

**Additional words for Exec Summary (Tax Base CAB 2407)**

CLG has confirmed that the reduction in the tax base for council tax support will affect the tax base for local precepting authorities and special items. The Tax Base report makes reference to this potential change (executive summary and para 6.1) but did not include any detail. The effect of this change will mean that the tax base at parish level will be reduced to reflect CTS expenditure. However, the Council will receive a grant of £154,000 (estimate) which is proposed to be shared between the parishes to offset the effect of the reduction in their tax base. There will also be a grant for the Council of £469,000 (estimate) of which some will relate to special items (i.e. Winchester Town Account).

A method of apportionment has been devised for the £154,000 grant. The apportionment will cover the majority of the CTS reduction. The method of the apportionment will be based on the parish element of the total Band D charge for that parish (2012/13) apportioned in accordance with the total level of CTS expenditure within the parish used to reduce the tax base. The principles being applied are that all of the grant that the Council receives for parishes will be passed on to them in an equitable way that seeks to offset the effect of the changes to the council tax base in a proportionate manner.

The grant in respect of the Council and the Town requires further consideration and an apportionment appropriate to the level of impact incurred by the inclusion of CTS in the tax base.

**Additional recommendation (Tax Base CAB 2407)**

3. That Cabinet approves the principles for apportioning the grant between the local preceptors (i.e. parish and town councils) based on the parish of the total Band D charge for that parish (2012/13) apportioned in accordance with the total level of CTS expenditure within the parish used to reduce the tax base (as explained previously in the addition to the Executive Summary)
4. That the detail of the grant apportionment referred to in recommendation 3. (above) and the grant for this Council and the Town (i.e. estimated to be £469,000) and the determination of the final amounts to be paid to each parish and the Town be delegated to the Head of Finance in consultation with the Head of Revenues.