
COUNCIL TAX CALCULATION OF TAX BASE 2012/13

Responsible Cabinet Member – Councillor Stephen Harker
Efficiency and Resources Portfolio

Responsible Director – Paul Wildsmith, Director of Resources

SUMMARY REPORT

Purpose of the Report

1. To determine the Council's tax base for 2012/13.

Summary

2. In accordance with Section 33 of the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) Regulations 1992, the Council has to decide its tax base by 31st January in the year preceding that for which the tax base applies. This has then to be notified to any precepting authorities and is used in the calculation and setting of the Council Tax. The relevant tax base calculations are shown in **Appendices 1 and 2**.

Recommendation

3. It is recommended that:-
 - (a) The report for the calculation of the Council's tax base for the year 2012/13 be approved;
 - (b) The taxbase for the Council and the individual tax base for the parishes as set out at Appendix 1 be approved.

Reasons

4. The recommendations are supported to comply with statutory requirements, enabling the Council Tax for 2012/13 to be set by Council in March 2012.

Paul Wildsmith
Director of Resources

Background Papers

Council Tax regulations
Council Tax database

Anthony Sandys - Extension 2512

S17 Crime and Disorder	This report has no implications for crime and disorder
Health and Well Being	There are no health and well being issues
Carbon Impact	There are no carbon impact implications
Diversity	There are no diversity issues
Wards Affected	The proposals affect all wards
Groups Affected	The proposals affect everyone liable for Council Tax
Budget and Policy Framework	The report does not represent a change to the Budget or Policy framework
Key Decision	This is not an executive decision
Urgent Decision	This is not an executive decision.
One Darlington: Perfectly Placed	This report has no implications for the Sustainable Community Strategy
Efficiency	The reports does not have any efficiency implications

MAIN REPORT

Information and Analysis

5. The tax base is the total number of domestic properties in the Borough, calculated as a weighted average 'band D equivalents'. The amount of Council Tax payable for properties in each of the 8 valuation bands A to H is statutorily determined as proportions of band D. The tax base is adjusted for discounts, exemptions and estimated changes over the coming year. An estimate of the collection rate is also applied. The tax base represents the amount of revenue that it is estimated will be raised by each £1 of band D Council Tax. It is, therefore, an important part of setting the Council Tax.
6. The actual calculation of the tax base is prescribed in the above regulations and has several components. Calculations must be made of the 'relevant amount' for the year, for each of the 8 valuation bands as shown in the Council's Valuation List submitted by the Listing Officer (HM Revenue and Customs) on 30th November 2011 and the band A(-) category introduced with effect from 1st April 2000 to provide relief to disabled persons residing in band A properties. The relevant amount for each band represents the number of chargeable dwellings, as adjusted for exemptions, disabled reductions, discounts and also estimated changes up to 31st March 2013. The final total for each band has to be converted to the equivalent number of band D dwellings.
7. The relevant amounts for the individual bands are then totalled and the estimated collection rate for the year is applied. The collection rate is based on the proportion of the amount payable into the Collection Fund for the year, including appropriate adjustments for benefits and any transitional relief, which the Council believes will ultimately be collected. The resulting figure, plus any contributions in lieu from the Ministry of Defence in respect of forces accommodation, is the Council's tax base for its area for the year concerned.
8. Similar calculations also need to be made in respect of the parishes and in particular the same estimated collection rate must be applied as that used for the whole of the Council's area.
9. The estimates and calculations outlined above in respect of the tax base for 2012/13 are shown in **Appendix 1**. Members will see that the calculations produce a total Band D equivalent of 35,093.88 (line 14) which, when combined with an estimated collection rate of 99% and contributions in lieu, results in an overall tax base figure of 34,845.54.
10. Over the Council's area as a whole, the estimated net fluctuations for the year amount to an overall increase of 0.19% (line 12). Consequently, on the basis of a similar level of fluctuation in respect of the various parishes together with the same collection rate as for the area as a whole, the tax base calculations for each parish are as shown in **Appendix 2**.

Outcome of Consultation

11. This is a technical report, which follows a prescribed format. There has been no consultation in compiling this report.

