

LONDON BOROUGH OF CAMDEN	WARDS: All
REPORT TITLE Approval of Resource Base for Council Tax and Business Rates (CS/2024/02)	
REPORT OF Cabinet Member for Finance and Cost of Living	
FOR SUBMISSION TO Cabinet Council	DATE 24 January 2024 29 January 2024
STRATEGIC CONTEXT We Make Camden is our joint vision for the borough, developed in partnership with our communities. Camden has a strong track record of delivering for residents and protecting services despite over a decade of reductions in central Government funding for local government. Like households in our Borough, and local authorities around the country, we are facing an unstable financial environment. A key component of our work to protect our services and support our residents is our robust budget setting and financial planning, which is designed in a way that makes the best use of our resources and ensures that Camden continues to be financially resilient, despite the ongoing uncertainty. The Council Tax Base is used as a basis to determine the levels of Council Tax raised locally to fund services. Since 2010 and the prolonged period of austerity, the funding required from both Council Tax and Business Rates required to be raised locally has risen at the same time that central government grants reduced. Local Council Tax and Business rates therefore forms a key part of our medium-term financial planning. Establishing the right amount of Council Tax to charge and its efficient and effective collection, is an essential component to maintaining a balanced budgetary position, whilst at the same time providing a range of support to residents to prevent them from falling into debt and ensure they remain financially secure is a key aim of We Make Camden.	
SUMMARY OF REPORT This report seeks approval of the resource bases for both Council Tax and Business Rates. The Council Tax base shows the number of dwellings in the borough, and any discounts, exemptions or premiums that have been granted. This data is primarily used to establish the amount of Council Tax that can be raised locally to fund services, as well as a wide range of other purposes, including grant allocations and policy development. It is also used by the Greater London Authority and the Garden Square Committees to work out their precept on the Council Tax.	

The Business Rates Base shows how much in Business Rates is likely to be raised when rates are charged at the levels set by Central Government. The Council is required to submit a certified NNDR1 return, containing a more detailed analysis of the Business Rates forecast, to both DLUHC and GLA by the 31 January 2024. The report is coming to the Cabinet and then to Council because the Constitution requires the Council to approve the Council Tax base every year and because the Business Rates yield forms an important part of the 2024-25 Budget and Council Tax setting report which is due to come to Cabinet in February.

Local Government Act 1972 – Access to Information

No documents were used in the preparation of this report which are required to be listed.

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RECOMMENDATIONS

The Cabinet is asked to make the following recommendations to Council:

1. That the calculation of the Council Tax Base for the year 2024/2025 as set out in appendix 1 be approved.
2. That in accordance with Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by the London Borough of Camden as its Council Tax Base for the year 2024/2025 shall be 91,675 as shown in appendix 1.
3. That the tax base for the three Garden Squares as shown in appendix 2 shall be as follows:

Gordon Square	23.93
Fitzroy Square	53.84
Mecklenburgh Square	94.52
4. That the approach and assumptions for the calculation of the Council's business rates yield as set out in appendix 3 be approved.
5. That, in accordance with the Non-Domestic Rating (Rates Retention) Regulations 2013, the amount calculated by the London Borough of Camden as its business rates yield for the year 2024-2025 shall be c£676.2 million as shown in line 17 of Appendix 3.
6. That authority be delegated to the Executive Director Corporate Services, in consultation with the Cabinet Member for Finance and Cost

of Living, to make any adjustments to the calculation of the estimated business rates yield for year 2024-2025. This is to reflect any technical amendments to the calculations or late regulatory changes made by the Treasury or in respect of the former London Pilot Pool.

7. That authority be delegated to the Executive Director Corporate Services to submit the notification of the calculation of the estimated Non-Domestic Rates income to the Secretary of State and the Greater London Authority.

The Council is asked to:

