

East Herts Council Report

Council

Date of Meeting: 13December 2024

Report by: Councillor Carl Brittain, Executive
Member for Financial sustainability

Report title: Council Tax Base 2024/25

Ward(s) affected: All

The special circumstances for: non-compliance with Council Procedure Rule 3.8.5; the use of Access to Information Procedure Rule 12.5.1; and noncompliance with Section 100B(4) of the Local Government Act 1972 (as amended), (items not considered unless the agenda is open to inspection at least five days in advance of the meeting) were that the non-availability of key staff able to extract data from systems were unavailable due to sickness which impacted on the ability of officers to compile and check the detailed property information that is essential to support this report.

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 2024/25.**

(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 2024/25 shall be 64,809.9 and for the parish areas listed below for 2024/24 shall be as follows:

Table 1:

Albury	293.0	High Wych	352.1
Anstey	175.1	Hormead	371.0
Ardeley	214.2	Hunsdon	516.3
Aspenden	122.9	Little Berkhamstead	280.4
Aston	560.3	Little Hadham	546.7
Bayford	231.0	Little Munden	423.7
Bengeo	283.5	Much Hadham	990.2
Bennington	410.5	Sacombe	92.1
Bishop'S Stortford	17,525.1	Stanstead St. Margarets	719.5
Bramfield	107.5	Sawbridgeworth	4,100.7
Braughing	671.0	Standon	2,026.7
Brent Pelham / Meesden	150.5	Stanstead Abbots	723.3
Brickendon	358.3	Stapleford	269.3
Buckland	116.0	Stocking Pelham	84.3
Buntingford	3,238.6	Tewin	863.9
Cottered	322.6	Thorley	154.9
Datchworth	736.8	Thundridge	715.8
Eastwick / Gilston	444.1	Walkern	719.9
Furneux Pelham	275.5	Wareside	313.2
Great Amwell	974.7	Ware Town	7,582.3
Great Munden	142.8	Watton - At - Stone	1,066.3
Hertford	12,688.0	Westmill	162.1
Hertford Heath	973.8	Widford	296.1
Hertingfordbury	332.4	Wyddial	76.9

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:-

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

(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 12 September 2023, 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 2024/25 it is assumed that there will be limited new completions with a net addition of 958.8 new properties by 31 March 2025. 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 230 properties will qualify for disabled banding reduction, based on experience in the current year.
- 2.4 A figure of 984 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 2024/25. For 2024/25 this will be 98.9%, which is the same as 2023/24.
- 2.7 This gives an overall tax base of 64,809.9
- 2.8 Should any Member have detailed questions or comments on the assumptions it would be of great benefit to advise the Head of Strategic Finance and Property or the Executive Member for Financial Sustainability 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 and could lead to a Collection Fund Deficit which is shared between East Herts, the County Council and the Police and Crime Commissioner and has to be repaid the next financial year.

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

Contact Member

Carl Brittain, Executive Member for Financial Sustainability,

Contact Officer

Carol Bulloch.
Revenues & Benefits Shared Service Manager
01279 502075
carol.bulloch@hertspartnership-ala.gov.uk

Report Author

Steven Linnett, Head of Strategic Finance and Property
01279 502050
Steven.Linnett@eastherts.gov.uk