

## SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

---

**REPORT TO:** Chief Executive  
**AUTHOR:** Head of Revenues

12th December 2008

---

### SETTING OF COUNCIL TAX BASE FOR 2009/10

#### Purpose

1. To report the calculation of the Council Tax base for 2009/10 and to request the Chief Executive exercise the delegated power to formally set the Council's Council Tax base for 2009/10

#### Background

2. The Council is required to set a tax base for each financial year for the District as a whole and for each separate parish within the District. The tax base is expressed as the number of band D equivalent properties and is used to calculate the basic amount of Council Tax.
3. There is a prescribed process for calculating the tax base, but the Council must make estimates of anticipated changes, for example due to the building of new properties, and estimate the proportion of bad debt. The starting point for the calculation is set by statute as the properties contained in the valuation list at 30th November, adjusted for exemptions and discounts recorded on the Council's Council Tax database at that date.
4. The Chief Executive has delegated authority to set the Council Tax base.

#### Considerations

5. The initial tax base, as recorded on the Council Tax database at 30<sup>th</sup> November 2008, is 58,098.5 band D equivalents. This is an increase of 1.5% compared to the initial tax base at the same time last year of 57,251.2.
6. This initial figure allows for contributions in lieu of Council Tax from the Ministry of Defence equivalent to 335.6 band D properties. This estimate has been confirmed with the Ministry and is comparable with the previous year.
7. It is anticipated that a further 298.8 band D equivalent properties will be completed by 31st March 2009 and should therefore be added to the initial tax base. This figure has been estimated by correlating information from the Revenue Service's Property Inspectors, Building Control, Planning and, where possible, from property developers. The estimate includes an allowance for properties being valued in different bands and also for a corresponding growth in discounts. This estimate allows for the anticipated completion of affordable homes across the district and in particular at Orchard Park and Cambourne, without which the estimated growth would be minimal.
8. During the course of the 2009/10 financial year it is anticipated that a further 381 new properties will be completed. This is considerably less than the 1,042 properties that it was estimate would be completed within the same period in 2008/09 and reflects the downturn in the construction industry. In order to allow for the phased construction over the course of the year, a spread across the valuation bands, and discounts an estimate of 147.9 band D equivalents has been added to the tax base calculation.
9. In previous years an allowance of 0.5% has been made for bad debt. The collection rate for Council Tax is being maintained despite the current economic downturn and 0.5% is still considered to be a realistic reflection of longer-term losses on collection.
10. After allowing for these adjustments the calculated tax base for 2009/10 is 58,252.5. This is an increase of 0.5% compared to the 2008/09 tax base of 57,959.9.

11. A summary of the calculation is shown below, with the previous years' calculation for comparison:

<b>Summary of Tax Base Calculation for the District</b>			
<i>(All figures are band D equivalents)</i>			
	<b>2009/10</b>	<b>2008/09</b>	<b>2007/08</b>
Initial tax base at 30th November	57,762.9	56,915.7	55,946.5
Contributions in lieu of Council Tax from MOD properties	<u>335.6</u>	<u>335.6</u>	<u>351.3</u>
	58,098.5	57,251.2	56,297.8
New properties expected to be completed in this financial year	298.8	535.6	316.8
New properties expected to be completed during next financial year	<u>147.9</u>	<u>464.3</u>	<u>364.0</u>
	58,545.2	58,251.1	56,978.6
Bad debt provision at 0.5%	<u>- 292.7</u>	<u>- 291.3</u>	<u>- 284.9</u>
<b>Estimated Council Tax base</b>	<b><u>58,252.5</u></b>	<b><u>57,959.9</u></b>	<b><u>56,693.7</u></b>

12. A Council Tax base has also been calculated for each parish within the District as set out in appendix A. For the first time a tax base has been calculated for the new parish of Orchard Park, with the tax base for the parish of Impington reduced by a corresponding amount.
13. The number of domestic dwellings in the district has now exceeded 60,000 with 60,003 banded for Council Tax at 30<sup>th</sup> November 2008.

### **Financial Implications**

14. The tax base for 2009/10 has increased by 0.5% compared to the previous year tax base of 57,959.9. This figure is 0.37% higher than the latest tax base estimate contained in the Council's Medium Term Financial Strategy of 58,027.
15. Strenuous efforts have been made to collate intelligence on construction activity to facilitate as accurate an estimate of growth as possible. However, given the current uncertainty about the economy in general, and construction industry in particular, it is difficult to predict the level of future growth with a high degree of precision.

### **Legal Implications**

16. The Council has a legal obligation to set the Council Tax base in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 1992.