1. Agree the Cabinet's recommendations above.

Signed: Signed by the Director of Finance

Date: 15th January 2024

1. CONTEXT AND BACKGROUND

- 1.1. The Council Tax Base, which is agreed annually is used as a basis to determine the levels of Council Tax raised locally to fund services. Since 2010 and the prolonged period of Government austerity, the amount of tax required to be raised from both Council Tax and Business Rates has risen significantly, whilst at the same time that central government funding has fallen. Local Council Tax and Business rates therefore forms a key part of our medium-term financial planning and funding strategy. In 2010 Council Tax comprised 29% of the councils net funding requirement, compared to 49% in 2023.
- 1.2. Each year, Camden has to work out how much next year's band D Council Tax should be so that the total tax that will be collected is sufficient to fund the budget required to pay for our services. To work out the band D Council Tax charge, the net budget requirement (an amount required to fund services) is divided by a figure called the council tax base (number of dwellings subject to Council Tax in Camden), which is calculated in this report.
- 1.3. As well as Camden, the Greater London Authority (GLA) and the Garden Squares use the Tax Base figures to determine how much needs to be incorporated into 2024-25 Council Tax bills to fund their own services. The GLA precept is the part of Council Tax that goes towards funding London-wide transport, policing and fire services. The Garden Squares precept funds the upkeep, maintenance and improvement of Garden Squares across the borough.
- 1.4. Alongside Council Tax, Business Rates represents one of the largest sources of income for the Council. It is therefore crucial that we have a fair system that drives confidence, reflects local needs and incentivises local growth. Under the current system, Camden retains approximately 16% of the Business Rates it collects, paying back c84% to Central Government and the GLA combined. Above this, the Council is able to retain up to 50% of any new growth in Business Rates.
- 1.5. The government's original intention was to radically reform and reset Local Government funding, however this has been repeatedly delayed. One consequence of these repeated delays is that the actual levels of business rates collected by local authorities have become increasingly decoupled from their original baseline (target levels), which were set in 2013. As such any forthcoming "reset" of the system could therefore see significant changes in funding levels for councils whose rates are significantly above these assumed target levels, and a potential sharp "cliff edge" reduction in funding.
- 1.6. This report estimates the Business Rates yield for 2024-2025 to be c£676.2m. The Council is required to submit a certified NNDR1 return, containing a more detailed analysis of this Business Rates forecast to DLUHC in January 2024. For 2024-25 the Council has opted not to form a London wide Business Rates Pool. This is the third successive year in which the London wide Business Rates

Pool has not proceeded and means that Camden, along with most other London authorities will continue with the standard national arrangements for 2024-25.

- 1.7. The ongoing cost-of-living crisis means the financial security for both our residents and business community continues to be unstable. For Council Tax, not only does our Council Tax Support caseload remain significantly higher than pre Covid but the cost of the scheme continues to rise annually with £31.3m of support awarded in 2023/24 so far, compared to £29.64m at the end of the 2022/23 fiscal year.
- 1.8. For businesses, the impact of the cost-of-living crisis including rising costs of wages, reduced customer spending, etc. is still being felt and seeing significant numbers of business nationally experiencing financial difficulties. Whilst the 2023 revaluation saw most high street businesses benefit from reduced rateable values and an increase in retail relief in addition to assist them, this was at the expense of our large office-based business community who saw rateable value increases and most are ineligible for any national reliefs.

2. PROPOSAL AND REASONS

- 2.1. The Local Government Finance Act 2012 requires the Council to calculate the Council Tax Base for 2024-2025 using council tax data as at 1 December 2023 and to supply the figure to the Greater London Authority and Garden Squares by 31 January 2024. Cabinet is asked to consider the calculations in the appendices and satisfy itself that the tax base is the right figure to be used for calculating the council tax to be presented to the Cabinet in the budget report on 28 February 2024. There are a number of factors which impact the Council Tax Base calculation and these are discussed further in the sections below.

Council Tax Taxbase Calculation

- 2.2. Camden calculates the 2024/25 financial years taxbase figure as 91,675 which is a reduction on the 2023/24 tax base figure of 92,555.
- 2.3. The Council Tax base, in effect represents the aggregated number of residential properties in the borough that are liable for Council Tax. There are 2 key elements that determine the final taxbase figure:
 - Band D equivalents - actual number of properties in the borough adjusted to account for growth (i.e. new builds) or contraction (discounts, exemptions, Council Tax Support to arrive at the total chargeable band D equivalent number of properties.
 - Expected collection rate - the amount the council estimates it will collect in year as a percentage of the amount collected if everyone that is liable pays what they were supposed to. Camden's calculation of this is set out in appendix one of this report.

2.4. The final taxbase calculation is arrived at by multiplying the total 'band D equivalents' by the expected collection rate. Sections 2.5 to 2.8 below (and appendix 1 & 2) set out how the total 'band D equivalents' is calculated, including our expected collection rate for 2024/25.

2.5. Broadly, the steps taken in establishing the Band D Equivalents are as follows:

Chargeable properties before Council Tax Support (CTS) scheme adjustment

2.6. The Council takes the total actual residential properties in the borough on 1 December 2023 (113,205 properties) and calculates the chargeable number of dwellings for the subsequent financial year once new dwellings (and demolitions), exemptions, discounts and premium levies are factored in. For 2024/25 Camden calculates this figure to be 95,830 chargeable properties compared to 94,573 estimated last year.

Impact of our Council Tax Support Scheme

2.7. The second step is to net off the cost of the Council Tax Support (CTS) scheme. For 2024/25 we calculate our scheme will cost the equivalent of 17,353 band D properties (up from 14,565 estimated last year). This would reduce the chargeable dwellings to 78,476 (down from 80,008 last year) because of the significant increase in the cost of our Council Tax Support scheme. To put this into context, for 2023/24 the CTS has cost c£1.7m more than the previous financial year.

