

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 2024/25 was 1.30%. After a review of the Council Tax arrears and current collection rates, the non collection rate is recommended to change to 3% for 2025/26. This is a realistic assessment of likely collection rates given the current rates of council tax in the borough and tax increases over the last few years

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, 92,939)	86,421	6,518
N is the authority's Council Tax Base (92,939) (3.00%)	90,151	90,151
O is the unscaled Council Tax Base for the remaining part of the authority's area	6518	86421

Thus the calculation for each region is:

Thames	86421 x	$\frac{90,151}{6,518 + 86,421}$	=	83,829
Anglian	6518 x	$\frac{90,151}{6,518 + 86,421}$	=	6,322
				90,151

Thus, the total for both regions (90151) equates to the Council's Tax Base.