

COUNCIL TAX 2023/24 - SETTING THE TAX BASE**1. RECOMMENDED**

1.1 That it be a recommendation to the Council that:

- a) The calculation of the Council's tax base for the year 2023/24 be approved.
- b) Pursuant to this report and in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by this Council as its council tax base for the year 2023/24 be as follows and as detailed in Appendix 3.

PARISH/TOWN	TAX BASE 23/24
Ashurst & Colbury	937.3
Beaulieu	516
Boldre	1,059.7
Bramshaw	343.4
Bransgore	1,827.6
Breamore	184.3
Brockenhurst	1,906
Burley	803.6
Copythorne	1,219.9
Damerham	248.9
Denny Lodge	160
East Boldre	382.7
Elingham, Harbridge & Ibsley	632
Exbury & Lepe	116.1
Fawley	4,655.9
Fordingbridge	2,427.9
Godshill	227.6
Hale	268
Hordle	2,440.1
Hyde	514.2
Hythe & Dibden	7,494.8
Lymington & Pennington	7,531.1
Lyndhurst	1,480.4
Marchwood	2,067.6
Martin	198.5
Milford on Sea	2,934.2
Minstead	377.3
Netley Marsh	812.2
New Milton	10,624
Ringwood	5,474.9
Rockbourne	164.8
Sandleheath	283.8
Sopley	389.8
Sway	1,730.8
Totton & Eling	9,484.4
Whitsbury	102.9
Woodgreen	249
Whole District	72,271.7

2. INTRODUCTION AND BACKGROUND

- 2.1 The purpose of this report is to enable Members to approve the tax base for 2023/24.
- 2.2 Setting the Tax Base is an integral part of the Budget setting process and the determination of Council Tax levels. The Tax Base must be calculated in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012, and the calculation has to be made between 1 December and 31 January. The approved tax base must be notified to the County Council by 31 January.
- 2.3 The Tax Base is a yearly calculation and represents the estimated number of chargeable dwellings and is set to a "Band D equivalent" figure. Each dwelling falls into one of eight valuation bands (A to H) for council tax purposes, with different proportions of tax are payable by each band.
- 2.4 The tax base is the estimated number of dwellings in the District, modified to take account of the different proportions payable, premiums, discounts, exemptions and other reductions.
- 2.5 The calculation of the tax base for tax setting also includes an allowance for non-collection.
- 2.6 Separate tax bases have to be made for each Parish.

3. THE CALCULATION PROCESS

- 3.1 Detailed calculations are required to set the tax base for tax setting purposes.
- 3.2 The number of properties are adjusted in each valuation band to allow for estimates of:
 - The number of properties estimated as being exempt
 - The number of demolished properties due to be removed
 - The number of properties that have a disabled band reduction (for dwellings in Band A they pay 5/9th of the Band D charge instead of 6/9th)
 - The number of properties that have a discount (i.e. single person discount).
 - The number of properties with a 50% discount due to structural repairs (although this is being reviewed with a recommendation to reduce this discount to 0%).
 - The number of properties where a 100% discount will apply for one month only, due to being unoccupied and unfurnished ('void') dwellings.
 - The number of properties subject to an Empty Homes Premium will apply.
- 3.3 The resultant net number of dwellings is multiplied by the relevant proportions to ascertain equivalent Band D properties. The relevant proportions are shown in Appendix 1.
- 3.4 The Council Tax Reduction scheme (CTR) operates as a discount on claimants Council Tax bills with the effect of reducing the Council Tax Base. The value of CTR awarded to pensioners and those of working age are aggregated to arrive at the total council tax reduction. These values are converted into the tax base and band D equivalents. The proposed change to the Council Tax Reduction scheme for 2023/24 is minimal and does not affect these calculations.
- 3.5 The next step of the calculation is to assess the likely collection rate and thereby make an appropriate allowance for non-collection. The collection rate for 2023/24 is 98.5%, which takes into consideration our record of good performance in Council Tax collection, the impact of the cost of living, and is considered prudent. Contributions in lieu for Ministry of Defence dwellings are then added. The whole calculation process is shown in Appendix 2.
- 3.6 The figures used in the calculation process are based on latest actuals. Appendix 3 shows 2023/24 tax bases compared to 2022/23.

