



Chester-le-Street District Council

Report to: Council
Date of Meeting: 29 November 2007
Report from: Head of Revenues & Benefits
Title of Report: Calculation of Council Tax Base 2008/2009
Agenda Item Number:

1. PURPOSE AND SUMMARY

- 1.1 The purpose of this report is to allow the Council to set its Council Tax Base for the financial year 2008/2009. The Council is recommended to approve the Tax Base of 17,086.65

2. CONSULTATION

- 2.1 The Director of Resources has been consulted during the preparation of this report

3. CORPORATE PLAN AND PRIORITIES

- 3.1 Although the contents of the report do not directly support the Council's priorities, the tax base does impact on the level of resources available to deliver the Council's Corporate Plan and Priorities.

4. IMPLICATIONS

4.1 Financial Implications and Value for Money Statement

The Council Tax Base impacts on the resources raised by Council Tax.

4.2 Legal

Under sections 32 – 36 of Local Government Finance Act 1992 and the Local Authorities (Calculation of Tax Base) Regulations 1992, as amended, the Council is required to calculate a tax base each financial year. The law requires that the calculation is made by 31 January preceding the start of the next financial tax year.

4.3 Personnel

There are no Personnel implications associated with this report.

4.4 Other Services

There are no implications for other services associated with this report.

4.5 Diversity

A diversity impact assessment has been carried out on this report.

4.6 Risk

The approval of the Council Tax Base ensures that the Council complies with legislative requirements.

4.7 Crime and Disorder

There are no crime and disorder implications.

4.8 Other Implications

There are no other implications associated with this report.

5. BACKGROUND AND POSITION STATEMENT

5.1 In broad terms, the tax base has to be calculated as follows:

- i. Ascertain the number of dwellings in each Council Tax Band (A-H) shown in the valuation list as at 17 September 2007.
- ii. Adjust for estimated changes in the number of dwellings through new build, demolitions and exemptions
- iii. Estimate the number of discounts and disabled relief allowances which will apply for the year.

5.2 The tax base calculation has been based on the Council's decision in 2005 to reduce the discount on second homes from 50% to 10%. This is included as a specific recommendation here following the changes introduced by the Local Government Act 2003.

5.3 An assumption has to be made about the expected rate of collection of the Council Tax. A collection rate of 98.5% was assumed for the current year and this is considered appropriate for the next financial year.

5.4 Using a 98.5% collection rate, the tax base has decreased from 17,126.18 in the current year to 17,086.65 for 2008/2009; a decrease of 39.53 Band D equivalent properties:

<u>Part of District</u>	<u>Tax Base</u> <u>2008/2009</u>
Chester-le-Street	6355.49
Bournmoor	680.42
Edmondsley	176.59
Kimblesworth and Plawsworth	502.08
Great Lumley	1212.73
Little Lumley	521.97
North Lodge	897.20
Ouston	910.77
Pelton	1828.63
Sacriston	1417.50
Urpeth	1109.74
Waldrige	1473.53
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Chester-le-Street District Council	17,086.65
Tax Base	<hr/><hr/>

- 5.5 A billing authority is required to determine in accordance with Regulations made under Section 99 of the Local Government Finance Act 1992, a schedule of instalments by which major precepts and the billing authority's own demands on its Collection Fund are intended to be paid.

RECOMMENDATIONS

- 6.1 It is recommended that
- (a) the reduction in discount on second homes from 50% to 10% be confirmed
 - (b) in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, as amended, the amount calculated by Chester-le-Street District Council as its Tax Base for 2008/2009 shall be 17,086.65
 - (c) the inclusion of 33.1 in the tax base for the reduction in discount on second homes from 50% to 10% be noted;
 - (d) the collection rate be set at 98.5%.
- 6.2 It is recommended that it be noted that the 2008/2009 tax base does not take account of any reduction in the discount on long term empty properties.
- 6.3 It is recommended that the schedule of instalments for payment of the precept to Durham County Council, Durham Police Authority, Co Durham and Darlington Fire and Rescue Authority, and for the Council's own demand on the Collection Fund as detailed in section 5.6 above is accepted.

7. BACKGROUND PAPERS / DOCUMENTS REFERRED TO

- 7.1 CTB1 (September 2007) Calculation of Tax Base for Revenue Support Grant Purposes 2008/09.

7.2 Sections 32 to 36, Local Government Finance Act (LGFA) 1992.

7.3 Local Authorities (Calculation of Tax Base) Regulations 1992, as amended.

AUTHOR NAME	Jayne Henderson
DESIGNATION	Head of Revenues & Benefits
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AUTHOR CONTACT	0191 3872344