2.8. The final part of the core calculation converts the 78,476 chargeable dwellings into Band D equivalents, based on set weightings per band and then apply an assumed allowance for non collection. The Council again expects to collect 97% of the total Council Tax charged in 2024/25, with some of that income not expected to be collected in 2024/25 itself for the reasons set out in section 4 of this report. The total 'band D equivalents' figure is multiplied by the 97% target (with an adjustment for Ministry of Defence properties factored in) which reduces the 94,486 total figure to the revised 91,675 figure expected to be collected.

Business Rates Taxbase Calculation

2.9. The Council has no legal requirement to publish a business rates taxbase annually as the formal NNDR1 process set out by central government sets the expected income collectable by Camden for the year ahead. However, we do calculate a local taxbase for business rates too as the figures contained in this effectively become a starting point for the Councils budget setting for 2024/25 alongside the Council Tax Base.

2.10. For 2024-2025, the estimated business rates base is c£676.2m, excluding any potential retail relief awards which we would be fully compensated for by central government. This is an increase of £47m on last year's c£629.2m estimate. This excludes the separate Business Rates Supplementary (BRS) amount

collected on behalf of the Greater London Authority (GLA). This increase is due to the following factors:

- Expected growth in the business rates base between 1 January 2024 and 31 March 2025
- No additional appeals provision set aside for the 2023 rating list
- The increase in the standard (higher) multiplier from 1 April 2024 from 51.2p to 54.6p which is expected to increase chargeable income (before reliefs and exemptions)
- The above gains in chargeable amounts are expected to be reduced as a result of the estimated increased cost of various reliefs such as Mandatory Charity relief, empty property relief and discretionary reliefs being awarded to existing recipients

Cost of Living impact on both Council Tax and Business Rates

- 2.11. When estimating both the Council Tax and Business Rates bases expected, the final yield is adjusted to reflect the fact 100% collection is unlikely to be achieved and taking into account what is likely to eventually be collected from the taxation charged in the year ahead including amounts collected in 2025/26 and beyond (a lifetime collection rate).
- 2.12. As set out in sections 4.1 to 4.3, collection rates remain lower than pre pandemic and there remains uncertainty around the medium-term impact of the cost-of-living crisis on Camden's households and business economy. Our Council Tax collection expectation of 97% overall also factors in that numerous households have more than one year's arrears outstanding and therefore are already in a cycle of debt, which is why we are only expecting to collect 95% of the Council Tax charge in year and the rest beyond 31 March 2025.
- 2.13. Our business rates estimate also considers information regarding increased insolvencies / winding up of companies struggling financially which result in bad debts the Council is forced to write off. Ignoring these factors and incorrectly assuming collection levels for 2024/25 will return to pre pandemic levels would create a significant financial risk for the Council as the likely actual shortfall would create a budget deficit that would need to be paid back in future years.

3. OPTIONS APPRAISAL

- 3.1. The Council could:
- 3.2. **Adopt the tax bases as recommended** - The tax base estimates have been calculated following extensive analysis of new developments being built and likely to complete during 2024-2025 and the likely movement in exemptions, discounts, reliefs and appeals based on the experience of previous years. The tax bases recommended represent the best estimate for 2024-2025.

- 3.3. **Decide upon a different figure for the Tax Base** - A higher or lower figure for the tax bases could be determined, bearing in mind the impact on the Council's budget and the requirement to set a balanced budget. The Cabinet could decide that the tax bases have been under or over-estimated or decide upon another collection rate. However, the tax bases are a key component of the budget setting for 2024-2025 for which a report is coming to Cabinet on 28 February 2024. In order to compile that report, the Cabinet has to agree a figure for the tax bases at this meeting. The tax base figures must also be provided to preceptors by 31 January 2024.

4. **WHAT ARE THE KEY IMPACTS / RISKS? HOW WILL THEY BE ADDRESSED?**

Imprudent estimates of collection rates

- 4.1. A key factor in the council tax base calculation is the collection rate applied to the tax base. The collection rate adopted for 2023-24 was 97% overall with 95% being collected by 31 March 2024 and the remaining 2% expected to be collected by 30 September 2024.
- 4.2. The actual collection against profiled income for year to date, as at 31 December 2023 is falling short by 2.9% currently which would see us come in at 92.1% on 31 March 2024 if the trend continued for the rest of the financial year. However, some of the shortfall is forecast to be collected during 2024/25 due to repayment plans agreed beyond the end of the financial year as well as ongoing recovery action due to non-payment which means our overall collection rate is likely to meet the 97% projected for 2023/24 overall in last year's taxbase by 30 September 2024.
- 4.3. Prior to the Covid pandemic, Council Tax collection rates for 2019/20 already indicated in year collection rates were falling as 95.35% was achieved against a 97% target as at 31 March 2020. The previous financial years collection rate had also fallen short by 0.62% against that year's target. Whilst the 2021/22 collection rate of 94.15% was a significant improvement on the 91% collected during the 2020/21 year (the height of the pandemic), this fell back to just 94% collected on 31 March 2023 towards our 2022/23 collectable Council Tax.
- 4.4. Keeping our collection target at 97% overall for the 2024/25 tax due allows us to ensure we have a balanced target, using information around collection issues in last few fiscal years and the uncertainty around the medium-term impact of the cost-of-living crisis. Setting the collection rate to a level that cannot be achieved in relation to the 2024/25 Council Tax set would have a negative impact on Council finances across the next financial year and beyond. This is because the Council Tax base forms part of the subsequent annual budget setting process undertaken which use this taxbase as a basis to estimate the necessary Council Tax income required to assist the Council have a balanced budget.

