

EAST HERTS COUNCIL

COUNCIL – 14 DECEMBER 2016

REPORT BY THE EXECUTIVE MEMBER
FOR FINANCE AND SUPPORT SERVICES

COUNCIL TAX - CALCULATION OF COUNCIL TAX BASE
2017/18

WARDS AFFECTED: All

Purpose/Summary of Report

- To recommend to the Council the calculation of the council tax base for the whole district, and for each parish and town council, for 2017/18.

RECOMMENDATIONS FOR COUNCIL: That:

(A)	the calculation of the Council's tax base for the whole district, and for the parish areas, as now submitted for 2017/18, be approved; and
(B)	pursuant to the report and in accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012, the amount calculated by East Hertfordshire District Council as its council tax base for the whole area for 2017/18 shall be 58674.0 and for the parish areas as listed in Table 1 for 2017/18.

Table1

ALBURY	279.80	HIGH WYCH	330.85
ANSTEY	161.21	HORMEAD	330.40
ARDELEY	208.38	HUNSDON	477.67
ASPENDEN	121.89	LITTLE BERKHAMPSTEAD	264.24
ASTON	426.75	LITTLE HADHAM	517.63
BAYFORD	227.64	LITTLE MUNDEN	408.12

BENGEO	286.35	MUCH HADHAM	924.76
BENNINGTON	403.65	SACOMBE	88.70
BISHOP'S STORTFORD	14963.09	STANSTEAD ST. MARGARETS	690.28
BRAMFIELD	111.81	SAWBRIDGEWORTH	3699.57
BRAUGHING	610.80	STANDON	1795.47
BRENT PELHAM / MEESDEN	145.66	STANSTEAD ABBOTTS	688.77
BRICKENDON	315.40	STAPLEFORD	253.68
BUCKLAND	121.86	STOCKING PELHAM	82.51
BUNTINGFORD	2398.25	TEWIN	860.00
COTTERED	313.83	THORLEY	301.05
DATCHWORTH	728.35	THUNDRIDGE	638.90
EASTWICK / GILSTON	388.27	WALKERN	612.76
FURNEUX PELHAM	260.19	WARESIDE	305.54
GREAT AMWELL	970.00	WARE TOWN	7307.52
GREAT MUNDEN	141.37	WATTON - AT - STONE	1055.90
HERTFORD	11715.80	WESTMILL	158.10
HERTFORD HEATH	954.55	WIDFORD	242.74
HERTINGFORDBURY	311.92	WYDDIAL	72.02

1.0 Background

- 1.1 Calculation of the council tax base is governed by statutory regulation and the Council has limited discretion.
- 1.2 As a billing authority the council must notify the County Council and the Police Authority of the tax base and must do this between 1 December and 31 January preceding the tax year. The Council must also tell a parish what their tax base is within 10 working days of any written request
- 1.3 The tax base will be used by the Council when setting the rates of council tax at the March Council meeting.
- 1.4 The tax base calculations must be made by the Authority as a whole.
- 1.5 The regulations set out the following formula to be used to calculate the tax base:-

$$\text{Tax base} = A \times B$$

(A is the total of the “relevant amounts”)
(B is the estimated collection rate)

Item A, the total of “relevant amounts” is found by a second formula:-

$$\text{Item A} = (H - Q + E + J) - Z \times (F / G)$$

where:

H is the estimated number of dwellings, which are shown in the valuation list at 3 October 2016, adjusted for exemptions.

Q is a factor to take account of the discounts to which the amount of Council Tax payable was subject on the relevant day.

E is a factor to take account of the premiums, if any, to which the amount of Council Tax payable was subject on the relevant day.

J is the amount of any adjustment in respect of changes in the number of chargeable dwellings, discounts or premiums calculated by the authority.

Z Is the total amount that the authority estimates will be applied pursuant to the authority’s council tax reduction scheme in relation to the band, expressed as an equivalent number of chargeable dwellings in that band.

F converts the number of dwellings in each valuation band to a

G “Band D” equivalent.

Item A can be summarised as the effective number of equivalent Band D properties after taking the actual number in each valuation band and allowing for valuation changes, for errors and appeals, new properties, periods of exemption, reductions for disabled persons and discounts

for single occupiers and unoccupied properties, and the Council Tax reduction scheme.

2.0 Report

2.1 The assumptions made are as follows:

Number of taxable properties

2.2 For 2017/18 it is assumed that there will be limited new completions with a net addition of 541 new properties by 31 March 2018. These have been allocated to parish areas on the basis of development in hand and planning approvals. It is assumed that all new dwellings will be exempt for the first three months and that a proportion of discounts will apply thereafter. No valuation increases have been assumed for improvements and extensions as these do not take effect until properties are sold on.

2.3 It has been assumed that 217 properties will qualify for disabled persons reductions, based on experience in the current year.

2.4 A figure of 656 exemptions/voids is included in line with the current position. Further increases will have a negative impact on the tax base.

Collection Rate

2.5 Item B in the tax base formula is the estimate of the collection rate for 2017/18. For 2017/18 this will be 98.9%, which is an increase on the 98.65% used in both 2016/17 and 2015/16. This reflects improvements in collection rates.

2.6 This gives an overall tax base of 58674.0

2.7 Should any Member have detailed questions or comments on the assumptions it would be of great benefit to advise the Head of Revenues and Benefits Shared Service or the Executive Member - Finance & Support Services well in advance of the meeting.

3.0 Implications/Consultations

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

Local Authorities (Calculation of the Tax Base) Regulations 1992
(as amended)

Contact Member: Councillor Geoffrey Williamson - Executive
Member for Finance & Support Services
geoffrey.williamson@eastherts.gov.uk

Contact Officer/
Report Author: Su Tarran - Head of Revenues and
Benefits Shared Service ext 2075
su.tarran@hertspartnership-ala.gov.uk