

Chichester District Council

THE CABINET

5 December 2023

Determination of the Council Tax Base 2024-2025

1. Contacts

Report Author:

Paul Jobson, Revenues and Debt Recovery Manager

Tel: 01243 534501

E-mail: pjobson@chichester.gov.uk

Cabinet Member:

David Betts, Cabinet Member for Housing, Revenues and Benefits

Tel: 07731 419614

E-mail: dbetts@chichester.gov.uk

2. Recommendation

- 2.1. In order to comply with section 35 of the Local Government Finance Act 1992, that the following resolutions be made.
- 2.2. No item of expenditure shall be treated as 'special expenses' for the purposes of section 35 of the Local Government Finance Act 1992.
- 2.3. This resolution in (2.2) shall remain in force for the 2024-2025 financial year.
- 2.4. The calculation of the Chichester District Council's taxbase for the year 2024-2025 be approved.
- 2.5. The amounts calculated by Chichester District Council as its council taxbase be those set out in appendices 1 and 2 to this report.

3. Background

- 3.1. The taxbase is a measure of the taxable capacity of the district and is set during the period 1 December to 31 January. Parish council's, West Sussex County Council and the Police Authority are then notified of the proposed taxbase for the area relevant to them. As the billing authority, the District Council is then responsible for the payment of precepts from the collection fund or general fund for levies and parish precepts.
- 3.2. The Council Taxbase represents the estimated full year number of chargeable dwellings in the area expressed as the equivalent number of band D dwellings. The taxbase calculations are based upon the numbers by council tax band in the Valuation List, plus the estimated new dwellings likely to enter the Valuation List during 2024/25. The result is adjusted for applicable discounts, exemptions and reductions. The figure of chargeable dwellings is further adjusted by an estimated collection rate of 99% (see paragraph 5.1 below)
- 3.3. Since 1 April 2013, the taxbase calculation for the district also takes account of our Council Tax Reduction (CTR) scheme. Properties where the resident will be in

receipt of 100% CTR are fully disregarded in this calculation and pro rata for those on lower amounts.

3.4. Summary of the taxbase of each parish is shown in appendix 2.

4. Outcomes to be achieved.

4.1. The purpose of this report is to set the taxbase for the 2024/2025 financial year.

4.2. Following approval, the relevant taxbase will be notified to precepting authorities to allow for them to set their budgets for 2024/2025.

5. Proposal

5.1. **Collection Rate:** An assumed 'collection rate' is used when calculating the taxbase. In determining the rate, a number of factors are taken into consideration including losses in income through council tax banding reduction, absconds and backdated awards of discounts and exemptions. The assumed collection rate since 2013/14 has been set at 99% and it is proposed to continue with a 99% collection rate for the 2024/25 calculations.

5.2. **Special Items:** Special expense items are those that relate to a part only of the District Council's area. The determination of such special expenses would need the creation of a special expense area which could be the whole of a parish within a parish or across parish boundaries. No such areas have been determined previously and it is recommended that the Cabinet resolve that any special expenses should be treated as general expenses for tax setting purposes.

6. Alternatives that have been considered

6.1. No alternatives have been considered for this report due to the legal requirement to set a taxbase.

7. Resource and legal implications

7.1. Finance: The Local Authorities (Calculation of Tax Base) Regulations 1992 (as amended) requires the billing authority to calculate the taxbase for its area and notify the figure to the precepting authorities in the period 1 December to 31 January in the preceding financial year. A delay in notifying the taxbase to precepting authorities could impact on their ability to set their budgets in time for setting council tax which must be set before 11 March in the financial year preceding that for which it is set.

8. Consultation

8.1. This report has not been subject to consultation.

9. Community impact and corporate risks

9.1. The corporate risk of an inaccurate tax base is that there is potential for the collection fund to be in deficit or surplus.

- 9.2. Since April 2013, the Council and precepting authorities have seen a reduction in taxbase resulting from the implementation of the council tax reduction scheme. The income generated from reducing locally defined discounts and charging the maximum Empty Homes Premium has helped to off-set this loss.

10. Other Implications

	Yes	No
Crime and Disorder		No
Climate Change and Biodiversity		No
Human Rights and Equality Impact		No
Safeguarding and Early Help		No
General Data Protection Regulations (GDPR)		No
Health and Wellbeing		No
Other (please specify)		No

11. Appendices

Appendix 1 - Taxbase for the District of Chichester 2024/25

Appendix 2 – Taxbase for each Parish within the District 2024/25

12. Background papers

12.1. None