

# Crawley Borough Council

## Consideration Report for Delegated Decision by the Leader of the Council

**Expected Date of Decision 31 January 2024**

### Calculation of Council Tax Base – for the Purposes of Setting the Level of Council Tax for the Year 2024/25

Report of the Head of Corporate Finance, **FIN/647**

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#### **1. Purpose**

- 1.1 The purpose of this briefing note is for the Leader of the Council to exercise his delegated authority to approve the 2024/2025 Council Tax Base.

#### **2. Recommendations**

- 2.1 To the Leader of the Council, you are requested to use your delegated authority to approve the Council Tax Base of 36,637.0

#### **3. Reasons for the Recommendations**

- 3.1 The calculation required by statute has produced a tax base of 36,637.0 which is recommended for approval. The regulations provide that in the current year this authority must set the tax base between 1 December 2023 and 31 January 2024.

#### **4. Background**

- 4.1 The Council Tax in England and Wales is provided for and governed by the provisions of the Local Government Finance Act 1992. Within this act, the Council is designated as a “Billing Authority”, responsible for the billing, collection and enforcement of Council Tax.
- 4.2 The Council Tax Base forms part of the process to set the tax, being an estimate of the number of residential properties that will be liable for the tax in the coming year. This is then divided into the budget requirement of each authority to determine the tax payable per property. The calculation to determine the tax base is updated each year to allow for new properties, demolitions and changes in discounts. Of the final tax base, approximately 99% relates to actual properties and discounts with the remaining 1% being the estimated changes.
- 4.3 The Local Government Finance Act 2012 provided billing authorities with powers to:
- vary certain Council Tax discounts
  - introduce a local council tax reduction scheme

## **Discounts**

- 4.4 There are no discounts for Second Homes.
- 4.5 There are no discounts for Class A, empty properties undergoing major repair or structural alteration. A premium of 100% will be applied if such a property is still empty for between 2 and 5 years. A premium of 200% will be applied for properties empty for between 5 and 10 years. A premium of 300% will be applied for properties empty for more than 10 years.
- 4.6 The discount for Class C properties, empty and substantially unfurnished, is 100% for one week.
- 4.7 The family annex discount gives a 50% discount for people living in annexes that are related to person liable to pay the council tax in the main dwelling.
- 4.8 No discount is receivable for most second homes, however, where a second home is held for the requirements of a job, a 50% discount applies.
- 4.9 The Council has adopted a local council tax reduction scheme which replaced the national council tax benefit scheme from 1 April 2013.
- 4.10 The Council, as billing authority, is able to reduce the total Council Tax payable by individuals or groups of individuals. The purpose of this power is in the main to provide for disasters such as flooding to enable councils to reduce the tax liability of affected households during a given period. Authority to award such discounts has been delegated to the Head of Corporate Finance.

## **5. Information & Analysis Supporting Recommendation**

### **Calculation of the Tax Base**

- 5.1 All residential properties are valued by the District Valuer and allocated to one of eight bands, A to H. In order to arrive at the Council Tax base for the year the number of properties is adjusted to a Band D equivalent for comparative purposes.
- 5.2 The chargeable properties included in the Council Tax base are determined by reference to dwellings shown on the Valuation List for the Council on Monday 11 September 2023 and by reference to the number of discounts, exemptions, and premiums as at Monday 2 October 2023 in respect of those dwellings (as provided to the Government in the Council Tax Base return).
- 5.3 The Band D equivalent Council Tax base is then divided into the amount of income required by the Council to arrive at the amount payable for a Band D Council Tax. The Council Tax for each of the eight bands is then calculated as a percentage of the Band D equivalents. Detailed calculations for each of the bands are set out in Appendix 1 to this briefing note.
- 5.4 It is also necessary for the Council to take a view of the potential amount of Council Tax that could be collected and to make allowance for the possibility of bad debts. This is achieved by reducing the Gross Tax Base by a percentage that reflects the potential value of non-collection. It is proposed that for 2024/2025 the provision for bad debts be set at 0.5% (2023/2024: 0.5%). This figure reflects the probable non-collection of 2024/2025 Council Tax offset by ongoing collection of previous years debt.

## **6. Implications**

- 6.1 The Council Tax base has increased by 684.2 Band D equivalents.
- 6.2 The Council Tax Base will increase the tax yield by £154,178 at the current band D charge of £225.34.

