

Report to: Cabinet
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Agenda item: 15

Subject: 2019/20 Council Tax Base

Purpose of report: This report sets out the tax base for 2019/20 and includes the breakdown for each parish, expressed in terms of Band D equivalent properties on which the council tax will be based. This is an important component in the Council's budget setting process for 2019/20.

Recommendation:

- 1. To confirm the tax base for 2019/20 at 59,283 Band D equivalent properties**
- 2. To confirm the amount for each parish as detailed under section 3 of this report.**

Reason for recommendation: The calculation of the tax base is prescribed in regulations and is a legal requirement. The council tax base is defined as the number of Band D equivalent properties in a local authority's area. The tax base is necessary to calculate council tax for a given area.

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Financial implications: This calculation forms part of the annual budget setting process and is included within the draft 2019/20 budget.

Legal implications: There is a statutory framework governing the Council tax setting process and this has been had regard to with the key requirements also identified within the report. There are no further comments required.

Equalities impact: Low Impact

Risk: Low Risk

If the Council fails to carry out its duty as prescribed in legislation then the major precepting authority can set the tax base in our place.

The tax base is calculated based on certain assumptions; forecast of growth (new properties), collection levels, adjustments to discounts/disregards, exemptions, council tax reduction and the Council is effective in the administration, billing and collection of the tax. Based on our track record of performance this risk has been assessed as low.

Links to background information: .

Link to Council Plan: Encouraging communities to be outstanding; Developing an outstanding local economy; Delivering and promoting our outstanding environment; Continuously improving to be an outstanding council.

1.0 Background

- 1.1 The tax base for Council tax must be set between 1 December 2018 and 31 January 2019.
- 1.2 The council tax base is the measure of the number of dwellings to which council tax is chargeable in an area or part of an area. It is used for the purposes of calculating an authority's band D council tax.
- 1.3 From 1 April 2013 regulations now prescribe that the relevant date to be used in estimating the tax base will be 30 November in the financial year preceding that for which the tax base is calculated.
- 1.4 The tax base calculation is determined annually by identifying the number of properties listed in the valuation list and then adjusted for the following:
 - an estimate of the number of new properties to come on to the Valuation list for all or part of the year and the estimated level of discounts, exemptions and reliefs that may apply.
 - an estimate of the number of properties to be demolished and allowing for any discounts and exemptions associated with them.
 - the number of discounts, exemptions, premiums and relief that already apply
 - any changes to the level of discounts, premiums, etc.
 - the estimated reduction for the council tax reduction scheme (council tax support)
 - the estimated collection rate for the year.
 - the Contribution in lieu from the Ministry of Defence (MoD properties are treated as exempt for council tax purposes and the MoD makes a contribution in lieu of council tax after deducting an allowance for periods when properties are empty).

2.0 Council Tax Base Calculation for 2019/2020

- 2.1 The table at 2.7 shows the number of properties (by band) in the Valuation list as at 30 November 2018 and then adjusted to reflect discounts, exemptions, premiums and reliefs that already apply, estimate of new builds, deletions, appeals, council tax reduction scheme, collection rate and contribution from MoD.
- 2.2 The estimate for the council tax reduction scheme has been calculated based on the scheme that was approved by Members at Full Council on 12 December 2018.
- 2.3 The adjustments for discounts, premiums have been based using the same percentage levels that currently apply.
- 2.4 There are 390 (378 Band D equivalents) new properties that have been included to come on for the equivalent of the whole of next year. This is after adjustments for discounts, exemptions, number of days within the year, etc.
- 2.5 We have used a collection rate of 99% to reflect our actual collection performance for 2017/18.

2.6 There are 160 Band D equivalent MoD properties which has been estimated taking into account the current contribution.

2.7 Totals for East Devon 2019/20

BAND	A*	A	B	C	D	E	F	G	H	Total
1. Properties in list	0	6,396	13,384	15,916	12,705	10,474	6,334	4,069	193	69,471
2. Less adjustments	-10	1,245	1,796	1,647	1,226	847	386	283	35	7,455
3. Plus new Builds	0	36	43	127	104	50	24	5	0	389
4. Adjusted number of properties	10	5,187	11,631	14,396	11,583	9,677	5,972	3,791	158	62,405
5. Less CTR	4	1,453	2,005	1,237	413	134	27	7	0	5,280
6. Total equivalent properties	6	3,734	9,626	13,159	11,170	9,543	5,945	3784	158	57,125
7. Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	N/A
8. Band D equivalent	3	2,489	7,487	11,697	11,170	11,664	8,587	6,307	316	59,720
9. Collection Rate @ 99%										59,123
10. Contribution for MOD properties										160
11. Tax Base										59,283

Key										
1	Properties in list - refers to the number of properties in each band shown in the Valuation list as at 30 November 2018 (A* = band A with a disablement discount).									
2	Less adjustments for exemptions, disablement relief, discounts, empty home premiums, etc									
3	Newly built properties estimated to come onto Valuation list and adjusted for discounts, reliefs, etc.									
4	Adjusted number of properties.									
5	Less Council Tax Reduction Scheme (Council Tax Support)									
6	Total equivalent number of properties after all adjustments.									
7	Band ratios as prescribed by legislation									
8	Band D equivalent gives the totals in line 5 expressed in terms of band D.									
9	Adjustment for assumed collection rate for 2019/20.									
10	The contribution from the Ministry of Defence adjusted to the number of Band D equivalent properties.									
11	Tax Base for 2019/20 in Band D equivalents									

2.8 The tax base for 2019/20 has increased by 614 band D equivalent properties (58,669 for 2018/19), an increase of just over 1%.

3.0 Parish/Town Tax Base for 2019/2020

3.1 The table below shows the tax base expressed as the number of Band D equivalent properties for each of the parish/towns after adjustments. The calculation for each of the towns and parishes is determined in the same way as set out in section 2 of this report.

All Saints	253	Dalwood	206	Plymtree	263
Awliscombe	240	Dunkeswell	610	Poltimore	134
Axminster	2,763	E.Budleigh/Bicton	508	Rewe	188
Axmouthe	250	Exmouth	12,877	Rockbeare	361
Aylesbeare	271	Farringdon	155	Seaton	3,208
Beer	677	Farway	134	Sheldon	84
Bishops Clyst	584	Feniton	665	Shute	296
Brampford Speke	155	Gittisham	254	Sidmouth	7,042
Branscombe	340	Hawkchurch	261	Southleigh	117
Broadclyst	1,666	Honiton	3,906	Stockland	326
Broadhembury	305	Huxham	46	Stoke Canon	238
Buckerell	115	Kilminster	407	Talaton	248
Budleigh Salterton	2,801	Luppitt	214	Uplyme	870
Chardstock	416	Lympstone	921	Upton Pyne	323
Clyst Honiton	109	Membury	276	Upton Pyne	224
Clyst Hydon	124	Monkton	75	West Hill	1,158
Clyst St George	402	Musbury	239	Whimple	731
Clyst St Lawrence	48	Netherexe	23	Widworthy	137
Colaton Raleigh	318	Newton Poppleford	916	Woodbury	1,422
Colyton	1,444	Northleigh	83	Yarcombe	222
Combe Raleigh	101	Offwell	191	Grand total 59,283	
Combpyne-Rousdon	195	Otterton	310		
Cotleigh	106	Ottery St Mary	2,826		
Cranbrook	1,600	Payhembury	305		