- 4.5. Making incorrect or overly optimistic assumptions around the achievable level of income we will see in 2024/25 could pose a financial risk to the Council as any arising shortfall could create a budget deficit that would need to be bridged.

Increasing cases of arrears as residents and businesses struggle with the pressures driven by the cost of living crisis and wider economic pressures

- 4.6. For business rates, the collection rate for the current 2023-2024 financial year was set at 97% collected by 31 March 2024. However, whilst we are 1.41% below profiled income for year to date, as at the end of 31 December 2023, to achieve that target, we expect to be close to that target come 31 March 2024 as some of the outstanding income for this year on arrangement or having enforcement action taken, is collected during 2024/25. As a result, the overall collection target expectation of 97% set for the current financial year will remain in place for 2024/25.
- 4.7. Camden's willingness to allow those businesses struggling financially to agree longer term repayment plans to assist them remaining financially stable means numerous accounts will have balances not collected in full until the subsequent 2025/26 fiscal year. Camden has always strived to aid our business community with longer term affordable repayment plans being one means to aid them remain solvent.
- 4.8. Camden continues to support residents struggling to pay Council Tax due including ensuring all possible exemptions and discounts (including Council Tax Support for those on low incomes) are claimed, affordable repayment plans agreed for accounts in arrears, reducing amounts owed on the grounds of financial hardship (via our section 13a discretionary discount policy) and signposting them to wider support the Council can offer through the Tackling Poverty team.
- 4.9. In addition to the above, extensive work is underway to review and update the council's approaches to debt as part of the council's wider welfare and debt missions work. This looks to think longer-term around these challenges alongside the ongoing and immediate response, and eventually move from a reactive to more of a proactive approach by offering a holistic support to our residents. This draws on a wide range of work already underway in supporting residents in hardship and seeks to unite the council's approach to debt collection by providing a more cohesive offer to prevent debt from escalating, as well as improve our own financial resilience.

Rates avoidance cases in Camden and across London

- 4.10. In addition to the medium-term impact / risk of the cost-of-living crisis is heightened by the fact we still face regular rates avoidance cases prevalent in Camden and across London for a number of years. These rates avoidance cases often significantly delay the Council being able to recover collectable debt and result in lengthy legal action and costs to enable us to recover against these individuals and organisations.

Other considerations in the business rates taxbase

- 4.11. Our retail hospitality and leisure sector benefit largely from rateable value reductions from 1 April 2023 and the percentage of retail relief increasing from 50% to 75% which will aid them with affordability, particularly as government have already announced retail relief will remain at that higher up to 75% discount for 2024/25 to aid our local businesses with their financial planning for next year.
- 4.12. Our 3% non-collection allowance not only factors in the rates avoidance cases but also the risk posed to our office-based business community that will see rateable values increase and no reliefs (other than transitional relief to limit those increases between the rating lists) who have long campaigned to government regarding limited support and affordability of business rates.
- 4.13. Considering the ongoing risk facing the business community, whilst we expect overall collection to reach 97% for the charges set for 2024/25, we expect that 2% of that will not be collected until after 1 March 2025. Increasing the expected income from business rates above 97% overall for next year financial year with the risks facing our business community would result in a likely overstated income expected for the 2024/25 financial year and result in significant shortfall in income as we are unlikely to see improvements for some time.

Timing and uncertainty around Valuation Office rateable values and appeals and major refurbishments of business premises

- 4.14. Unlike council tax, business rates can be subject to large and unexpected changes in the forecast amount, because the yield is in the hands of others. Developers will decide how quickly they move building works along, according to market conditions and interest from prospective occupiers, which is a key obvious risk in the current economic climate. The Valuation Office will decide what rates are payable for every new building along with upholding any appeals against the rateable values they have assigned in the rating list which can see large reductions backdated several years which can see large refunds being issued by the Council as a result.
- 4.15. Finally, major refurbishments of business premises are commonplace, particularly office type premises and whilst under refurbishment, no rates are collectible. There are robust accounting provisions in place to deal with these eventualities and the Council regularly reviews both historic provisions held back along with future year provisions needed which are particularly key due to the increased risk posed by the frequency of revaluations increasing from 5 years to 3 years which means higher risk of the Valuation Office Agency incorrectly assessing the rateable values between lists and higher challenges nationally as a result.