## **7. Background Papers**

Local Government Finance Act 1992

Local Government Finance Act 2012

[Local Council Tax Reduction Scheme, Cabinet – 28 November 2012 \(FIN/286 refers\)](#)

[Review of the Council Tax Reduction Scheme, Cabinet – 30 November 2016 \(FIN/399 refers\)](#)

[Council Tax Empty Property Premiums, Cabinet - 25 September 2019 \(FIN/478\)](#)

**COUNCIL TAX BASE CALCULATION 2024/2025**

**APPENDIX 1**

	Discount/ premium	BAND									BUDGET 2024/25	PREVIOUS YEAR 2023/24	
		DIS. A	A	B	C	D	E	F	G	H			
<b>1. Total number of Properties Liable to Council Tax</b>													
(a) Actual Number per Valuation List			1,324.0	7,621.0	22,500.0	9,074.0	3,820.0	2,327.0	473.0	11.0	47,150.0	46,962.0	
(b) Estimated No of New Properties			78.0	121.3	46.5	40.0	15.0	7.3	1.8	0.0	309.8	293.0	
Known demolitions					-1.0				-0.5		-1.5	0.0	
(c) Estimated No of Rebandings													
- Move from Band			0.0	0.0	-6.0	-5.0	-6.0	-1.0	-1.0	0.0	-19.0	-19.0	
- Move to Band			0.0	6.0	5.0	6.0	1.0	1.0	0.0	0.0	19.0	19.0	
(d) Properties with Disabled Reduction													
- Move from Band				-10.0	-81.0	-52.0	-27.0	-16.0	-7.0	-3.0	-196.0	-184.0	
- Move to Band			10.0	81.0	52.0	27.0	16.0	7.0	3.0	0.0	196.0	184.0	
(e) Exempt Properties			-45.0	-140.0	-177.0	-83.0	-30.0	-38.0	-5.0	0.0	-518.0	-457.0	
- Estimate for new properties			-3.0	-2.0	0.0	0.0	0.0	0.0	0.0	0.0	-5.0	-4.0	
Number of Chargeable Properties			<b>1,364.0</b>	<b>7,677.3</b>	<b>22,338.5</b>	<b>9,007.0</b>	<b>3,789.0</b>	<b>2,287.3</b>	<b>464.3</b>	<b>8.0</b>	<b>46,935.3</b>	<b>46,794.0</b>	
<b>2. Properties Receiving Discounts/Premiums</b>													
- 25% Discount due to single adult household	-25%		745.0	4,334.0	6,206.0	2,017.0	661.0	321.0	51.0	0.0	14,335.0	14,402.0	
- Estimate for new properties	-25%		44.0	69.0	13.0	9.0	3.0	1.0	0.0	0.0	139.0	138.0	
-25% Discount due to all but one resident being exempt	-25%		10.0	49.0	227.0	76.0	29.0	17.0	5.0	0.0	413.0	405.0	
- Estimate for new properties	-25%		1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	1.0	
- 5% reduction in single person discount	-25%										0.0	0.0	
- Other Discounts													
Empty properties 100% discount	-100%		5.0	15.0	14.0	5.0	2.0	0.0	0.0	0.0	41.0	16.0	
- Estimate for new properties	-100%		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Empty properties 50% discount	-50%		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Estimate for new properties	-50%		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Second Homes 50% discount	-50%		1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	2.0	
- Estimate for new properties	-50%		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
All residents being disregarded for Council Tax purposes 50%	-50%		2.0	2.0	13.0	10.0	8.0	6.0	8.0	2.0	51.0	48.0	
- Estimate for new properties	-50%		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Long Term Empties 100% premium	100%		1.0	4.0	13.0	3.0	2.0	1.0	1.0	1.0	26.0	16.0	
Long Term Empties 200% premium	200%		1.0	1.0	1.0	2.0	0.0	0.0	0.0	0.0	5.0	6.0	
Long Term Empties 300% premium	300%		0.0	0.0	3.0	1.0	0.0	0.0	0.0	0.0	4.0	3.0	
<b>3. Number of Properties Receiving no Discounts</b>													
			<b>554.0</b>	<b>3,201.3</b>	<b>15,848.5</b>	<b>6,884.0</b>	<b>3,084.0</b>	<b>1,941.3</b>	<b>399.3</b>	<b>5.0</b>	<b>31,917.3</b>	<b>31,757.0</b>	
<b>4. Family Annexe discount</b>													
			<b>-8.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>			
<b>5. Council Tax Reduction Scheme</b>													
			<b>-325.9</b>	<b>-1,712.5</b>	<b>-2,428.0</b>	<b>-490.1</b>	<b>-69.1</b>	<b>-14.3</b>	<b>-2.6</b>				
<b>6. Tax Base Before Tax Weighting Adjustment</b>													
			826.2	4,841.0	18,302.5	7,991.4	3,542.6	2,186.2	444.6	8.0	38,142.5	37,368.8	
<b>7. Tax Weighting</b>													
	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9				
<b>8. Band D Equivalent</b>													
			550.8	3,765.2	16,268.9	7,991.4	4,329.9	3,157.8	741.1	16.0	36,821.1	36,133.4	
<b>LESS : PROVISION FOR NON-COLLECTION</b>											0.0	-184.1	-180.7
<b>COUNCIL TAX BASE FOR THE YEAR 2024/2025</b>											<b>36,637.0</b>	<b>35,952.7</b>	

Authorised by Head of Corporate Finance

Signature

Date