b>11,476</b>	<b>16,525</b>	<b>10,302</b>	<b>7,063</b>	<b>6,946</b>	<b>942</b>	<b>57,735</b>	
<b>Number of discounts</b>										
Single person discount @25%	564	2084	4975	4900	2465	1354	968	87	17,397	[note 2]
Disregards @50%	1	4	8	8	23	41	52	14	151	[note 3]
Empty and unfurnished (Class C)	4	16	48	39	13	9	7	2	138	[note 4]
<b>Total Discounts</b>	<b>142</b>	<b>524</b>	<b>1,251</b>	<b>1,232</b>	<b>629</b>	<b>360</b>	<b>269</b>	<b>29</b>	<b>4,435</b>	
Long term empty premium @150%	16	12	19	12	8	6	6	4	83	[note 5]
<b>Total premiums</b>	<b>8</b>	<b>6</b>	<b>10</b>	<b>6</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>42</b>	
<b>Local Council Tax Support Scheme</b>										
Reduction due to scheme	189	823	1,686	1,371	354	99	50	4	4,576	
<b>Net Number of dwellings</b>	<b>605</b>	<b>2,211</b>	<b>8,548</b>	<b>13,928</b>	<b>9,323</b>	<b>6,607</b>	<b>6,630</b>	<b>911</b>	<b>48,764</b>	
<b>Band D Equivalents</b>	<b>403.5</b>	<b>1,719.5</b>	<b>7,598.3</b>	<b>13,928.0</b>	<b>11,395.1</b>	<b>9,543.9</b>	<b>11,050.8</b>	<b>1,822.2</b>	<b>57,461.30</b>	
Less non-collection rate of 0.80%									459.7	
<b>COUNCIL TAX BASE FOR RBBC AREA</b>									<b>57,001.6</b>	[note 6]

note 1: bills reduced to the band below to ensure that disabled people do not pay more Council Tax due to the additional space needed because of a disability.

note 2: the 25% discount is in respect of homes either under single occupation or where all but one occupant are disregarded for Council Tax purposes.

note 3: the 50% discount is applied where all residents are disregarded for Council Tax purposes

note 4: 100% discount applied for properties empty for 28 days or less

note 5: 150% premium applied for properties empty for two years or more

note 6: all figure expressed to the number of decimal places required by the Council Tax Base (CTB1) return to DCLG.

## 2014/15 COUNCIL TAX BASE: HORLEY TOWN COUNCIL AREA

	Council Tax Bands								Total	
	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H		
<b>Number of dwellings</b>	<b>136</b>	<b>758</b>	<b>2,164</b>	<b>3,534</b>	<b>1,702</b>	<b>997</b>	<b>281</b>	<b>7</b>	<b>9,579</b>	
Less: disabled	0	0	-9	-22	-13	-8	-4	-1	-57	[note 1]
Add: disabled	0	9	22	13	8	4	1	0	57	
Less: exempt dwellings	-12	-16	-34	-20	-13	-4	-4	0	-103	
Less: demolished dwellings	0	0	0	0	0	0	0	0	0	
<b>Adjusted Number of dwellings</b>	<b>124</b>	<b>751</b>	<b>2,143</b>	<b>3,505</b>	<b>1,684</b>	<b>989</b>	<b>274</b>	<b>6</b>	<b>9,476</b>	
<b>Number of discounts</b>										
Single person discount @25%	76	432	918	955	343	127	24	1	2,876	[note 2]
Disregards @50%	0	0	2	0	3	7	8	2	22	[note 3]
Empty and unfurnished (Class C)	1	1	10	7	3	1	0	0	23	[note 4]
<b>Total Discounts</b>	<b>19</b>	<b>108</b>	<b>231</b>	<b>239</b>	<b>87</b>	<b>35</b>	<b>10</b>	<b>1</b>	<b>732</b>	
Long term empty premium @150%	0	1	1	2	0	0	0	0	4	[note 5]
<b>Total premiums</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	
<b>Local Council Tax Support Scheme</b>										
Reduction due to scheme	28	153	305	289	46	8	1	0	830	
<b>Net Number of dwellings</b>	<b>77</b>	<b>490</b>	<b>1,607</b>	<b>2,978</b>	<b>1,551</b>	<b>946</b>	<b>263</b>	<b>5</b>	<b>7,916</b>	
<b>Band D Equivalents</b>	<b>51.3</b>	<b>381.4</b>	<b>1,428.7</b>	<b>2,977.7</b>	<b>1,895.1</b>	<b>1,366.0</b>	<b>438.3</b>	<b>9.5</b>	<b>8,548.00</b>	
Less non-collection rate of 0.80%									68.4	
<b>COUNCIL TAX BASE FOR HORLEY TOWN COUNCIL AREA</b>									<b>8,479.6</b>	[note 6]

note 1: bills reduced to the band below to ensure that disabled people do not pay more Council Tax due to the additional space needed because of a disability.