5. CONSULTATION/ENGAGEMENT

- 5.1. There is no legal requirement to consult on the Council Tax Base and given the factual and technical nature of the content, no consultation has been carried out. However, there are principles that define what constitutes excessive Council tax as set out in paragraph 6.4.
- 5.2. In January 2024, the Finance Department will carry out its annual Camden Business Community Consultation with business ratepayers about the budget proposals for next year. Ratepayers will be invited to comment on the overall budget process and planned expenditure, of which income from business rates plays a key part. Any comments received will be considered in the context of the overall budget and included in the budget report.

6. LEGAL IMPLICATIONS

Council Tax

- 6.1. Section 31B(1) Local Government Finance Act 1992 imposes a duty on a billing authority such as Camden to calculate its council tax by applying a formula laid down in that Section. This relies on a Billing Authority separately calculating a figure for the council tax base for the year. The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, which apply to financial years beginning on or after 1 April 2013, require a billing authority to use a given formula to calculate this council tax base. This is the formula set out and followed in Appendix 1 to the report.
- 6.2. If there are special items to be taken into account relating to part of the billing authority's area, a separate calculation using a slightly different formula must be made once the council tax base has been calculated. This is the formula used for Fitzroy, Gordon and Mecklenburgh Squares.
- 6.3. Regulation 8 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 places a duty on the Council to calculate the council tax base for the year within the "prescribed period" which is the period beginning on 1st December and ending on the following 31st January in the financial year preceding that for which the calculation of the council tax base is made.
- 6.4. The Localism Act 2011 introduced a power for the Secretary of State for Communities and Local Government to issue principles that define what should be considered as excessive council tax, including proposed limits.
- 6.5. The principles are subject to approval by the House of Commons. Since 2013, any council that wishes to raise its Council Tax above the limits that apply to them will have to hold a referendum, the result of which will be binding. On 5 December 2023, the Secretary of State for Levelling Up, Communities and Local Government published a policy statement on the 2024/25 local government finance settlement. The policy statement conformed that Councils will be able to increase council tax by up to 3% with an additional 2% for Council's with responsibility for adult social care, without a local referendum.

Business rates

- 6.6. Section 1 of the Local Government Finance Act 2012 amended the Local Government Finance Act 1988 so as to allow for local retention of business rates, enabling local authorities to retain a proportion of the non-domestic rates generated in their area. The Council is required, by 31 January each year, to estimate the total income which it will collect from business rates in the forthcoming year, and to notify both the Greater London Authority and the Secretary of State of this amount.
- 6.7. This will be done via a form known as NNDR1. The Government has set out the process for this in the Non Domestic Rating (Rates Retention) Regulations 2013. A delegation is also included to enable the Executive Director Corporate Services to fulfil the notification requirements described above. If an authority fails to comply with the requirement to provide such an estimate in accordance with the Regulations or if the Secretary of State believes any of the amounts notified are not likely to have been estimated or calculated in accordance with the Regulations the Secretary of State may make an estimate or calculation of the amount or amounts. In such cases the Secretary of State is required to notify the authority and any relevant precepting authority of the amount or amounts estimated or calculated and the reason for making the substitute estimate or calculation.
- 6.8. Section 31A of the Local Government Finance Act 1992 places a duty on a local authority to calculate its budget requirement for each financial year. The budget requirement includes the revenue costs, which result from the capital investment decisions of the authority. These costs include capital financing costs (interest and loan repayment provision) and running costs. Section 31B of the Act requires the local authority to set a council tax sufficient to meet its expenditure taking into account other sources of income such as government grants and non-domestic rates. The business rate outturn has a direct bearing on the Council's budget and the Council Tax set for 2024-2025. The approval of the business rates yield is therefore an important element in ensuring the Councils meets its statutory duty to balance its budgets.

7. RESOURCE IMPLICATIONS

- 7.1. The Council Tax and Business Rates base form a key part of the Council's financial planning. The assumed level of Council Tax and Business Rates to be collected by the Council in 2024/25 will be used to estimate the level of resources available to the Council to support the delivery of the objectives set out in We Make Camden. All service budgets will need to be funded from a combination of the government funding provided as part of the 'Local Government Financial Settlement' and retained income from Council Tax and Business Rates, along with fees and charges raised for specific Council services.

- 7.2. As detailed in paragraph 2.2 of the report the tax base for Council Tax in 2024/25 is 91,675. This means that for every £1 in Council Tax that the Council levies it would expect to receive £91,675 in total Council Tax. The Council Tax base for 2024/25 has contracted (reduced) compared to the taxbase estimated for the current 2023/24 financial year. It also remains significantly lower than the pre covid taxbase set for the 2020/21 financial year due to a number of factors that are detailed in the report – largely the cost of our Council Tax Support scheme.
- 7.3. The Council Tax Base also forecasts that the Council Tax Support Scheme will reduce the collectable Council tax by c£31m. This is based on the current Council Tax charges in 2023/24. Any increases in Council Tax for 2024/25 will increase the cost of the Council Tax Support Scheme.
- 7.4. Business Rates are a complex national system with each local authority collecting Business Rates on behalf of the government and only retaining a proportion of the rates collected based on a needs assessment carried out by the government. The level of business rates that the Council will retain is based on a 'Spending Baseline' that is set up the government each year. The Spending Baseline is the amount the government assume the Council will retain when calculating the Council's 'Core Spending Power' as part of the Local Government Financial Settlement. While the Council expects to collect c£676.2m of business rates, it will only retain approximately 16% of rates it collects to fund Council services, with the rest redistributed across the country.
- 7.5. The assumed collection rate of 97% for both Council Tax and Business Rates represents the total percentage of tax due that the Council expects to collect. In practice it may take a number of years to reach this collection target. For each, the Council would expect to collect approximately 95% of the tax due in the year it is due (2024/25), with the remainder being collected in future years. The assumed level of tax eventually collected is used by the Council to estimate the level of resources available to it to fund Council services.

