

COUNCIL TAX BASE 2012/13

Reporting Officer: Deputy Director, Finance

SUMMARY

This report sets out the Council Tax Base for the year 2012/2013, in accordance with the legislation, for approval by the Council.

It shows a net increase in the Council Tax Base of 1,118 (1.13%). The following are the main factors that have helped to increase the Council Tax Base:

- An increase in the number of new properties in Valuation List.
- A reduction in the number of Single Occupancy Discounts, due to a full review of all persons claiming the discount which was carried out in 2011-12.

RECOMMENDATIONS: That

- 1) **The report of the Chief Finance Officer, for the calculation of the Council Tax Base for 2012/2013, be approved.**
- 2) **Pursuant to the report of the Chief Finance Officer, and in accordance with the Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003, the amount calculated by the London Borough of Hillingdon as its Council Tax Base for the year 2012/2013 shall be 100,236.**

INFORMATION

The Council is required to calculate its Tax Base as at 30 November 2011, by 31 January 2012.

The calculation for determining the relevant amount for each band is prescribed under the Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003. The calculation is based on the following formula:

$$(H - Q + J) \times (F \text{ divided by } G)$$

Where:

H = The number of chargeable dwellings for the band on the relevant day, less the estimated number of exempt dwellings on that day.

Q = Is a factor to take account of the discounts to which the amount of council tax payable was subject on the relevant day.

J = An estimation of any adjustments in respect of changes in the number of chargeable dwellings, discounts or exemptions calculated by the authority.

F = The number appropriate to that band which is used in determining the Band D equivalent (i.e. Band A = 6, Band B = 7, Band C = 8, Band D = 9, Band E = 11, Band F = 13, Band G = 15, Band H = 18).

G = The number applicable to Band D (i.e. 9).

The relevant date for 2012/2013 is 30 November 2011.

Calculation of Council Tax Base 2012/2013

Set out below is a summary of the Council Tax Base, showing the estimated collection rate and allowance made for contributions in lieu of Council Tax in respect of Forces Barracks and Married Quarters. The detailed calculation of the Council Tax Base by Band is shown at Appendix A to this report.

TOTAL OF BAND D EQUIVALENT PROPERTIES	
Band	Number
A	439
B	3,411
C	16,940
D	40,235
E	19,855
F	12,401
G	6,834
H	748
Total	100,863
Equivalent Number Adjusted for Estimated Collection Rate (98.7%)	99,552
Allow for contribution in lieu of Council Tax in respect of Forces Barracks and Married Quarters	684
COUNCIL TAX BASE FOR 2012/2013	100,236

Estimated Collection Rate

It is a requirement of the Council Tax legislation (SI 1992 No 612) for the Authority to make an estimate of its collection rate in determining the Council Tax Base. The estimated collection rate is reviewed each year taking account of actual collection trends both in year and over a period of time. For information the estimated collection rate used for 2011/2012 was also 98.7%.

Changes in the Council Tax Base since 2011/2012

In calculating the Council Tax Base for 2012/2013 the authority has to estimate the various changes that will occur during the financial year. Due consideration also has to be given to the actual level of activity experienced in the current financial year 2011/2012.

Section 106 of the Local Government Finance Act 1992

It is noted that this report falls within the provisions of Section 106 of the Local Government Finance Act 1992. Any Member, who is two or more months in arrears with his/her Council Tax, must declare the fact and not vote on the recommendations.

FINANCIAL IMPLICATIONS

This report details the calculations of the Council Tax Base for 2012/2013. The figure for the total Band D equivalents, 100,236, is 1.13% higher than the current year's figure of 99,118. This is due to a number of factors set out above.

The factors with the most significant impact on the Council Tax Base are the increase in the number of properties on the Valuation List and the decreased number of single person discounts throughout the year. This has resulted in an overall increase in the Council Tax Base between 2011/2012 and 2012/2013 of 1.13%

LEGAL IMPLICATIONS

The Borough Solicitor reports that the legal implications are contained in the body of the report.

BACKGROUND PAPERS: None

Council Tax Base 2012/13 - Appendix A

Line	CALCULATION OF 'H' (The number of chargeable dwellings on valuation list)	source	+/-	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
1	Number of properties in the valuation list as at 01/12/09 (effective date) (Document C(1))	C1	+	842	5,616	22,132	44,511	17,781	9,503	4,846	400	105,631
2	Less exempt Properties	D2	-	49	317	753	1,244	533	333	482	15	3,726
3A	LESS Properties re Disabled Persons relief - Drop a Band	D3	-	1	7	51	239	145	108	38	19	608
3B	PLUS Properties re Disabled Persons relief - Drop a Band	D4	+	7	51	239	145	108	38	19	0	607
4												
5	Value of 'H' (Sum of line 1 less line 2, & 3 plus line 4)	CALC	+	799	5,343	21,567	43,173	17,211	9,100	4,345	366	101,904
	CALCULATION OF 'Q' (the value of discounts allowed)											
6	Number of properties entitled to single occupancy discount	D5		477	3,513	10,620	11,697	4,151	1,837	625	22	32,942
7	Line 6 above converted into common factor (ie actual number x 25%)	CALC	+	1190	878	2,655	2,924	1,038	459	156	6	8,235
8	Number of properties entitled to a 50% discount as all residents disregarded	D6		2	13	18	16	16	17	25	13	120
9	Line 8 above converted into common factor (ie actual number x 50%)	CALC	+	1	7	9	8	8	9	13	7	60
10	Number of properties treated as a second home (ie unoccupied and furnished)	D7		51	118	387	434	148	86	43	2	1,269
11	Line 10 above converted into common factor (ie actual number x 25%)	CALC	+	13	30	97	109	37	22	11	1	320
12	Number of properties treated as long term empty	D8		17	49	134	257	94	76	51	9	687
13	Line 12 above converted into common factor (ie actual number x 0%)	CALC	+	0	0	0	0	0	0	0	0	0
14	Value of 'Q'	CALC	-	133	915	2,761	3,041	1,083	490	180	14	8,617

CALCULATION OF 'J' (Expected adjustments to number of properties on valuation list)		source	+/-	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
15	New properties added to valuation list since relevant date	G	+	0	0	0	0	0	0	0	0	0
16	Properties completed but not yet shown on valuation list	F1+ F2	+	2	17	87	103	83	23	8	14	337
17	Properties known to be on valuation list but to be taken out of list as demolished	F2	-	1	3	7	11	3	5	4	0	34
18	Assumed increase in no of properties over year	H	+	0	0	307	235	133	17	18	11	721
19	Estimated change to discounts	J	+	0	0	0	0	0	0	0	0	0
20	Estimated changes to exemptions	K	-	9	57	136	224	96	60	87	3	671
21	Value of J	CALC	+	-8	-43	251	103	117	-25	-65	22	353
22	Value of (H-Q+J)	CALC		658	4,385	19,057	40,235	16,245	8,585	4,100	374	93,640
23	Convert to band D equivalent properties (F/G) where G = 9 and F = number shown in column.			6	7	8	9	11	13	15	18	
24	Band D Equivalent properties by Band	CALC		439	3,411	16,940	40,235	19,855	12,401	6,834	748	100,863
30	Collection rate allowance	98.70%									1.30%	-1,311
31	Estimated Collectable Band Properties											99,552
32	Ministry of Defence properties	MOD		684								684
33	COUNCIL TAX BASE											100,236