APPENDIX 1

DARLINGTON BOROUGH COUNCIL - ESTIMATED TAX BASE 2012/13

		Band A (-)	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	TOTAL
1	Dwellings per Valuation List		22,571	9,764	6,820	4,953	2,805	1,131	502	50	48,596
2	Exemptions		-754	-203	-220	-130	-57	-17	-6	0	-1,387
3	Disabled Band Reductions		49	46	34	35	24	9	7	23	227
4	Disabled Band Reductions (Chargeable)	49	46	34	35	24	9	7	23	0	227
5	Disabled Band Reductions (Adjusted)	49	-3	-12	1	-11	-15	-2	16	-23	0
6	Single discount (25%)	13	10957	3271	2025	1065	488	162	74	2	18057
7	Double discount (50%)	1	18	22	40	5	1	4	33	3	127
8	Equated Discounts	-3.75	-2,748.25	-828.75	-526.25	-268.75	-122.50	-42.50	-35.00	-2.00	-4,577.75
9	Prescribed Class Discounts		51	25	37	18	18	4	5	1	159
10	Equated Discounts		-5.10	-2.50	-3.70	-1.80	-1.80	-0.40	-0.50	-0.10	-15.90
11	Chargeable Dwellings	45.25	19,060.65	8,717.75	6,071.05	4,541.45	2,608.70	1,069.10	476.50	24.90	42,615.35
12	Estimated Changes					67					67
13	Band D Multiplier	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	Band D Equivalent (Relevant Amount)	25.14	12,707.10	6,780.47	5,396.49	4,608.05	3,188.41	1,544.26	794.17	49.80	35,093.88
15	Estimated Collection Rate										99%
16	Contributions in Lieu										102.6
17	Council Tax Base										34,845.54

ESTIMATED TAX BASE 2012/13 – EXPLANATION OF TERMS

	Each column shows the totals for each Council Tax band A to H. The TOTAL column is the total for the whole Council. The Band A(-) column is the total in Band A where a disabled band relief applies.
Lines	
Line 1	The number of dwellings in each Council Tax band as per the Valuation List, as at 30/11/11.
Line 2	The number of dwellings in each band that are exempt from Council Tax (where an exemption Class A to W applies), to be deducted from the total number of dwellings
Line 3	The number of dwellings in each band where a disabled band relief applies
Line 4	The number of dwellings in each band after the disabled band relief has been applied
Line 5	The net number of dwellings in each band after the disabled band relief has been applied (Line 4 - Line 3), to be deducted from the total number of dwellings
Line 6	The number of dwellings in each band where a single (25%) discount applies
Line 7	The number of dwellings in each band where a double (50%) discount applies
Line 8	The adjustment for each band where a discount applies (Line 6 x 25%) + (Line 7 x 50%), to be deducted from the total number of dwellings
Line 9	The number of dwellings in each band where a second home (10%) discount applies
Line 10	The adjustment for each band where a discount applies (Line 9 x 10%), to be deducted from the total number of dwellings
Line 11	The net number of chargeable dwellings in each band, after all the adjustments have been applied (Line 1 + Line 2 + Line 5 + Line 8 + Line 10)
Line 12	The estimated additional number of band D equivalent dwellings that will be included in the taxbase during 2012/13
Line 13	The band D multiplier that is applied to the number of chargeable dwellings in each band (this multiplier is prescribed in law)
Line 14	The adjusted number of chargeable dwellings in each band after applying the multiplier (Line 11 + Line 12) x Line 13
Line 15	The estimated percentage collection rate
Line 16	The estimated number of band D equivalent dwellings for contributions in lieu
Line 17	The Council Tax Base for 2012/13 (Line 14 x Line 15) + Line 16

PARISH COUNCILS – ESTIMATED TAX BASE 2012/13

Parish	Present Band D Equivalent (1)	Adjusted Band D Equivalent (2)	Collection Rate	Tax Base
Archdeacon Newton	376.73	377.45	99%	373.67
Bishopton	174.75	175.08	99%	173.33
Heighington	927.91	929.67	99%	920.37
High Coniscliffe	108.34	108.55	99%	107.46
Hurworth	1,325.52	1,328.04	99%	1,314.76
Low Coniscliffe and Merrybent	290.93	291.48	99%	288.56
Low Dinsdale	299.96	300.53	99%	297.52
Middleton St. George	1,439.32	1,442.05	99%	1,427.63
Neasham	162.75	163.06	99%	161.43
Piercebridge	64.64	64.76	99%	64.11
Sadberge	309.29	309.88	99%	306.78
Walworth	46.81	46.89	99%	46.43
Whessoe	571.58	572.67	99%	566.94

PARISH COUNCILS ESTIMATED TAX BASE 2012/13 – EXPLANATION OF TERMS

Columns	
Present Band D Equivalent (1)	The calculated Council Tax base for each Parish, using the same methodology set out in Appendix 1, before any estimated changes for 2012-13 have been applied
Present Band D Equivalent (2)	The calculated Council Tax base for each Parish, using the same methodology set out in Appendix 1, and after the estimated changes for 2012-13 have been applied (0.19% growth)
Collection rate	The estimated percentage collection rate
Tax Base	The Council Tax Base for 2012/13 for each Parish