note 2: the 25% discount is in respect of homes either under single occupation or where all but one occupant are disregarded for Council Tax purposes.

note 3: the 50% discount is applied where all residents are disregarded for Council Tax purposes

note 4: 100% discount applied for properties empty for 28 days or less

note 5: 150% premium applied for properties empty for two years or more

note 6: all figure expressed to the number of decimal places required by the Council Tax Base (CTB1) return to DCLG.

**2014/15 COUNCIL TAX BASE: SALFORDS AND SIDLOW PARISH AREA**

	<b>Council Tax Bands</b>								<b>Total</b>	
	<b>Band A</b>	<b>Band B</b>	<b>Band C</b>	<b>Band D</b>	<b>Band E</b>	<b>Band F</b>	<b>Band G</b>	<b>Band H</b>		
<b>Number of dwellings</b>	<b>115</b>	<b>43</b>	<b>73</b>	<b>563</b>	<b>244</b>	<b>174</b>	<b>147</b>	<b>11</b>	<b>1,370</b>	
Less: disabled	-1	0	0	-4	0	0	-3	0	<b>-8</b>	[note 1]
Add: disabled	0	0	4	0	0	3	0	0	<b>8</b>	
Less: exempt dwellings	-13	-1	0	-1	-4	-1	0	0	<b>-20</b>	
Less: demolished dwellings	0	0	0	0	0	0	0	0	<b>0</b>	
<b>Adjusted Number of dwellings</b>	<b>101</b>	<b>42</b>	<b>77</b>	<b>558</b>	<b>240</b>	<b>176</b>	<b>144</b>	<b>11</b>	<b>1,350</b>	
<b>Number of discounts</b>										
Single person discount @25%	59	16	24	137	52	35	14	2	<b>339</b>	[note 2]
Disregards @50%	0	0	2	0	3	7	8	2	<b>22</b>	[note 3]
Empty and unfurnished (Class C)	0	1	0	0	0	0	0	0	<b>1</b>	[note 4]
<b>Total Discounts</b>	<b>15</b>	<b>4</b>	<b>7</b>	<b>34</b>	<b>15</b>	<b>12</b>	<b>8</b>	<b>2</b>	<b>96</b>	
Long term empty premium @150%	0	0	1	0	0	1	1	0	<b>3</b>	[note 5]
<b>Total premiums</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>2</b>	
<b>Local Council Tax Support Scheme</b>										
Reduction due to scheme	22	3	5	40	9	4	2	0	<b>85</b>	
<b>Net Number of dwellings</b>	<b>64</b>	<b>35</b>	<b>66</b>	<b>484</b>	<b>217</b>	<b>160</b>	<b>135</b>	<b>10</b>	<b>1,170</b>	
<b>Band D Equivalents</b>	<b>42.8</b>	<b>27.2</b>	<b>58.2</b>	<b>483.8</b>	<b>264.6</b>	<b>231.5</b>	<b>225.0</b>	<b>19.0</b>	<b>1,352</b>	
Less non-collection rate of 0.80%									<b>10.8</b>	
<b>COUNCIL TAX BASE FOR RBBC AREA</b>									<b>1,341.3</b>	[note 6]

note 1: bills reduced to the band below to ensure that disabled people do not pay more Council Tax due to the additional space needed because of a disability.

note 2: the 25% discount is in respect of homes either under single occupation or where all but one occupant are disregarded for Council Tax purposes.

note 3: the 50% discount is applied where all residents are disregarded for Council Tax purposes

note 4: 100% discount applied for properties empty for 28 days or less

note 5: 150% premium applied for properties empty for two years or more

note 6: all figure expressed to the number of decimal places required by the Council Tax Base (CTB1) return to DCLG.

