

# Calculation of the Council Tax Base

## Information for Community Councils

This document outlines the key items taken into consideration when calculating the council tax base:

- In September / October each year Council Tax inspectors gather information from the planning department and housing developers. Combined with their knowledge of the city they use this information to estimate the total number of new properties, the estimated timing of the property developments and the estimated council tax band.
- It is a statutory requirement that the current dwellings included on the Valuation List as at 31 October are the starting point for the calculation of the council tax base.
- The information from the inspectors together with the current position of Valuation list form the basis of new properties for the remainder of the financial year (September to March) and the whole of the following year (April to March).
- The total number of additional properties are reduced due to the timing of the developments.  
For example, if 120 new properties are expected to be completed in phases, 60 at the end of September and 60 at the end of December. We would only include the properties in the council tax base calculation for the time they are expected to be added to the list i.e. those completed in September will only collect council tax for 50% of the year and properties completed in December will only collect 25% of the annual council tax. We would therefore only include 45 (30 + 15) properties rather than the 120.
- An element of slippage is also included in the calculation as new properties tend to be completed later than originally scheduled, particularly as we are estimating property figures for nearly 18 months in advance.
- Firstly the chargeable dwellings are calculated by band considering the following:  
Dwellings as at 31 March  
Plus additional properties (reduced depending on timing)  
Less demolitions  
Impact of any appeals  
Estimated impact of exemptions

### **Exemptions**

The estimated number of exemptions applied reduces the number of properties. There are many types of exemption classes such as properties occupied by students, properties undergoing structural repair, properties where occupants are severely mentally impaired.

- Other factors are then taken into consideration when calculating the council tax base:

**Disablement Relief**

Although this doesn't change the overall number of properties it reduces the banding of a property by one band.

**Discounts**

A 25% discount is applied where a property has a single occupant.

**Premiums**

A 50% premium is applied to long term empty properties that have been unoccupied and substantially unfurnished for a period of 12 months or more. Although the properties incurring a premium are initially included in the figures, an adjustment is made to remove the impact of the premium from the final council tax base figure.