

Council

14 December 2023



Title	<i>Determination of the 2024/25 Council Tax base for tax setting.</i>
Purpose of the report	To make a decision
Report Author	<i>Paul Taylor Chief Accountant</i>
Ward(s) Affected	All Wards
Corporate Priority	Service delivery
Recommendations	<p>In accordance with its delegated powers the Corporate Policy & Resources Committee resolved that the following recommendations in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012, are approved by Council:</p> <p>A. the gross Council Tax Base for 2024/25 is determined at 41,305 (2023/24: 40,867) as Band D equivalents after taking account of the Council's agreed Council Tax Support Scheme, and</p> <p>B. the net Council Tax Base for 2024/25 calculated as Band D equivalents, is determined at 39,241 (2023/24: 39,233) after adjustment by 5% to allow for; irrecoverable amounts, appeals and property base changes.</p>
Reason for Recommendation	<i>To meet the legal requirements to set the Council tax base and publish it to between 1 December 2023 and 31 January 2024 to Surrey County Council and the Surrey Police Commissioner.</i>

1. Summary of the report

- 1.1 Section 67 of the Local Government Finance Act 1992 requires the Council to determine and approve its Council Tax Base for the following financial year before 31st January each year.
- 1.2 The Council is required to calculate the Council Tax Base for its area and has a statutory obligation to notify the figure to the major precepting authorities (Surrey County Council and the Surrey Police Authority) with the Council tax base no later than 31st January 2024.

2. Key issues

- 2.1 The Council Tax Base is one of the key elements of the calculation concerned with setting the Council Tax under the Local Authorities (Calculation of Council Tax Base) (England) Regulation 2012.
- 2.2 All domestic properties within the Borough are banded by the Valuation Officer in one of eight bands. The tax base calculation includes the estimated number of chargeable dwellings, which after allowing for discounts and exemptions, appeals and voids for each ward for the period to 31st March 2024 results in the number of chargeable properties. Chargeable properties are converted to a Band D equivalent by applying the prescribed formula and an allowance for losses on collection.
- 2.3 This report sets out the various factors which have to be taken into account and provides the calculations to arrive at the tax base for 2024/25.
- 2.4 The 2024/25 Council Tax base is set out in Appendix A
- 2.5 Currently collection rates are down slightly compared to the same point a year ago, this appears to be the increasing impact of the Cost of Living Crisis resulting in more households struggling to pay their bills including council tax. The allowance for non-collection for 2023-24 was 3% on a precautionary basis the allowance has been increased to 5%. The Council will continue to seek to maximise the amount of council tax collected.

3. Financial implications

- 3.1 The Local Government Finance Act 2012 (LGFA 2012) includes a number of amendments to the LGFA 1992 which affects the calculation of the Council of the council tax base. These amendments gave powers to determine discounts and set premiums in certain circumstances.
- 3.2 Section 10 of the Local Government Finance Act 2012 imposes an obligation on Billing Authorities to set up a Council Tax Reduction Scheme to replace Council Tax Benefit from 1 April 2013. The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 specify that the tax base must be adjusted to take account of the amount to be paid in accordance with the reduction scheme.
- 3.3 In arriving at a net base, allowance must be made for irrecoverable amounts, movements as a result of appeals and property base changes (new properties). For this purpose, an allowance of 5% is proposed.
- 3.4 The Council Tax Base for 2024/25 has been calculated in accordance with the prescribed guidelines.

4. Risk considerations

- 4.1 The Council will not be able to calculate its share of Council Tax for 2024/25 until the Corporate Policy & Resources Committee have exercised its delegated power and agreed the figures contained in appendix A.
- 4.2 Should a recommendation not be forthcoming until after 31 January 2024, then the Council will suffer severe reputational damage with its stakeholders, Surrey County Council and the Surrey Police Commissioner, as they will not be able to complete their 2024/25 Budgets and Council Tax setting protocols.

5. Procurement considerations

5.1 None

6. Legal considerations

6.1 On the basis that this decision is made by 31 January 2024, there are no legal implications.

7. Other considerations

7.1 None.

8. Equality and Diversity

8.1 None.

9. Sustainability/Climate Change Implications

9.1 None.

10. Timetable for implementation

10.1 29 November 2023– Corporate Policy & Resources agree the 2024/25 Council Tax Base

10.2 By 31 January 2024, Spelthorne Borough Council advise Surrey County Council and the Surrey Police Commissioner of the Council Tax Base for 2024/25.

11. Contact

11.1 Paul Taylor p.taylor@speltorne.gov.uk

Background papers: There are none.

Appendices: Appendix A – Council Tax Base for 2024/25