

Committee Name and Date of Committee Meeting

Delegated Officer Decision – 08 January 2025

Report Title

Council Tax Base for 2025/26

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Judith Badger, Strategic Director of Finance and Customer Services

Report Author(s)

Nikki Kelly, Finance Manager Corporate
Nikki.Kelly@rotherham.gov.uk

Ward(s) Affected

Borough-Wide

Report Summary

This report sets out the calculation of the Council Tax Base for the 2025/26 financial year.

This calculation takes into account:

- the total number of dwellings in the Borough and their banding;
- the Council's own Local Council Tax Support Scheme;
- other discounts, exemptions and premiums on second homes and empty properties;
- the projected in-year Council Tax collection rate in 2025/26;
- estimates of the changes and adjustments in the tax base that occur during the financial year including the construction of new properties: and

In accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012 governing its calculation, it is determined that the Council's Tax Base for the financial year 2025/26 is 73,602.07 Band D Equivalent Properties.

Recommendations

1. That the Strategic Director – Finance and Customer Services determines that the amount calculated by the Council as its Council Tax Base and those of the

Parish Councils shown at Appendix 1 for 2025/26 shall be a total of 73,602.07 Band D Equivalent Properties.

List of Appendices Included

Appendix 1 Council Tax Base 2025/26
Appendix 2 Carbon Impact
Appendix 3 Equality Impact Assessment

Background Papers

1. Local Authorities (Calculation of Council Tax Base) Regulations 2012 (Statutory Instrument 2012 no 2914)
2. Review of the Local Council Tax Support Scheme – Council 24th January 2018.
3. Increase in Council Tax Empty Property Premium Report to Cabinet 17th December 2018.

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

No

Error! Reference source not found. **Council Tax Base for 2025/26**

1. Background

1.1 Setting the Tax Base is an integral part of the annual Budget setting process and the determination of the Council Tax level. The Tax Base must be calculated in accordance with regulations under Section 33(5) of the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) Regulations 2012. The Regulations specify the period for the calculation of the tax, between 1st December and 31st January in the financial year preceding that for which the calculation of the Council Tax Base is made, is set by the regulations.

2. Key Issues

2.1 The calculation of the Tax Base takes into account several factors:

- The total number of dwellings in the Borough and their banding for Council Tax;
- The Council's own Local Council Tax Support Scheme (CTSS);
- Council Tax discounts, exemptions and premiums that will apply to properties in the coming financial year;
- The projected level of Council Tax discounts and exemptions awarded;
- Estimates and projections reflecting the changes and adjustments in the Tax Base that occur during the financial year, in particular, newly built properties; and
- An estimate of the future in-year Council Tax collection rate at 96%.

2.2 The Local Council Tax Support Scheme (CTSS) operates as a discount on claimants' Council Tax bills and its effect is to reduce the Council Tax Base. The current scheme, applicable from the 2018/19 financial year, was approved by Council on 24th January 2018. The scheme for 2025/26 is under review and is currently under consultation, with a closing date of 10th January 2025. It is not anticipated that the consultation will lead to a significant change to the calculated Council Tax Base, although clearly that cannot be confirmed until the consultation is complete. The Council Tax base has been calculated on the basis of the existing Council Tax Support Scheme and an assumption of the impact of introducing the revised position on Empty Property Premiums, whereby they will be charged from 1 year instead of 2 years.

2.3 Taking account of the above factors, the Council's Tax Base for 2025/26 has been calculated as 73,602.07 Band D equivalent properties. This is an increase of 731.57 Band D equivalent properties or a 1.00% increase, which is consistent with the assumptions used in the Council's MTFS.

2.4 The 1.00% growth in Band D Equivalent properties is chiefly the result of the ongoing construction of new properties. Most construction has been in Parished areas, particularly Waverley, Dinnington and Wales, although developments are also planned for Rotherham town centre. In addition, newer properties tend to be in higher Council Tax Bands, 64% are in Bands C to H. The Tax Base

includes estimated numbers of new build properties that will be added before the end of 2025/26.

