

Report subject	Council Tax - Tax base 2024/25
Meeting date	10 January 2024
Status	Public Report
Executive summary	This report calculates and presents the proposed council tax base for council tax setting purposes in line with current legislation and guidance.
Recommendations	<p>It is RECOMMENDED that Cabinet recommend to Council:</p> <p>(a) Approves the report for the calculation of the council's tax base for the year 2024/25 and recommends the tax base to Full Council.</p> <p>(b) Pursuant to the report, and in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as amended, the amount calculated as the council tax base for Bournemouth, Christchurch and Poole Council for 2024/25 is 146,342.</p>
Reason for recommendations	The Council is required by the Local Authorities (Calculation of Tax Base) Regulations 1992, as amended, to calculate the council tax base for the financial year 2024/25.
Portfolio Holder(s):	Councillor Mike Cox, Portfolio Holder for Finance
Corporate Director	Ian O'Donnell, Interim Corporate Director for Resources
Report Author	Matthew Filmer, Assistant Chief Financial Officer Russell Oakley, Finance Manager - Technical
Wards	Council-wide
Classification	For Recommendation

Background

1. Bournemouth, Christchurch and Poole (BCP) Council is required to calculate its tax base in accordance with the Local Authorities (Calculation of Tax Base) Regulations

1992, as amended, and provide this information to the Dorset Police & Crime Commissioner, the Dorset & Wiltshire Fire & Rescue Authority as well as the relevant parish, town and neighbourhood councils and charter trustees in the BCP Council area.

Calculation of the council tax base

2. Under the Local Government Finance Act 1992 and accompanying regulations, detailed procedures exist for calculating the tax base which will be used for calculating the levels of council tax charged to residents. The tax base for BCP Council is expressed as the number of band D equivalent properties and will be used to calculate BCP Council's element of council tax as well as the council tax charged by other preceptors.
3. The detailed calculation of the BCP Council tax base is provided in Appendix A.
4. The calculations include estimated changes in the Valuation Office's Valuation List that will take place during 2024/25 by reference to the following:
 - a) Provision for successful appeals
 - b) Provision for exempt properties
 - c) Changes in the number of properties (demolitions and new additions)
 - d) Cost of local council tax support scheme (LCTS)
 - e) Estimated single person and other discounts
 - f) Estimated collection rate
5. The total estimated tax base for BCP Council has increased from 144,839 in 2023/24 to 146,342 in 2024/25. This is down to an improved collection rate, additional properties being built in the conurbation and the implementation of the empty homes premium from 2 years to 1 year from 1st April 2024.
6. Members are reminded of the decision to implement the change in the empty homes premium at Council in July 2022 but this will require further ratification at the 9 January 2024 Full Council meeting. There is a risk that if it is not endorsed the tax base is overstated by 965 properties.
7. Single person discount has increased between 2023/24 and 2024/25 tax base. Efforts are being taken to consider the accuracy of these claims. For example, including an additional information leaflet in council tax bills and investment in the revenue and benefits team to focus on reviewing claims.
8. Throughout 2023/24 the cost of LCTS has decreased and the collection rates are now back at pre pandemic levels.
9. The cost of the LCTS is estimated at £27.2 million (£27.3 million 2023/24) which is a decrease of £0.1 million compared to last year. The weighted average collection rate is estimated at 98.5% (98.2% 2023/24).
10. In addition to calculating the tax base for BCP Council, a separate tax base must be calculated for each part of the council's areas to which a special item of expenditure relates. Parish, town and neighbourhood councils and charter trustee precepts are all treated as special items for these purposes and their precepts are charged only over the tax base for the relevant area. This is provided in Appendix B to this report.

11. The council tax requirement for 2024/25, which will be approved by BCP Council in February 2024, will be divided by the calculated tax base to arrive at the charge for a band.

Options Appraisal

12. The council can make differing assumptions regarding the estimated additions, deletions, exempt properties, discounts, cost of LCTS and the collection rate and their impact on the tax base. However, these have been set at a level based on historical trend and with due regard to the current economic environment in order to ensure as far as possible that a deficit does not occur on the collection fund.

Summary of financial implications

13. As set out in the body of this report.

Summary of legal implications

14. The calculation and approval of the tax base is a crucial step in the council being able to set a legal balanced budget for 2024/25.
15. The council must set its tax base in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, as amended, and inform other preceptors of their relevant tax base.

Summary of human resources implications

16. None

Summary of sustainability impact

17. None

Summary of public health implications

18. None

Summary of equality implications

19. None

Summary of risk assessment

20. None

Background papers

None

Appendices

Appendix A – BCP Council tax base 2024/25

Appendix B – Parish, town and neighbourhood council and charter trustee tax bases 2024/25

Appendix A – BCP Council tax base 2024/25

[illegible]

Appendix B – Parish, town and neighbourhood council and charter trustee tax bases 2024/25

Parish / Town / Charter Trustee	Tax Base
Burton	1,625
Hurn	264
Christchurch Town Council	12,513
Highcliffe and Walkford	6,555
Unparished Christchurch	19
Throop and Holdenhurst Parish	304
Bournemouth Charter Trustee	65,299
Poole Charter Trustee	59,763
Total	146,342