

CABINET

12 December 2007

COUNCIL TAX BASE 2008/2009

REPORT OF HEAD OF REVENUES

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RECENT REFERENCES:

None.

EXECUTIVE SUMMARY:

The Council is required to approve the Council Tax Base figure for 2008/2009 by 31 January 2008. The Council Tax Base figure is an integral part of the calculations for setting the level of Council Tax, and is the number of chargeable properties adjusted for certain factors, e.g. single persons' discounts, exemptions etc. This report sets out the factors and the calculations used to arrive at the Council Tax Base for 2008/2009.

RECOMMENDATIONS:

That Cabinet recommend to Council:-

- 1 That the calculations contained in this report for the Council Tax Base for 2008/2009 be approved.
- 2 That in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the amount calculated by Winchester City Council for the year 2008/2009 is 47,047.11 properties at Band D equivalent.
- 3 That the amount calculated as the Council Tax Base for each Parish within the area of Winchester City Council and for Winchester Town shall be as stated in Appendix C to this report.

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DETAIL:

1 Introduction

- 1.1 Section 67(2) of the Local Government Finance Act 1992 requires that certain functions cannot be carried out by Cabinet and so under the Constitution must be carried out by the authority, i.e., the Council, and these include the calculations concerned with setting the Council Tax.
- 1.2 One of the elements in the calculations and which has to be approved by the Council before 31 January 2008 is the tax base. This report sets out the various factors which have to be taken into account, and provides the calculations as specified in the Local Authorities (Calculation of Council Tax Base) Regulations 1992, to arrive at the tax base for 2008/2009.

2 Tax Base

- 2.1 The starting point for calculating the tax base is the number of chargeable properties within the District. Adjustments are made for single person discounts, properties eligible for two discounts, second home discounts of 10%, properties where a disabled person's reduction is applicable, properties that are exempt and Ministry of Defence properties.

3 Allowances Applied

3.1 Discounts, Exemptions and Disabled Reductions

- a) There are currently 14,225 taxpayers entitled to a 25% discount, 396 taxpayers entitled to a 50% discount and 496 taxpayers entitled to a 10% discount.
- b) There are 1,862 properties exempt from Council Tax, of which 426 are Ministry of Defence (MOD) properties. Although exempt the MOD do pay a contribution in lieu of the Council Tax payable had the property been in private ownership.
- c) Disabled reductions have been granted on 153 properties. These properties are billed at one band below that which is shown in the valuation list.

4 New/Altered Dwellings

- 4.1 An analysis of new and altered dwellings which it is estimated are likely to be completed prior to 31 March 2009, shows that approximately 0.54% of the tax base is attributable to new properties.

5 Calculation of the Tax Base

5.1 The tax base is calculated by applying the formula: -

A x B, where

A. is defined as “the total of the relevant amounts for each of the valuation bands, which is shown or is likely to be shown in the Authority’s valuation list as applicable to one or more dwellings in its area”, i.e. the number of chargeable dwellings with certain adjustments.

B. is the Authority’s estimate of its collection rate for that year.

5.2 The calculation for the relevant amounts for the year, beginning 1 April 2008 is shown at Appendix A.

5.3 The estimate of the collection rate is shown in Appendix B (it must be emphasised that the figures used are estimates for this purpose only). One of the factors in estimating the collection rate is an allowance for losses in collection, and for the current year this was estimated at 1.5%. Collection for the current year is on target and with this in mind it would be prudent to make an allowance for losses in collection of 1.5%, as in the current year.

5.4 It will be seen from Appendix A that the total of the relevant amounts (total Band D equivalent) is 47,373.09. The estimate of the collection rate is 98.60% as shown in Appendix B. As outlined in paragraph 3.1 although exempt the MOD do pay a contribution in lieu equal to the full tax payable. Therefore the MOD contribution will be 100% of the charge due, the Band D equivalent of the MOD properties is added to the tax base after the collection rate of 98.60% is taken into account.

The tax base is therefore 47,373.09 x 0.986	=	46,709.89
<u>Add</u> Band D equivalent of MOD properties	=	<u>337.22</u>
TOTAL TAX BASE	=	47,047.11

For information the 2007/08 tax base was 46,661.35

6 Parishes and Winchester Town

6.1 The relevant amounts have been calculated / estimated for each part of the area and the individual tax base calculated. Tax bases for each Parish and Winchester Town are listed in Appendix C.

OTHER CONSIDERATIONS:

7 CORPORATE STRATEGY (RELEVANCE TO):

7.1 Calculation of the tax base supports all tenets of the Corporate Strategy.

8 RESOURCE IMPLICATIONS:

- 8.1 None directly, but the calculation of the tax base is fundamental to the calculation of the Council Tax and to the Council's ability to finance its planned programmes.

BACKGROUND DOCUMENTS:

Detailed working papers held in the Finance Department.

