

## SETTING THE COUNCIL TAX BASE 2008/09

### 1 SUMMARY

- 1.1 Under the provisions of the Local Authorities (Calculation of Tax Base) Regulations 1992 the Council is required to determine the tax base for each individual Parish or Town Council area within the District.

### 2 METHOD OF CALCULATION

- 2.1 The Collection Rate is the Billing Authority's estimate of the total amount of Council Tax payable into its Collection Fund or transferred from its General Fund that it estimates will ultimately be paid or transferred. The Head of Finance, Audit & Performance Management has again used a collection rate of 98% for 2008/09 in accordance with Government guidelines.
- 2.2 The relevant amount for each band is to be calculated in accordance with a formula:-

$$(C - (D \times E)) \times \frac{F}{G}$$

Where

- C is the number of chargeable dwellings in the area, which will be listed in the band, calculated by the Authority as:-
  - (i) the number in the band in the valuation list plus
  - (ii) the Authority's estimate of the number of full year equivalent (FYE) dwellings which are not listed but which will be listed in the band for the whole or any part of the 2008/2009 financial year: less
  - (iii) the number of full year equivalent dwellings which are listed in the banded list but which it estimates will not be in that band for the year or any part of the year: less
  - (iv) the number of full year equivalent dwellings which the Authority estimates will be chargeable dwellings on the list for the whole or any part of the year and which will be exempt at any time in the year during a period for which they will be listed in the band.

For these purposes, the Authority treats a dwelling as being in the valuation band by reference to which is calculated the reduced amount, which a person is liable to pay pursuant to regulations under Section 13 of the 1992 Act (Disabled Person Banding Reductions):-

- D is the full year equivalent estimated number of discounts to which Council Tax in respect of dwellings estimated by it for the purpose of calculating C above is subject, treating a discount equal to one appropriate percentage as one, and a discount equal to two appropriate percentage, as two.
- E is the 'appropriate percentage' in Section 11 of the Local Government Finance Act 1992, i.e. currently 25%.
- F is the number which, in the proportion set out in Section 5(1) of the 1992 Act is applicable to dwellings listed in the relevant band.
- G is the number which, in that proportion, is applicable to dwellings listed in valuation band D.

2.3 In the calculations of relevant amounts for any year, where the authority estimates:-

that a dwelling will be listed in the band for part only of the year,

OR a dwelling will be exempt for part only of a year,

OR the amount of Council Tax payable in respect of such dwellings will be subject to a discount for part only of the year.

#### **Daily Calculation**

2.4 The full year equivalent number of such items for the purposes of the tax base calculations is the number of days in the part of the year to which the dwellings, exemption or discount is estimated to apply or relate, divided by the number of days in the year.

#### **Parish or Town Councils**

2.5 The rules for calculating the Council Tax base for any year for any part of a billing Authority's area (eg a Parish, a Town Council area or that part of its area to which a levy or special levy relates) are the same as the rules for calculating the Council Tax base for the whole of its area for that year, subject to the following additional rules:

Chargeable dwellings and discounts are to be taken as only those chargeable dwellings and discounts relating to the part for which the Council Tax base is to be calculated ('the relevant part')

2.6 Calculations have been undertaken for each Parish and Town Council area and are illustrated on Appendix 1 attached.

The Tax Base for 2008/09 is summarised below for ease of reference:-

|                 |          |
|-----------------|----------|
| ASHINGDON       | 1226.38  |
| BARLING MAGNA   | 630.36   |
| CANEWDON        | 556.47   |
| FOULNESS ISLAND | 64.93    |
| GREAT WAKERING  | 1990.14  |
| HAWKWELL        | 4541.76  |
| HOCKLEY         | 3850.68  |
| HULLBRIDGE      | 2391.12  |
| PAGLESHAM       | 104.91   |
| RAWRETH         | 431.40   |
| RAYLEIGH        | 12319.26 |
| ROCHFORD        | 2926.93  |
| STAMBRIDGE      | 236.94   |
| SUTTON          | 52.83    |

### 3 RESOURCE IMPLICATIONS

- 3.1 The Council Tax base is the measure in the Council Tax system of the relative taxable capacity of different areas.

### 4 LEGAL IMPLICATIONS

- 4.1 The Local Government Finance Act 1992 (SI 612/1992) prescribe the requirement for setting the Council Tax Bases.

### 5 PARISH IMPLICATIONS

- 5.1 The Council Tax base produces for the Parish and Town Councils the estimated full year band 'D' equivalent number of chargeable dwellings in their area.

### 6 RECOMMENDATION

- 6.1 It is proposed that Council **RESOLVES**

- (1) That the method of calculation of the Council's Tax Base for the year 2008/2009 be agreed.
- (2) That pursuant to this report and in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992 the amount calculated by the Rochford District Council as its Council Tax Base for the year 2008/09 shall be in the following parts:-

|                 |          |
|-----------------|----------|
| ASHINGDON       | 1226.38  |
| BARLING MAGNA   | 630.36   |
| CANEWDON        | 556.47   |
| FOULNESS ISLAND | 64.93    |
| GREAT WAKERING  | 1990.14  |
| HAWKWELL        | 4541.76  |
| HOCKLEY         | 3850.68  |
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**Background Papers:-**

None

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