

Title of Report:	Calculation of Tax Base	Item 17
Report to be considered by:	Council on 14 December 2004	
Forward Plan Ref:	C0729	

Corporate Plan Priority:	This item is not linked to a Corporate Plan Priority but is a statutory requirement.
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Purpose of Report: To consider the calculation of the tax base for the levying of the Council Tax in 2005/2006.

Recommended Action: The Executive recommend to Council that:

- (1) It approves the report of the Head of Resources for the calculation of the Council's Tax Base for the year 2005/2006;
- (2) Pursuant to the Head of Resources report and in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the amount calculated by the West Berkshire Council as its Council Base for each parish for the year 2005/2006 shall be set out in the attached statement at Appendix 17(b).

Reason for decision to be taken:

- The Council is required to set its Tax Base for 2005/2006 by 31st January 2005 and this cannot be delegated to a Committee or Officer.

List of other options considered:

- None.

Key background documentation:

- None.

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Implications

Policy:

The tax base has been incorporated within the Council's Financial Strategy.

Financial:

Financial implications are as contained within the report.

Supporting Information

Background

- 1.1 The Council is required to set its Tax Base for 2005/2006 by 31st January 2005 and this cannot be delegated to a Committee or Officer.

The Basis of Calculation

- 1.2 It is necessary to take the number of properties in each band, and to adjust this for the estimated effects of new properties, appeals, discounts, losses, etc. The final tax base is determined by converting all calculations to an equivalent number of Band D properties.
- 1.3 The exercise must be performed at both District and Parish level to enable parish precepts and special expenses to be charged upon the local tax base.

Assumptions

- 1.4 In making the calculations for 2005/2006 it is necessary to make judgements regarding the adjustments to the calculation for losses, discount, appeals, etc.
- 1.5 Certain information has been gathered from the Council Tax records for 2004/2005, although it must be stressed that this information can vary with occupation changes. This includes:

Single person discounts
Reliefs for disabled persons
Exemptions
Empty properties

- 1.6 In addition, certain other assumptions have been based solely upon value judgements. The assumptions are:

Appeals / New / Unbanded Properties

No allowance for appeals against banding has been made within the tax base. There is a provision for currently unbanded / new properties of 1,005

Collection Rate and General Losses

A collection rate of 99% has been assumed for losses due to bankruptcies, write-offs, additional voids etc.

Disabled Persons Discount

- 1.7 The disabled persons discount scheme now applies across all bands.

Discount for Second Homes

- 1.8 Following the decision of the Council's Executive on 20th November 2003, the amount of discount allowed on properties used as a second home has been reduced from 50% to 10% with effect from 1st April 2004. Details of this discount are included as a separate row.

MOD Properties - Contributions in lieu of Council Tax

- 1.9 We receive a contribution in lieu of council tax in respect of all MOD properties. This is reflected in the Adjustments row.

Tax Base Calculations

- 1.10 A statement explaining the format of each report is attached at Appendix 17(a) together with the calculation of tax base for the District and each Parish (Appendix 17(b)).

The number of Band D equivalent properties is 58,743.43
The Tax Base is 58,156.00

Appendices

Appendix 17(a) - Explanatory Note

Appendix 17(b) - Tax Base for District and Each Parish (NB: calculation roundings are present in totals for District)

Consultation Responses

Local Stakeholders: None.

Officers Consulted: None.

Trade Union: None.