- 2.5 Offsetting this growth, there has been a small increase in the effect of CTSS claimants, which decreases the tax base before losses by an additional 76.37 Band D equivalent properties.
- 2.6 As most CTSS claims relate to Band A properties (which represent the largest proportion of properties in Rotherham) growth in this tax band has been 0.35%, compared to the overall 1.00% rise and whilst there has been above average growth in the numbers of higher banded properties (primarily Band F) these still represent a relatively small proportion of Rotherham’s Council Tax Base.
- 2.7 The taxbase calculations have included projections for additional Council Tax premiums that may be charged from April 2025 as a result of new legislation (subject to a number of exceptions that will need to be analysed on a case by case basis).
- 2.8 The Tax Base for the Council as a whole (both Parished and Unparished areas) is summarised in the table below.

Tax Band	Band D Equivalent Properties
Band A	27,522.52
Band B	15,392.58
Band C	12,353.66
Band D	8,735.88
Band E	5,622.49
Band F	2,651.01
Band G	1,240.89
Band H	83.04
TOTAL	73,602.07

Details of the Council Tax Base by Band for Parish Councils are set out in the attached Appendix.

3 Options considered and recommended proposal

- 3.1 The Council Tax Base calculation takes account of the Local Council Tax Support Scheme, (CTSS), established Empty Property Premiums and

estimated numbers of properties that will be constructed and completed in the coming year.

3.2 The Council has an established record of good performance with respect to Council Tax collection, and this has been maintained despite the impact of the current economic situation.

3.3 The ongoing impact of the current economic situation and the financial pressures facing residents on Council Tax collection rates has been assessed and it is considered prudent and realistic to set the estimated in-year collection rate at 96% for the Council Tax Base calculation for 2025/26.

4. Consultation on proposal

4.1 The Council Tax Base is a key part of the Council's budget setting process. The Tax Base is central in determining the amount of Council Tax income that will be raised, which represents a significant proportion of the Council's revenue resources for the coming financial year.

4.2 The major precepting authorities; the South Yorkshire Police and Crime Commissioner (PCC) and the South Yorkshire Fire and Rescue Authority, will be notified of the proposed Council Tax Bases for 2025/26 before the Statutory deadline of 31st January 2025. Details of the proposed Council Tax Base will also be circulated to Parish and Town Councils before the end of January to assist them in preparing their budgets.

5. Timetable and Accountability for Implementing this Decision

5.1 The Council is required to have determined its Tax Base by 31st January in the preceding financial year and subject to approval, details of the 2025/26 Tax Base will be confirmed with both major preceptors and Parish and Town Councils line with the statutory deadline.

6. Financial and Procurement Advice and Implications

6.1 Determining the Council Tax Base is a fundamental part of the Council's budget setting process. The Tax Base is central in determining the amount of Council Tax income that will be raised, representing a significant proportion of the Council's revenue resources for the coming financial year.

6.2 There are no direct procurement implications arising from the report.

7. Legal Advice and Implications

7.1 As set out in the report, the calculation of the Council Tax Base has been undertaken in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012 and takes into account relevant considerations as described above, in particular the Council's CTSS, Empty Property Premiums and estimated number of properties that will be constructed and completed in the coming year.

8. Human Resources Advice and Implications

8.1 No direct implications.

9. Implications for Children and Young People and Vulnerable Adults

9.1 No direct implications

10. Equalities and Human Rights Advice and Implications

10.1 No direct implications

11. Implications for CO2 Emissions and Climate Change

11.1 No direct implications.

12. Implications for Partners

12.1. Their respective Council Tax Bases will affect the Council Tax Precepts determined by the South Yorkshire Police and Crime Commissioner, the South Yorkshire Fire and Rescue Authority and Parish and Town Councils.

13. Risks and Mitigation

13.1 As the Council Tax Base must be set by the 31 January 2025, it contains an estimate of future collection rates and projections in respect of the new properties, adjustments, discounts and reliefs to be granted and premiums charged before 31st March 2025 and during the 2025/26 financial year, including the projected cost of the Council's LCTS.

13.2 Although the Council has, over several years, maintained its position as one of the best performing metropolitan authorities nationally for Council Tax collection, it has been considered prudent to retain the assumed 96% in-year collection rate introduced in light of the Covid pandemic in 2021/22 given present economic conditions. As in the past, actual in-year Council Tax collection performance will continue to be closely monitored during 2025/26.

14. Accountable Officers

Nikki Kelly, Finance Manager Corporate

Report Author: Nikki Kelly Finance Manager Corporate
Nikki Kelly,
Finance Manager Corporate

Nikki.Kelly@rotherham.gov.uk

This report is published on the Council's [website](#).