



REPORT OF:	FINANCE MANAGER
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TO:	COUNCIL
DATE:	18 DECEMBER 2014

WARD(S) AFFECTED:	All
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SUBJECT:	THE COUNCIL TAX BASE FOR 2015/16
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RECOMMENDATION:

1. In accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the Council Tax base for 2015/16 for each of the Council's areas shall be as follows:

Reigate & Banstead Council as a whole: 57,629.8

Horley Town Council area: 8,745.8

Salfords & Sidlow Parish area: 1,363.6

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

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 2015/16. The result is adjusted for discounts, exemptions and reductions and then an estimated collection rate applied.
4. 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.
5. The 2015/16 Council Tax base is set out in Table 1 below, with a more detailed breakdown in Annexes 1, 2 and 3.

Table 1: 2015/16 Council Tax Base Summary (Band D Equivalents)

Area	2015/16	2014/15	% Change
Reigate & Banstead as a whole	57,629.8	57,001.6	+1.1
Horley Town Council	8,745.8	8,479.6	+3.1
Salfords & Sidlow Parish Council	1,363.6	1,341.3	+1.7

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 2015/16.

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 2014/15. 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 None
Papers:

2015/16 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		
Number of dwellings	1,058	3,595	11,636	16,832	10,517	7,128	7,091	1,004	58,861	
Less: disabled	0	-1	-40	-88	-55	-45	-73	-22	-324	[note 1]
Add: disabled	1	40	88	55	45	73	22	0	324	
Less: exempt dwellings	-128	-79	-121	-127	-100	-48	-38	-2	-643	
Less: demolished dwellings	-1	-3	-2	0	-1	-2	-2	-2	-13	
Adjusted Number of dwellings	930	3,552	11,561	16,672	10,406	7,106	7,000	978	58,205	
Number of discounts										
Single person discount @25%	548	2028	4958	4782	2433	1312	939	82	17,082	[note 2]
Disregards @50%	16	6	8	9	24	39	53	13	168	[note 3]
Empty and unfurnished (Class C)	1	23	46	35	10	7	10	1	133	[note 4]
Total Discounts	146	533	1,290	1,235	630	355	271	28	4,488	
Long term empty premium @150%	13	11	21	8	9	5	6	2	75	[note 5]
Total premiums	7	6	11	4	5	3	3	1	38	
Local Council Tax Support Scheme										
Reduction due to scheme	177	787	1,678	1,348	344	89	43	3	4,469	
Net Number of dwellings	613	2,237	8,604	14,093	9,437	6,665	6,689	948	49,286	
Band D Equivalents	408.9	1,740.0	7,647.8	14,092.6	11,533.7	9,627.7	11,147.9	1,896.0	58,094.6	
Less non-collection rate of 0.8%									464.8	
COUNCIL TAX BASE FOR RBBC AREA									57,629.8	[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 residents are disregarded for Council Tax purposes and family annex discount 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.

2015/16 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		
Number of dwellings	136	744	2,213	3,634	1,759	1,025	296	8	9,815	
Less: disabled	0	0	-10	-23	-13	-9	-5	-1	-61	[note 1]
Add: disabled	0	10	23	13	9	5	1	0	61	
Less: exempt dwellings	-13	-12	-24	-27	-7	-4	-2	0	-89	
Less: demolished dwellings	0	0	0	0	-1	0	0	0	-1	
Adjusted Number of dwellings	123	742	2,202	3,597	1,747	1,017	290	7	9,725	
Number of discounts										
Single person discount @25%	71	415	931	917	352	118	28	1	2,833	[note 2]
Disregards @50%	5	0	2	0	3	7	9	2	28	[note 3]
Empty and unfurnished (Class C)	0	5	8	5	3	1	2	0	24	[note 4]
Total Discounts	20	109	242	234	93	34	14	1	746	
Long term empty premium @150%	0	1	2	1	0	1	0	0	5	[note 5]
Total premiums	0	1	1	1	0	1	0	0	3	
Local Council Tax Support Scheme										
Reduction due to scheme	27	148	306	297	43	7	2	0	829	
Net Number of dwellings	76	486	1,655	3,066	1,612	977	275	6	8,152	
Band D Equivalents	50.8	377.7	1,471.4	3,066.2	1,969.9	1,410.5	458.3	11.5	8,816.3	
Less non-collection rate of 0.8%									70.5	
COUNCIL TAX BASE FOR HORLEY TOWN COUNCIL AREA									8,745.8	[note 6]

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2015/16 COUNCIL TAX BASE: SALFORDS AND SIDLOW PARISH AREA

	Council Tax Bands								Total	
	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H		
Number of dwellings	116	44	73	562	246	173	147	11	1,372	
Less: disabled	0	0	0	-3	0	0	-3	0	-6	[note 1]
Add: disabled	0	0	3	0	0	3	0	0	6	
Less: exempt dwellings	-15	-1	-1	-1	-1	-1	0	0	-20	
Less: demolished dwellings	0	0	0	0	0	0	0	0	0	
Adjusted Number of dwellings	101	43	75	558	245	175	144	11	1,352	
Number of discounts										
Single person discount @25%	57	19	22	129	51	30	11	3	322	[note 2]
Disregards @50%	0	0	0	2	1	2	1	0	6	[note 3]
Empty and unfurnished (Class C)	0	1	0	0	0	0	0	0	1	[note 4]
Total Discounts	14	6	6	33	13	9	3	1	85	
Long term empty premium @150%	0	0	1	0	0	0	0	1	2	[note 5]
Total premiums	0	0	1	0	0	0	0	1	1	
Local Council Tax Support Scheme										
Reduction due to scheme	20	2	4	41	10	4	2	0	82	
Net Number of dwellings	67	35	66	484	222	163	138	11	1,187	
Band D Equivalents	44.8	28.1	58.8	484.0	271.6	235.2	230.6	21.5	1,374.6	
Less non-collection rate of 0.8%									11.0	
COUNCIL TAX BASE FOR RBBC AREA									1,363.6	[note 6]

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