

1. Calculation of the Tax Base - 'The Band D Equivalent'

The Council Tax rates covers eight bands of property. Each band has an arithmetic relationship with the other - and all bands are related to Band D for charge purposes as follows:

Band	Proportion of Band D Charge	
A	$\frac{6}{9}$	of Band D
B	$\frac{7}{9}$	of Band D
C	$\frac{8}{9}$	of Band D
D	$\frac{9}{9}$	of Band D
E	$\frac{11}{9}$	times Band D
F	$\frac{13}{9}$	times Band D
G	$\frac{15}{9}$	times Band D
H	$\frac{18}{9}$	times Band D

It is therefore, possible to work out a tax base by multiplying the number of properties in each of the bands by the relevant proportion (see Annexe A). Known single person discount properties and student properties are also taken into account in arriving at this figure.

Certain other factors also have to be taken into account. These are:

- Number of properties that are yet to be listed in the appropriate band for all or part of the coming year.
- Properties Eligible for the Long Term Empty Premium
- A reduction for the number of properties that attract disabled relief, which for Bands B-H receive a charge relating to one band lower than the band allocated to the property. Properties in Band A are also entitled to disabled relief, thereby reducing the charge to 5/9ths of a Band D property charge.
- A reduction for the estimated number of successful appeals against the banding allocated for individual properties.
- A reduction for the estimated number of properties becoming subject to single person discount, and student discount during the year.
- A reduction for the estimated number of properties eligible for Council Tax Support

The net effect of these adjustments is incorporated in a single figure called the Band D equivalent figure. Thereafter, the estimated effect of possible non collection also has to be considered, the effect of which is to reduce the equated number of properties taken into account in setting the Council Tax and this final figure is the "Council Tax base".

2. Assessed Level of Non Collection

The estimated non collection level for 2020/21 was 1.30%. After a review of the Council Tax arrears and current collection rates, the collection rate is recommended to remain the same for 2021/22. There is some risk associated with this but it is anticipated at this stage that collection rates will return back to pre COVID levels following the pandemic

3. Detail of the Calculation of the Council Tax Base

Section 33 of the Local Government Finance Act 1992 has been expanded via an amendment to the Act to accommodate the changes to the taxbase in calculating the final taxbase figure - item T.

The manner of calculation of the Council Tax base is set out in the local Authorities (Calculation of Council Tax Base) (England) Regulations 2012

'T' is determined by the formula:

$$A \times B$$

Where: -

A is the total of the relevant amounts for that year for each of the valuation bands which is shown or is likely to be shown for any day in that year in the Council's valuation list as applicable to one of more dwellings situated in its area (i.e. the Band D equivalent).

B is the Council's estimate of its collection rate for that year.

The regulations lay down a formula for the calculation of A and these are attached at Annexe A.

The calculations are as follows: -

$$\begin{aligned} A &= 89405 \\ B &= 98.70\% \\ T &= 88243 \end{aligned}$$

4. Calculation of the Council Tax Base for 2021/22 for Part of the Area

A further calculation is needed to deal with the levies in respect of the Anglian and Thames Regions of the Environment Agency affecting part of the Council's area for Land Drainage purposes. These are derived from the above figures. The formula is shown on Annexe B.

TP is the amount of the Council Tax base for the relevant part of its area.

The calculations shown on Annexe B give rise to the following figures for TP for each of the Environment Agency regions:

Thames	83074
Anglia	6331

**COUNCIL TAX BASE CALCULATION 2021/22
THE BAND D EQUIVALENT**

Item A is found by applying the formula $((H+Q+J+E)+Z)F/G$ to each of the Council Tax bands and totalling the amounts calculated

Where	A1*	A	B	C	D	E	F	G	H	Total
H is the number of properties in the valuation list - Regulation 4(2) as at 30th November	0	5,466	11,069	28,285	36,124	15,400	6,444	3,056	340	106,184
Less										
the number of properties exempt from a charge - Regulation 4(2)	0	-170	-251	-362	-512	-239	-50	-36	0	-1,620
Property Base - Item H	0	5,296	10,818	27,923	35,612	15,161	6,394	3,020	340	104,564
Q Is the factor to take account of discounts	-1	-754	-1,459	-2,455	-2,322	-860	-289	-120	-10	-8,270
J is the expected change to the property tax base during the year Regulations 4(6) to 4(8)										
Additions	11	75	170	359	321	148	63	30	2	1,179
Reductions	0	-96	-103	-174	-254	-139	-70	-47	-18	-900
Z Is the estimate reduction in relation to claimants receiving Council Tax Support	-1	-1,494	-2,381	-3,236	-2,230	-537	-117	-33	-1	-10,030
Total tax base adjustment	10	-1,516	-2,314	-3,051	-2,162	-528	-124	-51	-17	-9,751
Total projection per band	9	3,027	7,045	22,417	31,128	13,774	5,981	2,849	313	86,543
F Is the proportion of each band in relation to band D	5	6	7	8	9	11	13	15	18	
G Is the proportion specified for band D	9	9	9	9	9	9	9	9	9	
$((H+Q+J) + Z) \times F/G =$	5	2,018	5,480	19,926	31,127	16,834	8,639	4,750	626	89,405
The Band D equivalent item A is therefore										89,405
* Band A Disability Adjustment										

The TP for each levy affected is calculated as follows:

$$TP = M \times \frac{N}{M + O}$$

where

	<u>Thames</u>	<u>Anglian</u>
M is the unscaled Council Tax Base for a part of the authority's area, calculated according to the number of dwellings situated in that part of the authority's area (in total that is the band D equivalent figures for the Council, 89406)	83074	6331
N is the authority's Council Tax Base (89405) (1.30%)	88243	88243
O is the unscaled Council Tax Base for the remaining part of the authority's area	6331	83074

Thus the calculation for each region is:

Thames	83074 x	$\frac{88243}{6331 + 83074}$	=	81994
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Anglian	6331 x	$\frac{88243}{6331 + 83074}$	=	6249
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Thus, the total for both regions (88243) equates to the Council's Tax Base.