8. ENVIRONMENTAL IMPLICATIONS

- 8.1 These proposals have no environmental impacts.

9. TIMETABLE FOR IMPLEMENTATION

- 9.1. If agreed at the Council meeting on 29 January 2024, the Council Tax Base will be used to calculate the band D council tax put forward in the budget setting report to full council dated 4 March 2024. The band D level will then be used to Calculate the council tax bills sent out on the 7 March 2024.
- 9.2. If agreed at the Council meeting on 29 January 2024, the Business Rates Base will be used to calculate the budget requirement put forward in the budget setting report dated 28 February 2024.

10. APPENDICES

APPENDIX 1
APPENDIX 2
APPENDIX 3

Council Tax Base for the whole of Camden
Council Tax Base for the garden squares
Business Rates Base

REPORT ENDS

TAXBASE CALCULATION 2024-2025 - ALL AREAS																APPENDIX 1			
		BAND A		BAND B		BAND C		BAND D		BAND E		BAND F		BAND G		BAND H		TOTAL	
	% discount	Number																	
Number of dwellings		3,653		12,322		20,792		26,354		19,435		12,697		13,040		4,912		113,205	
Number of exempt dwellings		-287		-1,061		-1,322		-1,679		-1,231		-820		-610		-190		-7,200	
Number of dwellings to reduced band for disabled relief		0		-8		-34		-35		-63		-73		-59		-18		-290	
Number of dwellings from higher band for disabled relief		8		34		35		63		73		59		18		0		290	
Number of chargeable dwellings H		3,374		11,287		19,471		24,703		18,214		11,863		12,389		4,704		106,005	
Reduction due to 25% discounts	25%	2,173	-543	6,286	-1,572	10,139	-2,535	10,589	-2,647	6,370	-1,593	3,412	-853	2,852	-713	672	-168	42,493	-10,623
Reduction due to 50% discounts	50%	1	-1	6	-3	7	-4	22	-11	26	-13	20	-10	19	-10	23	-12	124	-62
Reduction due to second home discounts	0%	505	0	1,093	0	828	0	1,135	0	915	0	727	0	572	0	216	0	5,391	0
Reduction due to class D discounts	25%	2	-1	16	-4	20	-5	22	-6	40	-10	27	-7	48	-12	25	-6	200	-50
Reduction due to class C discounts 1st month only	100%	5	-5	29	-29	38	-38	56	-56	36	-36	31	-31	23	-23	3	-3	221	-221
Reduction due to discounts Q		-549		-1,608		-2,581		-2,720		-1,652		-901		-758		-189		-10,956	
Empty homes premium (100%)	100%	22	22	52	52	69	69	73	73	76	76	60	60	44	44	33	33	429	429
Empty homes premium (200%)	200%	0	0	5	10	11	22	32	64	17	34	6	12	23	46	10	20	104	208
Empty homes premium (300%)	300%	0	0	0	0	0	0	2	6	1	3	2	6	2	6	1	3	8	24
Addition due to empty homes premium E		22		62		91		143		113		78		96		56		661	
Number of new dwellings expected		3		15		102		219		122		42		6		1		510	
Number of dwellings to be demolished		-12		-33		-48		-16		0		0		0		0		-109	
Number of successful appeals		0		-5		-15		-32		-30		-25		-15		-5		-127	
Gain from successful appeals		5		15		32		30		25		15		5		0		127	
Expected changes to exemptions and discounts		-9		-31		-52		-65		-48		-32		-32		-12		-281	
Forecast changes to property base and reductions J		-13		-39		19		136		69		0		-36		-16		120	
SUB TOTAL H-Q+E+J		2,834		9,703		17,000		22,262		16,745		11,040		11,692		4,555		95,830	
Council tax reduction scheme		815,988	683	4,373,977	3,138	7,398,009	4,644	8,617,787	4,808	5,322,183	2,430	2,729,202	1,054	1,667,570	558	136,434	38	31,061,150	17,353
Reduction due to council tax reduction scheme Z		683		3,138		4,644		4,808		2,430		1,054		558		38		17,353	
TOTAL ((H-Q+E+J)-Z)		2,151		6,565		12,356		17,454		14,315		9,986		11,133		4,517		78,476	
Band D equivalent A = TOTAL x (F/G)		x 6/9 1,433.87		x 7/9 5,105.85		x 8/9 10,983.04		x 9/9 17,453.81		x 11/9 17,495.90		x 13/9 14,424.22		x 15/9 18,555.38		x 18/9 9,034.37		94,486.45	
Collection rate expected B		97.00%		97.00%		97.00%		97.00%		97.00%		97.00%		97.00%		97.00%		97.00%	
TAX BASE A x B		1,390.86		4,952.68		10,653.55		16,930.19		16,971.02		13,991.50		17,998.72		8,763.34		91,651.86	
MoD contributions		0		0		0		23.14		0		0		0		0		23.14	
FINAL TAX BASE		1,390.86		4,952.68		10,653.55		16,953.33		16,971.02		13,991.50		17,998.72		8,763.34		91,675.00	

