



**REPORT of
INTERIM CHIEF FINANCE OFFICER**

**to
COUNCIL
12 DECEMBER 2024**

COUNCIL TAX BASE

1. PURPOSE OF THE REPORT

- 1.1 The Council is required to agree its tax base for the financial year 2025 / 26 in order to set its council tax requirement.
- 1.2 The Council has to notify its tax base calculations to Essex County Council, Essex Fire Authority and the Police and Crime Commissioner for Essex and Parish / Town Councils in order that they can also set their council tax for 2025 / 26.

2. RECOMMENDATION

That in accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012 the amount calculated by Maldon District Council as its council tax base for the 2024/25 year shall be set at **26,854.4**.

3. SUMMARY OF KEY ISSUES

- 3.1 The Local Government Finance Act 1992 amended by S84 of the Local Government Act 2003 set out the requirements allowing each Local Authority to make its arrangements for adopting the Council Tax base. The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 (SI 2012:2914) provides amended statutory guidance to incorporate the changes resulting from the introduction of the Local Council Tax Support Scheme (LCTSS).
- 3.2 The Council Tax varies between the different bands according to proportions laid down in legislation. These proportions are based around Band D and are fixed so that the bill for a dwelling in Band A will be a third of the bill for a dwelling in Band H. Applying the relevant proportion to each band's net property base produces the number of Band D equivalent properties for the area.
- 3.3 The Council Tax Base figure is an integral part of the calculations for setting the level of Council Tax, and is the number of chargeable properties adjusted for certain factors, e.g. single persons' discounts, local council tax support, exemptions etc.
- 3.4 The 2025 / 26 tax base is calculated as determined in The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, with Local Council Tax Support, discounts and exemptions, as at 7 October 2024. **APPENDIX A** shows the calculation of the tax base whilst **APPENDIX B** sets out the tax base for each Parish / Town Council.

- 3.5 The Parish / Town Councils will be notified of their individual tax base so that they can set their Parish / Town precepts and calculate their Band D Council Tax for 2025/26. The Council requests the receipt of Parish / Town Council precepts by 7 January 2025 ahead of setting its own council tax requirement in February 2025.
- 3.6 It should be noted that whilst calculated and shown separately in **APPENDIX B**, the following Parishes' tax bases are combined to set their precept and therefore their Band D Council Tax.
- Asheldham and Dengie;
 - Hazeleigh and Woodham Mortimer;
 - Langford and Ulting.
- 3.7 The collection rate used in the tax base calculation for 2025 / 26 is 97.7%, which is 0.1% below the budgeted collection rate set for the current year. Due to the reduction in various reliefs and support to Council Tax Payers this year, there has been a slight reversal of the trend of improvement in collection since the Covid-19 pandemic.
- 3.8 The number of local council tax support cases have reduced since 2024 / 25 by 48 Band D equivalents.
- 3.9 The Council Tax Base figure set for 2024 / 25 is 26,400.2, so the 2025 / 26 figure represents an increase of 454.2 or 1.72%. The key reasons for the increase are a rise in the number of chargeable properties along with a decrease in LCTSS, less a slight decrease in expected collection rate. An annualised estimate of the number of new dwellings that are expected to be added to the valuation list and becoming chargeable during 2025 / 26 has also been included (244.9 Band D equivalents).

4. CONCLUSION

- 4.1 The annual setting of the Council's tax base is required to set the council tax for the following year.

5. IMPACT ON PRIORITIES AS SET OUT IN THE CORPORATE PLAN 2023 - 2027

5.1 Supporting our communities

- 5.1.1 The Council Tax Base is an important component for calculating the Council Tax chargeable to Maldon District residents for 2025 / 26. This provides key funding for the community.

5.2 Enhancing and connecting our place

- 5.2.1 As explained in paragraph 5.1.1.

5.3 Helping the economy to thrive

- 5.3.1 None directly.

5.4 Smarter finances

- 5.4.1 As explained in paragraph 5.1.1.

5.5 **A greener future**

5.5.1 None directly.

5.6 **Provide good quality services.**

5.6.1 As explained in paragraph 5.1.1.

6. IMPLICATIONS

- (i) **Impact on Customers** – As explained in paragraph 5.1.1.
- (ii) **Impact on Equalities** – None identified.
- (iii) **Impact on Risk (including Fraud implications)** – None identified.
- (iv) **Impact on Resources (financial)** – The increase in tax base will increase the Council's council tax revenue for 2025 / 26.
- (v) **Impact on Resources (human)** – None identified.

Background Papers: None.

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