

East Herts Council Report

Council

Date of Meeting: 14 December 2022
Report by: Councillor Geoff Williamson - Deputy
Leader and Executive Member for
Financial sustainability
Report title: Council Tax Base 2023/24
Ward(s) affected: All

Summary

To recommend to Council the calculation of the council tax base for the whole district, and for each parish and town council, for 2023/24

RECOMMENDATIONS FOR COUNCIL

- (A)** To approve the calculation of the Council's tax base for the whole district, and for the parish areas, for 2023/24.
- (B)** Note that, 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 2023/24 shall be 63892.8 and for the parish areas listed below for 2023/24 shall be as follows: **Table 1**

Table 1:

ALBURY	287.47
ANSTEY	174.21
ARDELEY	210.00
ASPENDEN	124.61
ASTON	442.71
BAYFORD	225.90
BENGEO	281.91
BENNINGTON	411.84
BISHOP'S STORTFORD	17064.08
BRAMFIELD	109.73
BRAUGHING	665.18
BRENT PELHAM / MEESDEN	149.81
BRICKENDON	358.19
BUCKLAND	113.30
BUNTINGFORD	3342.84
COTTERED	326.90
DATCHWORTH	736.34
EASTWICK / GILSTON	440.94
FURNEUX PELHAM	269.29
GREAT AMWELL	970.42
GREAT MUNDEN	144.57
HERTFORD	12406.21
HERTFORD HEATH	973.62
HERTINGFORDBURY	334.05

HIGH WYCH	344.58
HORMEAD	368.16
HUNSDON	518.73
LITTLE BERKHAMPSTEAD	274.25
LITTLE HADHAM	549.18
LITTLE MUNDEN	422.27
MUCH HADHAM	981.05
SACOMBE	90.93
STANSTEAD ST. MARGARETS	710.36
SAWBRIDGEWORTH	4075.77
STANDON	2013.99
STANSTEAD ABBOTTS	704.78
STAPLEFORD	271.21
STOCKING PELHAM	84.85
TEWIN	866.03
THORLEY	153.27
THUNDRIDGE	707.95
WALKERN	720.16
WARESIDE	308.61
WARE TOWN	7565.32
WATTON - AT - STONE	1057.61
WESTMILL	169.34
WIDFORD	294.15
WYDDIAL	76.13

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 in the 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:-

Tax base = A x 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:-

Item A = (H - Q + E + J) - Z x (F / G)

where:

H is the estimated number of dwellings, which are shown in the valuation list at 12 September 2022, 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.
- E 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 2023/24 it is assumed that there will be limited new completions with a net addition of 1273.68 new properties by 31 March 2024. 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 228 properties will qualify for disabled persons reductions, based on experience in the current year.
- 2.4 A figure of 943 exemptions/voids is included in line with the current position. Further increases will have a negative impact on the tax base.
- 2.5 Provision has been made for an increase in Council Tax support claims due to the volatility of the current economic climate.

Collection Rate

- 2.6 Item B in the tax base formula is the estimate of the collection rate for 2023/24. For 2023/24 this will be 98.9%, which is the same as 2022/23.
- 2.7 This gives an overall tax base of 63892.80
- 2.8 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 for Financial Sustainability well in advance of the meeting.

3.0 Risks

The current economic situation, including the high interest rates, could have a dampening impact on the number of new properties being built. This can also be affected by the availability of raw materials and energy costs. Any reduction in the number, or delay in completion of new properties will have a detrimental impact on the estimated growth of the taxbase.

Implications/Consultations

No

Community Safety

No

Data Protection

No

Equalities

Equality impact analysis was undertaken with the Equality and Diversity officer. As this work affects the entire district, and as discounts and disregards awarded on the basis of age, disability or marital status are determined by central government, there are no equality or diversity implications for this work.

Environmental Sustainability

No

Financial

Only as referenced in the report

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

The Tax base must be calculated in accordance with legislation. The formula to be used for the calculation of the Council Tax Base is set out in the Local Authority (Calculation of Council Tax Base) Regulations 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012. The content and timing of the supply of information from and to the Major Precepting Authorities and the Billing Authority is regulated by the Local Authority (Calculation of Council Tax Base) (Supply of Information) Regulations 1992.

Specific Wards

No

4.0 Background papers, appendices and other relevant material

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