TAXBASE CALCULATION 2023-2024 - GORDON SQUARE

APPENDIX 2

	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	TOTAL
Number of dwellings	2	0	5	3	8	3	0	1	22
Number of exempt dwellings	0	0	0	0	-2	0	0	0	-2
Number of dwellings to reduced band for disabled relief	0	0	0	0	-1	0	0	0	-1
Number of dwellings from higher band for disabled relief	0	0	0	1	0	0	0	0	1
Number of chargeable dwellings H	2	0	5	4	5	3	0	1	20
Reduction due to 25% discounts (Number of cases x 25%)	0 0.00	0 0.00	1 -0.25	0 0.00	1 -0.25	1 -0.25	0 0.00	0 0.00	3 -0.75
Reduction due to 50% discounts	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00
Reduction due to second home discounts	0 0.00	0 0.00	1 0.00	2 0.00	2 0.00	0 0.00	0 0.00	0 0.00	5 0.00
Reduction due to class D discounts	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00
Reduction due to class C discounts	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00
Reduction in respect of discounts Q	0.00	0.00	-0.25	0.00	-0.25	-0.25	0.00	0.00	-0.75
Addition due to empty homes prem	0 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0 0
Number of new dwellings expected	0	0	0	0	0	0	0	0	0
Number of dwellings to be demolished	0	0	0	0	0	0	0	0	0
Number of successful appeals	0	0	0	0	0	0	0	0	0
Gain from successful appeals	0	0	0	0	0	0	0	0	0
Expected changes to exemptions and discounts	0	0	1	0	2	0	0	0	3
Net adjustments J	0	0	1	0	2	0	0	0	3
SUB TOTAL H-Q+E+J	2.00	0.00	5.75	4.00	6.75	2.75	0.00	1.00	22.25
Reduction due to council tax reduction scheme Z	0	0	0	0	0	0	0	0	0
TOTAL ((H-Q+E+J)-Z)	2.00	0.00	5.75	4.00	6.75	2.75	0.00	1.00	22.25
Band D equivalent A = TOTAL x AF	x 6/9 1.33	x 7/9 0.00	x 8/9 5.11	x 9/9 4.00	x 11/9 8.25	x 13/9 3.97	x 15/9 0.00	x 18/9 2.00	24.67
Collection rate expected B	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%
TAX BASE A x B	1.29	0.00	4.96	3.88	8.00	3.85	0.00	1.94	23.93
MoD contributions	0	0	0	0.0	0	0	0	0	0.0
FINAL TAX BASE	1.29	0.00	4.96	3.88	8.00	3.85	0.00	1.94	23.93

TAXBASE CALCULATION 2023-2024 - FITZROY SQUARE

	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	TOTAL
Number of dwellings	0	1	1	0	2	6	12	14	36
Number of exempt dwellings	0	0	0	0	0	0	0	0	0
Number of dwellings to reduced band for disabled relief	0	0	0	0	0	0	0	0	0
Number of dwellings from higher band for disabled relief	0	0	0	0	0	0	0	0	0
Number of chargeable dwellings H	0	1	1	0	2	6	12	14	36
Reduction due to 25% discounts (Number of cases x 25%)	0 0.00	1 -0.25	0 0.00	0 0.00	1 -0.25	3 -0.75	3 -0.75	4 -1.00	12 -3.00
Reduction due to 50% discounts	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00
Reduction due to second home discounts	0 0.00	0 0.00	1 0.00	0 0.00	0 0.00	1 0.00	3 0.00	1 0.00	6 0.00
Reduction due to class D discounts	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00
Reduction due to class C discounts	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00
Reduction in respect of discounts Q	0.00	-0.25	0.00	0.00	-0.25	-0.75	-0.75	-1.00	-3.00
Addition due to empty homes pre	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	1 0.50	1 1
Number of new dwellings expected	0	0	0	0	0	0	0	0	0
Number of dwellings to be demolished	0	0	0	0	0	0	0	0	0
Number of successful appeals	0	0	0	0	0	0	0	0	0
Gain from successful appeals	0	0	0	0	0	0	0	0	0
Expected changes to exemptions and discounts	0	0	0	0	0	-1	0	0	-1
Net adjustments J	0	0	0	0	0	-1	0	0	-1
SUB TOTAL H-Q+E+J	0.00	0.75	1.00	0.00	1.75	4.25	11.25	13.50	32.50
Reduction due to council tax reduction scheme Z	0	0	0	0	0	0	0	0	0
TOTAL ((H-Q+E+J)-Z)	0.00	0.75	1.00	0.00	1.75	4.25	11.25	13.50	32.50
Band D equivalent A = TOTAL x A	0.00	0.58	0.89	0.00	2.14	6.14	18.75	27.00	55.50
Collection rate expected B	37.00%	37.00%	37.00%	37.00%	37.00%	37.00%	37.00%	37.00%	37.00%
TAX BASE A x B	0.00	0.57	0.86	0.00	2.07	5.95	18.19	26.19	53.84
MoD contributions	0	0	0	0.0	0	0	0	0	0.0
FINAL TAX BASE	0.00	0.57	0.86	0.00	2.07	5.95	18.19	26.19	53.84

