

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL)	AGENDA ITEM: 7
DATE OF MEETING:	11 JANUARY 2024	CATEGORY:
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	CHARLOTTE JACKSON Charlotte.jackson@southderbyshire.gov.uk	DOC: S/Finance/Committee/2023-24/Jan/Council tax
SUBJECT:	COUNCIL TAX BASE 2024-25 AND SURPLUS 2023-24	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:

1.0 Recommendations

- 1.1 That the Council Tax Base for 2024/25 of 38,809 (equivalent Band D) properties as detailed in **Appendix 1** is approved.
- 1.2 That a Council Tax Surplus of £550,000 for 2023/24 is declared on the Collection Fund and that the Council's proportion of £55,000 is transferred to the General Fund in 2023/24.

2.0 Purpose of the Report

- 2.1 To update on the Council Tax element of the Collection Fund Surplus and to provide detail of the Tax Base for Council Tax in 2024/25.

3.0 Detail

Council Tax Base

- 3.1 This is the number of chargeable properties for Council Tax after taking account of exemptions and discounts, including the Local Council Tax Support Scheme.
- 3.2 The calculation of the Tax Base for 2024/25, as detailed in **Appendix 1**, is based on the number of properties listed on the Council Tax register as at 30 September 2023 plus the growth trajectory of the District of 340 properties.
- 3.3 A statutory return is reported on the same basis across the country and the Derbyshire Preceptors base their budgeted income for the following year for Council Tax on this return.
- 3.4 The "Band D equivalent" is calculated on the statutory return and the Tax Base for 2024/25 is 38,809, which is an increase of 1,146 (3.04%) of properties from 2023/24.

3.5 The expected growth forecasted in the Medium-Term Financial Plan (MTFP) was 953 properties with a growth prediction of 2.5%, this will increase the level of income retained by the Council in 2024/25.

Council Tax Surplus

3.6 In setting the level of Council Tax for 2024/25, the Council is also required to estimate the balance on the Collection Fund for the current financial year.

3.7 Due to growth of the district in previous years, a surplus has been generated on the Collection Fund for Council Tax.

3.8 **Appendix 2** shows a forecasted deficit on Council Tax for 2023/24 of approximately £195k due the Council Tax Support Scheme and the bad debt provision for 2023/24 which is expected to be approximately 2% of the income generated.

3.9 The surplus on Council Tax Collection fund as at the end of 2022/23 totalled £2.2m. A Council Tax Surplus of £500k was declared as part of the Budget round in January 2023 for distribution to preceptors through 2023/24.

3.10 By declaring a surplus of £550k in 2023/24 and the estimated deficit on the fund of £195k the remaining balance at the end of 2023/24 is predicted to be £934k. This will be held in the Council Tax Collection fund for any unforeseen fluctuations in collection rates and the anticipated cost of the continuation of the Council Tax Support Scheme. The allocation of the proposed surplus to distribute to Preceptors in 2024/25 is listed in the following table.

	%	£
Derbyshire County Council	72.8%	399,926
Derbyshire Fire	4.1%	23,227
Derbyshire Police	12.9%	72,139
SDDC	10.2%	54,708
	100.0%	550,000

4.0 Financial Implications

4.1 Detailed in the report.

5.0 Corporate Implications

Employment Implications

5.1 None.

Legal Implications

5.2 None.

Corporate Plan Implications

5.3 None directly.

Risk Impact

5.4 None.

6.0 Community Impact

Consultation

6.1 None required.

Equality and Diversity Impact

6.2 None.

Social Value Impact

6.3 None.

Environmental Sustainability

6.4 None.

7.0 Background Papers

7.1 None.

APPENDIX 1

PARISH	2022/23	2023/24	2024/25	Change
ASH	23	27	31	4
ASTON ON TRENT	732	735	789	54
BARROW ON TRENT	243	241	242	1
BARTON BLOUNT	34	40	36	-4
BEARWARDCOTE	13	13	13	0
BRETRY	414	414	409	-5
BURNASTON	688	690	683	-7
CALKE	9	7	9	2
CASTLE GRESLEY	632	632	658	26
CATTON	22	21	20	-1
CAULDWELL	48	47	47	0
CHURCH BROUGHTON	255	250	252	2
COTON IN THE ELMS	287	288	286	-2
DALBURY LEES	136	139	141	2
DRAKELOW	318	342	447	105
EGGINGTON	255	255	256	1
ELVASTON	1,197	1,264	1,345	81
ETWALL	1,190	1,193	1,285	92
FINDERN	1,504	1,534	1,544	10
FOREMARK	32	34	30	-4
FOSTON & SCROPTON	252	248	251	3
HARTSHORNE	1,162	1,218	1,339	121
HATTON	917	1,001	1,119	118
HILTON	2,891	3,073	3,152	79
HOON	23	23	23	0
INGLEBY	51	51	50	-1
LINTON	779	776	841	65
LULLINGTON	61	59	61	2
MARSTON ON DOVE	18	18	18	0
MELBOURNE	2,020	2,033	2,060	27
NETHERSEAL	336	339	341	2
NEWTON SOLNEY	386	390	393	3
OSLESTON & THURVASTON	123	119	118	-1
OVERSEAL	940	957	971	14
RADBOURNE	527	679	846	167
REPTON	1,222	1,231	1,247	16
ROSLISTON	306	317	318	1
SHARDLOW & GREAT WILNE	427	427	429	2
SMISBY	123	123	128	5
STANTON BY BRIDGE	125	123	126	3
STENSON	1,499	1,502	1,497	-5
SUTTON ON THE HILL	68	69	69	0
SWADLINCOTE	9,770	9,852	9,987	135
SWARKESTONE	498	603	637	34
TICKNALL	302	303	297	-6
TRUSLEY	42	42	42	0
TWYFORD & STENSON	71	68	70	2

WALTON ON TRENT	307	315	310	-5
WESTON ON TRENT	658	686	702	16
WILLINGTON	1,031	1,050	1,050	0
WOODVILLE	1,735	1,802	1,794	-8
TOTAL	36,702	37,663	38,809	1,146

APPENDIX 2

COUNCIL TAX FORECAST 2023/24

In year collection

Estimated Council Tax Receivable 2023/24	-77,916,642	
		<u>-77,916,642</u>
Estimated Bad Debt Provision 2023/24	1,558,333	
		<u>1,558,333</u>
Precepts 2023/24:		
Derbyshire County Council	55,665,161	
Derbyshire Fire	3,232,992	
Derbyshire Police	10,040,956	
SDDC	6,577,466	
Parishes	1,037,217	
		<u>76,553,792</u>
In year deficit on Council Tax Collection		<u>195,483</u>

COUNCIL TAX - COLLECTION FUND 2023/24

Opening Surplus Balance		-2,179,803
Surplus Paid 2023/24:		
Derbyshire County Council	364,004	
Derbyshire Fire	20,656	
Derbyshire Police	64,289	
SDDC	51,051	
		<u>500,000</u>
Declaration of Surplus 2024/25		550,000
Estimated in year deficit		195,483
Estimated closing balance		<u>-934,320</u>