3.7 Although there may be some growth in the tax base in the forthcoming year, it is advisable to take a prudent approach. If dwellings are improved and/or extended, bandings only normally change after a subsequent sale or the granting of a lease of 7 years or more.

4. ENVIRONMENTAL AND CRIME AND DISORDER IMPLICATIONS

4.1 None arising directly from this report.

5. CONCLUSION

5.1 The Council should approve formally the tax base for tax setting purposes. The regulations require that the tax base be formally approved for each parish/town Council area, with the calculations being approved by Members.

5.2 A prudent approach has to be taken in forecasting the tax base. Clearly, there is an obligation to ensure that sufficient funds are realised to meet the Council's expenditure.

5.3 A realistic collection rate has to be determined. It is important that the tax base is not overstated, as any shortfall will result in interest costs falling on the Council's General Fund.

5.4 Any Council Tax surplus/deficit on the Collection Fund will be shared between the Principal Authorities, pro rata to the demand/precept on the fund for the year concerned.

Further Information:

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Background papers:

The Local Authorities (Calculation of
Tax Base) (England) Regulations
2012

VALUATION BANDS

All dwellings have been valued by the Valuation Office Agency, based on property prices at April 1991. There are eight valuation bands and each dwelling has been placed into one of these bands according to its assessed value at that time. Band A is the lowest. The higher the band, the higher the council tax charge will be. See the table below:-

BAND	RANGE OF VALUES	PROPORTION
A	Up to £40,000	£1.00
B	Over £40,000 - £52,000	£1.17
C	Over £52,000 - £68,000	£1.33
D	Over £68,000 - £88,000	£1.50
E	Over £88,000 -£120,000	£1.83
F	Over £120,000 -£160,000	£2.17
G	Over £160,000 -£320,000	£2.50
H	Over £320,000	£3.00

For every £1.00 of Council Tax for a band 'A' property, a band 'B' property will be charged £1.17 - and so on. Any discounts and reductions would make the difference less than this.

COUNCIL TAXBASE 2023/24

	SUMMARY									
	DIS. A	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	TOTAL
TOTAL DWELLINGS ON THE VALUATION LIST	0	7161	12185	18143	19425	13618	7083	4605	618	82838
ACTIVE EXEMPTIONS	0	355	231	263	356	181	90	61	7	1544
DEMOLISHED DWELLINGS BAND TO BE REMOVED	0	3	0	1	0	2	1	1	0	8
CHARGEABLE DWELLINGS	0	6803	11954	17879	19069	13435	6992	4543	611	81286
NUMBER OF CHARGEABLE DWELLINGS SUBJECT TO DISABLED REDUCTION	0	33	81	155	186	157	62	58	24	756
NUMBER OF DWELLINGS EFFECTIVELY SUBJECT TO CTAX FOR THIS BAND BY VIRTUE OF DISABLED BAND	33	81	155	186	157	62	58	24	0	756
NUMBER OF CHARGEABLE DWELLINGS ADJUSTED FOR DISABLED RELIEF	33	6851	12028	17910	19040	13340	6988	4509	587	81286
NUMBER OF DWELLINGS ENTITLED TO 25% DISCOUNT	15	4073	5448	5916	5688	3097	1366	733	64	26400
NUMBER OF DWELLINGS ENTITLED TO 50% DISCOUNT	0	139	26	36	66	50	55	47	8	427
NUMBER OF DWELLINGS ENTITLED TO 100% DISCOUNT	0	29	21	29	29	7	8	2	0	125
TOTAL DISCOUNTS	15	4360.86	5507.14	5997.86	5829.18	3199.38	1478.72	827.68	80	27296.5
DISCOUNT DEDUCTION	3.75	1090.22	1376.78	1499.46	1457.295	799.84	369.68	206.92	20	6824.12
NET DWELLINGS	29.25	5760.79	10651.21	16410.54	17582.54	12540.12	6618.32	4314.08	567	74461.88
DWELLINGS SUBJECT TO A PREMIUM (100%)	0	15	13	23	9	5	14	1	0	80
DWELLINGS SUBJECT TO A PREMIUM (200%)	0	24	2	2	4	1	2	1	0	36
DWELLINGS SUBJECT TO A PREMIUM (300%)	0	4	1	1	1	2	0	3	0	12
ADJUSTED NET DWELLINGS	29.25	5835.79	10661.22	16440.54	17602.54	12553.16	6636.32	4302.08	567	74649.88
BAND D EQUIVALENTS	16.3	3890.5	8299.8	14613.8	17602.5	15342.7	9585.8	7190.1	1134	77676
CTR PENSIONERS	4654.52	844619.57	1208529.68	1241486.84	818029.26	381376.35	129958.59	21772.88	0	4650427.69
CTR WORKING AGE	8987.61	919867.02	1562902.09	1397674.07	385435.72	118348.26	24669.92	5188.57	0	4423073.26
TOTAL CTR	13642.13	1764486.59	2771431.77	2639160.91	1203464.98	499724.61	154628.51	26961.45	0	9074927.64
REDUCTION IN COUNCIL TAX BASE DUE TO PENSIONERS CTR	4.14	632.73	774.17	699.31	411.53	158.09	45.81	6.73	0	2732.55
REDUCTION IN COUNCIL TAX BASE DUE TO WORKING AGE CTR	8.10	685.52	999.13	784.82	193.83	48.45	8.66	1.6	0	2730.13
TOTAL REDUCTION IN TAX BASE DUE TO CTR BAND D EQUIVALENTS	6.81	878.83	1379.22	1319.24	605.38	252.43	78.72	13.87	0	4534.49
ADJUSTED BAND D EQUIVALENTS	9.5	3011.7	6920.6	13294.6	16997.1	15090.3	9507.1	7176.2	1134	73141.1
COLLECTION RATE										98.50%
SUB-TOTAL										72044
CONTRIBUTIONS IN LIEU										226.2
TAX BASE										72271.7