APPENDICES:

- A. Council Tax Setting – Relevant Amounts.
- B. Estimate of the Collection Rate.
- C. Tax bases for each Parish and Winchester Town.

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APPENDIX A

Council Tax Setting – Relevant Amounts for Winchester (whole area)

Description	Band A disabled relief	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	
Dwellings		2,008.00	5,951.00	11,044.00	8,713.00	8,093.00	6,125.00	4,997.00	621.00	47,552.00
Additions		2.39	1.84	36.46	55.32	87.55	39.63			223.19
Reductions		1.00			1.00					2.00
Exemptions		265.00	248.00	580.00	325.00	172.00	89.00	148.00	35.00	1,862.00
Disabled relief	2	9.00	7.00	11.00	-5.00	9.00	-10.00	-10.00	-13.00	0.00
Chargeable dwellings	2	1,753.39	5,711.84	10,511.46	8,437.32	8,017.55	6,065.63	4,839.00	573.00	45,911.19
Discounts										
25%	1	949.00	3,330.00	3,775.00	2,641.00	1,791.00	1,041.00	638.00	59.00	14,225.00
50%		61.00	44.00	71.00	76.00	53.00	38.00	35.00	18.00	396.00
10%		51.00	48.00	110.00	94.00	78.00	45.00	53.00	17.00	496.00
Total Discounts	0.25	272.85	859.30	990.25	707.65	482.05	283.75	182.30	25.45	3,803.85
Net Dwellings	1.75	1,480.54	4,852.54	9,521.21	7,729.67	7,535.50	5,781.88	4,656.70	547.55	42,107.34
Ratio to Band D	5/9	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9	
Band D Equivalents	0.97	987.03	3,774.20	8,463.30	7,729.67	9,210.06	8,351.60	7,761.17	1,095.10	47,373.09

Total band D equivalent 47,373.09

APPENDIX B

Estimate of the 2008/2009 Collection RateThe Local Authorities (Calculation of Council Tax Base) Regulations 1992

Collection rate calculation - 2008/2009	Total Aggregate Amount	Aggregate of Amounts likely to be paid
Estimated Gross Debit	64,060,500	1.5% allowances for losses on collection
LESS estimated Council Tax Benefits	4,438,576	
	59,621,924	58,727,595
PLUS transfers to the Collection Fund: estimated Council Tax Benefits	4,438,576	4,438,576
	64,060,500	63,166,171
LESS estimated transfers from the Collection Fund	0	0
	64,060,500	63,166,171
	£63,166,171 expressed as a proportion of	£64,060,500
The Collection Rate for 2008/2009 is therefore	98.60%	

APPENDIX C

COUNCIL TAX FOR EACH PARISH AND WINCHESTER TOWN

	<u>TAX BASE</u> <u>ALLOWING FOR</u> <u>COLLECTION</u> <u>RATE</u>	<u>+ MOD BAND D</u> <u>EQUIVALENT</u>	<u>= TAX BASE</u>
Badger Farm	985.77		985.77
Beauworth	54.85		54.85
Bighton	171.15		171.15
Bishops Sutton	213.89		213.89
Bishops Waltham	2,651.55		2,651.55
Boarhunt	241.46		241.46
Bramdean & Hinton Ampner	215.89		215.89
Cheriton	303.81		303.81
Chilcomb	58.38		58.38
Colden Common	1,547.59		1,547.59
Compton and Shawford	790.54		790.54
Corhampton and Meonstoke	384.62		384.62
Crawley	213.82		213.82
Curdrige	623.35		623.35
Denmead	2,666.12		2,666.12
Droxford	327.20		327.20
Durley	459.83		459.83
Exton	130.49		130.49
Hambledon	494.82		494.82
Headbourne Worthy	231.51		231.51
Hursley	419.10		419.10
Itchen Stoke and Ovington	123.99		123.99
Itchen Valley	720.64		720.64
Kilmeston	137.30		137.30
Kings Worthy	1,796.64		1,796.64
Littleton and Harestock	1,428.08	69.96	1,498.04
Micheldever	577.66		577.66
New Alresford	2,229.54		2,229.54
Northington	131.51		131.51
Old Alresford	259.59		259.59
Olivers Battery	749.20		749.20
Otterbourne	701.27		701.27
Owslebury	383.20		383.20
Shedfield	1,604.72		1,604.72
Soberton	812.86		812.86
South Wonston	959.75	190.10	1,149.85
Southwick and Widley	201.74	77.16	278.90
Sparsholt	308.26		308.26
Swanmore	1,286.19		1,286.19
Tichborne	85.78		85.78
Twyford	694.62		694.62
Upham	310.54		310.54
Warnford	110.05		110.05
West Meon	379.12		379.12
Wickham	1,665.64		1,665.64
Whiteley	1,270.26		1,270.26
Winchester Town	14,003.42		14,003.42
Wonston	592.58		592.58
Totals	46,709.89	337.22	47,047.11