

COUNCIL TAX 2024/25 - 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 2024/25 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 2024/25 be as follows and as detailed in Appendix 3.

PARISH/TOWN	TAX BASE 24/25
Ashurst & Colbury	939.9
Beaulieu	511.9
Boldre	1,067
Bramshaw	337.8
Bransgore	1,846.8
Breamore	185.7
Brockenhurst	1,911.1
Burley	809.2
Copythorne	1,235.7
Damerham	248.3
Denny Lodge	159.2
East Boldre	384.4
Elingham, Harbridge & Ibsley	632
Exbury & Lepe	116.3
Fawley	4,634.5
Fordingbridge	2,423.8
Godshill	225
Hale	267.7
Hordle	2,434.2
Hyde	519.8
Hythe & Dibden	7,482.5
Lymington & Pennington	7,529.6
Lyndhurst	1,478.5
Marchwood	2,075.2
Martin	200.3
Milford on Sea	2,938.7
Minstead	374.4
Netley Marsh	818
New Milton	10,619.4
Ringwood	5,501.6
Rockbourne	169.9
Sandleheath	299.6
Sopley	392.4
Sway	1,731.8
Totton & Eling	9,511.7
Whitsbury	104.7
Woodgreen	252.9
Whole District	72,371.5

2. INTRODUCTION AND BACKGROUND

- 2.1 The purpose of this report is to enable Members to approve the tax base for 2024/25.
- 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. The Valuation Office Agency allocate each domestic dwelling 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 25% or 50% discount (i.e. single person discount).
 - 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 is dependent on their circumstances and 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 2024/25 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 estimated in-year collection rate for 2024/25 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 2024/25 tax bases compared to 2023/24.
- 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. CRIME & DISORDER IMPLICATIONS / ENVIRONMENTAL IMPLICATIONS / DATA PROTECTION 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.

	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	7231	12193	18190	19402	13651	7125	4661	624	83077
ACTIVE EXEMPTIONS	0	377	238	272	407	208	98	57	7	1664
DEMOLISHED DWELLINGS BAND TO BE REMOVED	0	0	1	0	0	0	0	0	0	1
CHARGEABLE DWELLINGS	0	6854	11954	17918	18995	13443	7027	4604	617	81412
NUMBER OF CHARGEABLE DWELLINGS SUBJECT TO DISABLED REDUCTION	0	31	86	169	179	158	70	58	25	776
NUMBER OF DWELLINGS EFFECTIVELY SUBJECT TO CTAX FOR THIS BAND BY VIRTUE OF DISABLED BAND	31	86	169	179	158	70	58	25	0	776
NUMBER OF CHARGEABLE DWELLINGS ADJUSTED FOR DISABLED RELIEF	31	6909	12037	17928	18974	13355	7015	4571	592	81412
NUMBER OF DWELLINGS ENTITLED TO 25% DISCOUNT	13	4115	5460	6016	5741	3172	1398	781	72	26768
NUMBER OF DWELLINGS ENTITLED TO 50% DISCOUNT	0	158	21	18	33	31	37	41	7	346
NUMBER OF DWELLINGS ENTITLED TO 100% DISCOUNT	0	32	36	28	19	10	2	1	1	129
TOTAL DISCOUNTS	13	4441.88	5514.24	6061.52	5813.46	3237.4	1472.68	863.34	86.34	27503.86
DISCOUNT DEDUCTION	3.25	1110.47	1378.56	1515.38	1453.365	809.35	368.17	215.835	21.585	6875.965
NET DWELLINGS	27.75	5798.53	10658.44	16412.62	17520.635	12545.65	6646.83	4355.165	570.415	74536.035
DWELLINGS SUBJECT TO A PREMIUM (100%)	0	10	15	19	9	7	3	5	0	68
DWELLINGS SUBJECT TO A PREMIUM (200%)	0	23	2	8	3	2	8	0	0	46
DWELLINGS SUBJECT TO A PREMIUM (300%)	0	5	2	0	0	3	1	2	0	13
ADJUSTED NET DWELLINGS	27.75	5869.53	10683.44	16447.62	17535.635	12565.65	6668.83	4366.165	570.415	74536.04
BAND D EQUIVALENTS	15.4	3913	8309.3	14620.1	17535.6	15358	9632.8	7276.9	1140.8	77803.6
CTR PENSIONERS	4381.17	889726.26	1282088.96	1291528.89	844374.23	369636.51	137885.22	21020.69	3053.43	4843695.36
CTR WORKING AGE	9067.12	1037071.32	1639004.01	1494245.79	416440.37	131873.49	15368.32	5230.2	0	4748300.62
TOTAL CTR	13448.29	1926797.58	2921092.97	2785774.68	1260814.6	501510	153253.54	26250.89	3053.43	9591995.98
TOTAL REDUCTION IN TAX BASE DUE TO CTR BAND D EQUIVALENTS	6.38	912.42	1382.23	1324.08	603.15	240.64	74.16	12.80	1.50	4557.39
ADJUSTED BAND D EQUIVALENTS	9.21	3000.36	6927.16	13296.13	16933.45	15117.46	9558.84	7264.30	1139.30	73246.2
COLLECTION RATE										98.50%
SUB-TOTAL										72147.51
CONTRIBUTIONS IN LIEU										224
TAX BASE										72371.5

TAX BASES FOR 2024/25 COMPARED TO PREVIOUS YEAR 2023/24

PARISH/TOWN	TAX BASE 23/24	TAX BASE 24/25	CHANGE
Ashurst & Colbury	937.3	939.9	2.6
Beaulieu	516	511.9	-4.1
Boldre	1,059.7	1,067	7.3
Bramshaw	343.4	337.8	-5.6
Bransgore	1,827.6	1,846.8	19.2
Breamore	184.3	185.7	1.4
Brockenhurst	1,906	1,911.1	5.1
Burley	803.6	809.2	5.6
Copythorne	1,219.9	1,235.7	15.8
Damerham	248.9	248.3	-0.6
Denny Lodge	160	159.2	-0.8
East Boldre	382.7	384.4	1.7
Elingham, Harbridge & Ibsley	632	632	0
Exbury & Lepe	116.1	116.3	0.2
Fawley	4,655.9	4,634.5	-21.4
Fordingbridge	2,427.9	2,423.8	-4.1
Godshill	227.6	225	-2.6
Hale	268	267.7	-0.3
Hordle	2,440.1	2,434.2	-5.9
Hyde	514.2	519.8	5.6
Hythe & Dibden	7494.8	7,482.5	-12.3
Lymington & Pennington	7,531.1	7,529.6	-1.5
Lyndhurst	1,480.4	1,478.5	-1.9
Marchwood	2,067.6	2,075.2	7.6
Martin	198.5	200.3	1.8
Milford on Sea	2,934.2	2,938.7	4.5
Minstead	377.3	374.4	-2.9
Netley Marsh	812.2	818	5.8
New Milton	10,624	10,619.4	-4.6
Ringwood	5,474.9	5,501.6	26.7
Rockbourne	164.8	169.9	5.1
Sandleheath	283.8	299.6	15.8
Sopley	389.8	392.4	2.6
Sway	1,730.8	1,731.8	1.0
Totton & Eling	9,484.4	9,511.7	27.3
Whitsbury	102.9	104.7	1.8
Woodgreen	249	252.9	3.9
Whole District	72,271.7	72,371.5	99.8