TAX BASES FOR 2023/24 COMPARED TO PREVIOUS YEAR 2022/23

PARISH/TOWN	TAX BASE 22/23	TAX BASE 23/24	MOVEMENT
Ashurst & Colbury	930	937.3	7.3
Beaulieu	518.2	516	-2.2
Boldre	1,069	1,059.7	-9.3
Bramshaw	345.1	343.4	-1.7
Bransgore	1,834.9	1,827.6	-7.3
Breamore	184.2	184.3	0.1
Brockenhurst	1,902.9	1,906	3.1
Burley	797.7	803.6	5.9
Copythorne	1,223.1	1,219.9	-3.2
Damerham	245.9	248.9	3
Denny Lodge	161.5	160	-1.5
East Boldre	387.7	382.7	-5
Elingham, Harbridge & Ibsley	627.5	632	4.5
Exbury & Lepe	119.3	116.1	-3.2
Fawley	4,621.3	4,655.9	34.6
Fordingbridge	2,413.3	2,427.9	14.6
Godshill	229.7	227.6	-2.1
Hale	266.1	268	1.9
Hordle	2,450.3	2,440.1	-10.2
Hyde	516.5	514.2	-2.3
Hythe & Dibden	7,479.3	7494.8	15.5
Lymington & Pennington	7,505	7,531.1	26.1
Lyndhurst	1,466.7	1,480.4	13.7
Marchwood	2,070.4	2,067.6	-2.8
Martin	198.7	198.5	-0.2
Milford on Sea	2,919.9	2,934.2	14.3
Minstead	373.7	377.3	3.6
Netley Marsh	817.6	812.2	-5.4
New Milton	10,624.7	10,624	-0.7
Ringwood	5,465	5,474.9	9.9
Rockbourne	168.7	164.8	-3.9
Sandleheath	278	283.8	5.8
Sopley	391.9	389.8	-2.1
Sway	1,727.9	1,730.8	2.9
Totton & Eling	9,440.7	9,484.4	43.7
Whitsbury	100.9	102.9	2
Woodgreen	248.8	249	0.2
Whole District	72,122.1	72,271.7	149.6

Band D equivalents per Council Tax Band

Tax Band	Band D Equivalent properties
Band A (DBR)	9.5
Band A	3,011.7
Band B	6,920.6
Band C	13,294.6
Band D	16,997.1
Band E	15,090.3
Band F	9,507.1
Band G	7,176.2
Band H	1,134
TOTAL	73,141.1