### **Consultations**

17. The Council's Planning Service, New Communities Service and local property developers.

### **Conclusions/Summary**

18. The tax base recorded on the Council's Council Tax database at 30<sup>th</sup> November 2008 was 58,098.5 band D equivalents, taking into account discounts, exemptions, disabled persons' reductions and contributions expected in lieu of Council Tax from the Ministry of Defence.
19. There is predicted to be a further increase of 446.7 band D equivalents in respect of 2009/10, due mainly to new property development.
20. A bad debt allowance of 0.5%, which is consistent with the allowance made in previous years, is considered to be reasonable.
21. The growth in the tax base is predicted to be lower than in previous years due to the slow down in the construction industry. The rate of completion of new properties during 2008/09 has been lower than

predicted at the time the 2008/09 tax base was set, and the slower rate of completion is predicted to continue throughout 2009/10.

### **Recommendations**

22. The tax base for the South Cambridgeshire District for 2009/10 should be set at 58,252.5 band D equivalents and the tax base for each parish should be set as shown in appendix A.

#### **DECISION OF THE CHIEF FINANCIAL OFFICER**

I hereby set the Council Tax base for the South Cambridgeshire District, for the financial year 2009/10 at **58,252.5** band D equivalent properties under the authority delegated to me by the South Cambridgeshire District Council. I also set the Council Tax base for each Parish contained within the South Cambridgeshire District boundary as set out in the attached appendix A.

Signed Greg Harlock  
Chief Finance Officer

Dated 16 December 2008

## APPENDIX A

### Council Tax Base for 2009/10 for Parishes within the South Cambridgeshire District

Code	Parish	2009/2010 Tax Base	Code	Parish	2009/2010 Tax Base
001	Great Abington	346.2	052	Histon	1,787.5
002	Little Abington	273.5	053	Horningsea	159.1
003	Abington Pigotts	71.3	054	Horseheath	206.5
004	Arrington	174.2	055	Ickleton	334.7
005	Babraham	117.1	056	Impington	1,498.6
006	Balsham	686.5	057	Kingston	111.9
007	Bar Hill	1,482.1	058	Knapwell	44.3
008	Barrington	442.6	059	Landbeach	354.8
009	Bartlow	50.2	060	Linton	1,751.7
010	Barton	392.3	061	Litlington	360.6
011	Bassingbourn	1,216.5	062	Lolworth	72.4
012	Bourn	428.3	063	Longstanton	985.6
013	Boxworth	99.4	064	Longstowe	88.8
014	Caldecote	698.5	065	Madingley	101.0
120	Cambourne	2,471.7	066	Melbourn	1,939.2
015	Carlton	95.8	067	Meldreth	716.4
016	Castle Camps	279.0	068	Milton	1,702.5
017	Caxton	232.4	069	Guilden Morden	434.7
018	Childerley	12.1	070	Steeple Morden	505.4
019	Great & Little Chishill	309.3	071	Newton	183.5
021	Comberton	925.4	072	Oakington	597.2
022	Conington	61.0		Orchard Park	442.6
023	Coton	354.2	073	Orwell	484.7
024	Cottenham	2,363.2	074	Over	1,087.6
025	Croxton	80.9	075	Pampisford	155.2
026	Croydon	103.9	076	Papworth Everard	1,076.1
027	Dry Drayton	291.7	077	Papworth St. Agnes	34.1
028	Duxford	826.2	078	Rampton	193.3
029	Elsworth	300.4	079	Sawston	2,647.8
030	Eltisley	184.6	080	Great Shelford	1,891.3
031	Great Eversden	106.2	081	Little Shelford	377.6
032	Little Eversden	249.0	082	Shepreth	331.4
033	Fen Ditton	333.1	083	Shingay-Cum-Wendy	57.2
034	Fen Drayton	346.1	084	Shudy Camps	137.4
035	Fowlmere	537.2	085	Stapleford	860.0
036	Foxton	532.5	086	Stow-Cum-Quy	220.8
037	Fulbourn	1,849.3	087	Swavesey	951.7
038	Gamlingay	1,413.8	088	Tadlow	80.3
039	Girton	1,756.4	089	Teversham	1,019.2
040	Little Gransden	132.7	090	Thriplow	483.7
041	Grantchester	269.1	091	Toft	246.2
042	Graveley	95.1	092	Waterbeach	1,578.4
043	Hardwick	961.7	093	Weston Colville	196.1
044	Harlton	147.8	095	West Wickham	183.6
045	Harston	764.4	096	West Wrating	224.6
046	Haslingfield	680.3	097	Whaddon	218.9
047	Hatley	92.7	098	Whittlesford	692.8
048	Hauxton	304.4	099	Great Wilbraham	280.8
049	Heydon	121.9	100	Little Wilbraham	186.6
050	Hildersham	106.0	101	Willingham	1,519.5
051	Hinxton	162.1	102	Wimpole	124.3
				<b>District Total</b>	<b>58,252.5</b>

The above amounts are hereby set as the 2009/10 Council Tax base for the parishes shown.

Signed..... Dated .....