

69. Council Tax Base 2024/25

Purpose of Report

To seek the Executive's recommendation to the City Council of the Council Tax Base for the financial year 2024/25.

Decision

That it be recommended to the City of Lincoln Council that:

- a) In line with the Levelling-Up and Regeneration Act 2023, with effect from 1st April 2024, a Council Tax premium of 100% for a property empty for 12 months, (changing from the current position of a property empty for 2 years) be approved;
- b) It be noted that there were no special items as defined in Section 35 of the Local Government Finance Act 1992 (as amended) applicable to any part or parts of the City of Lincoln local authority area;
- c) The Chief Finance Officer's calculation of the Council Tax Base for the financial year commencing 1 April 2024 and ending 31 March 2025, as set out in Appendix B of this report be approved;
- d) In accordance with the Chief Finance Officer's calculation, and pursuant to the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended), that the Council Tax Base for the 2024/25 financial year be 25,669.23.

Alternative Options Considered and Rejected

None. The Local Government Finance Act 1992 and Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended) required the Council to formally set its Tax Base as the first stage of the Council Tax setting process.

Reasons for the Decision

Before setting the Council Tax Base, the issue of any special items relating to a part of the Council's area must be considered. If there were any items of expenditure that related to one part of the local authority area, then that expenditure could be levied on those residents in that area and not on others. There were no items of special expenditure for the 2024/25 financial year.

The calculation of the Council Tax Base, was based upon the number of dwellings on the Valuation List, provided by the Government's Valuation Office. The figures were adjusted for exempt dwellings and for dwellings subject to disabled reduction. The number of chargeable dwellings in each band was further

adjusted for discounts, exemptions, premiums, and Council Tax Support. The resultant figure was the total equivalent number of dwellings which were then converted using ratios into the number of Band D equivalents. For 2024/25, the equivalent number of Band D properties was calculated at 25,931.37.

The Council Tax Base was finally determined by multiplying the sum of the Band D equivalents by the Authority's estimated collection rate, which had been assumed at 98.75% for 2024/25. This was the estimate of the percentage of the 2024/25 Council Tax set which would be collected in total, and not the expected in-year collection rate in 2024/25. In addition, a final adjustment in respect of Crown properties was made. This resulted in a proposed Council Tax base for 2024/25 of 25,669.23.

The Levelling-Up and Regeneration Act 2023 now included provision allowing billing authorities to change the period at which a long-term empty property attracted an additional Council Tax charge of 100% after 12 months rather than the current position of after 2 years. This premium could be introduced from 1st April 2024 under the provisions of this Act.