TAXBASE CALCULATION 2023-2024 - MECKLENBURGH SQUARE

	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	TOTAL
Number of dwellings	0	0	1	41	7	36	21	2	108
Number of exempt dwellings	0	0	0	0	-1	-3	-1	-1	-6
Number of dwellings to reduced band for disabled relief	0	0	0	0	0	-1	0	0	-1
Number of dwellings from higher band for disabled relief	0	0	0	0	1	0	0	0	1
Number of chargeable dwellings H	0	0	1	41	7	32	20	1	102
Reduction due to 25% discounts (Number of cases x 25%)	0 0.00	0 0.00	0 0.00	5 -1.25	4 -1.00	8 -2.00	5 -1.25	0 0.00	22 -5.50
Reduction due to 50% discounts	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00
Reduction due to second home discount	0 0.00	0 0.00	0 0.00	31 0.00	1 0.00	17 0.00	1 0.00	0 0.00	50 0.00
Reduction due to class D discounts	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00
Reduction due to class C discounts	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00
Reduction in respect of discounts Q	0.00	0.00	0.00	-1.25	-1.00	-2.00	-1.25	0.00	-5.50
Addition due to empty homes premium	0.00	0.00	0.00	0 0.00	0.00	0.00	0.00	0.00	0
Number of new dwellings expected	0	0	0	0	0	0	0	0	0
Number of dwellings to be demolished	0	0	0	0	0	0	0	0	0
Number of successful appeals	0	0	0	0	0	0	0	0	0
Gain from successful appeals	0	0	0	0	0	0	0	0	0
Expected changes to exemptions and discounts	0	0	0	-10	-2	-6	-2	0	-20
Net adjustments J	0	0	0	-10	-2	-6	-2	0	-20
SUB TOTAL H-Q+E+J	0.00	0.00	1.00	29.75	4.00	24.00	16.75	1.00	76.50
Reduction due to council tax reduction scheme Z	0	0	0	0	1	1	0	0	2
TOTAL ((H-Q+E+J)-Z)	0.00	0.00	1.00	29.75	3.00	23.00	16.75	1.00	74.50
Band D equivalent A = TOTAL x	0.00	0.00	0.89	29.75	3.67	33.22	27.92	2.00	97.44
Collection rate expected B	37.00%	37.00%	37.00%	37.00%	37.00%	37.00%	37.00%	37.00%	37.00%
TAX BASE A x B	0.00	0.00	0.86	28.86	3.56	32.23	27.08	1.94	94.52
MoD contributions	0	0	0	0.0	0	0	0	0	0.0
FINAL TAX BASE	0.00	0.00	0.86	28.86	3.56	32.23	27.08	1.94	94.52

NATIONAL NON DOMESTIC RATES YIELD 2024-2025		APPENDIX 3
1	Number of properties as at 31 December 2023	18,466
2	Rateable value of these properties	1,560,639,370
3	Revised rateable value of these properties	1,560,639,370
<u>Charges</u>		£
4	Gross rates payable (rateable value x 0.499)	778,759,046
5	Changes to gross rates payable due to new and demolished property	11,400,000
6	Loss in rates payable for the 24/25 financial year due to appeals of £0	0
7	Extra amount paid by business over £51,000 rateable value to fund small business relief	63,380,981
<u>Reliefs</u>		
8	Cost of small business relief	-6,375,334
9	Mandatory charity relief	-92,235,452
10	Relief for partly occupied properties	-1,280,423
11	Relief for empty premises	-54,359,477
12	Retail relief	0
13	Discretionary charity relief	-434,180
14	Funded discretionary reliefs:	-558,952
<u>Other allowances</u>		
15	Costs of collecting business rates	-1,212,015
16	Losses due to non payment	-20,884,192
<u>Net rates yield</u>		
17	Final rates yield	676,200,000
	Transitional Relief	-2,156,483