

TAX BASE FACTSHEET

South Cambs District Council

1. What is the Tax base?

This is the average number of band D equivalent properties within your Town/Parish.

2. How the Tax base is calculated

The tax base is produced from the Council Tax system.

All dwellings in the Parish are assessed by the Valuation Office, part of Revenue and Customs, and placed in the following bands:

<u>Valuation Band</u>		<u>Range of Values</u> <u>(at 1991 prices)</u>
A	up to	£40,000
B		£40,001 - £ 52,000
C		£52,001 - £ 68,000
D		£68,001 - £ 88,000
E		£88,001 - £120,000
F		£120,001 -£160,000
G		£160,001 -£320,000
H	over	£320,000

The number of dwellings in each band is then adjusted to take account of:

- a) reductions in the number of dwellings, eg exempt, demolitions.
- b) additions to the number of dwelling eg new builds.
- c) Adjustments eg single occupancy discounts.

The properties are then translated into band D equivalent's using the ratios below:

Band A 6/9ths	Band B 7/9ths
Band C 8/9ths	Band D 9/9 (1)(one whole)
Band E 11/9ths	Band F 13/9ths
Band G 15/9ths	Band H 18/9ths

Finally, we add on the estimated number of Band D equivalents to be built in the year and apply an allowance for losses on collection rate.

This then gives us the total number of band D equivalent properties to use for the tax base.

3. What is the Tax base used for?

The tax base is used to calculate the Band D charge for each Town/Parish. This is done by dividing the total precept requirement by the tax base. This figure will be compared to the previous year's band D charge and published on the Council's website.

A common query is when the parish have set their precept at the same monetary value as the previous year but find that their charge per band D property has gone up. This will be due to the tax base having gone down i.e. number of properties we can collect from has gone down.

4. Why might the Tax base go down?

The tax base could go down due to more properties in that Town/Parish claiming for discounts, most commonly an increase in the number of properties claiming single occupancy discount. Other factors include homes being demolished, becoming empty, becoming second homes, boundary changes or a change in collection rate.

5. Who decides the precept?

The precept should be approved at the Parish Council's appropriate budget setting committee and a record kept of the approval.

The Appendix D form should be completed, signed and emailed to accountancy@scamb.gov.uk

6. Deadline for confirmation of your Precept Requirement

The deadline for Precept Requirements is sometime around the end of January. This is to ensure that all the data is available for setting the Council Tax which is done by the middle of February.

Council Tax cannot be set without precept requirement from **all** Parish Councils, Police and Fire Authorities, Cambridgeshire County Council and South Cambs District Council.

The Law requires that a Town/Parish must confirm even when their precept is nil. All Precept Requirements submitted must be signed.

A delay in Council Tax setting has a massive impact on billing to the public and payment of precepts.

It is imperative that Parish arrange their budget setting meetings appropriately so that they can meet the precept requirement deadline.

7. Payment of Precept

Half of the precept will be paid by the end of April and the other half by the end of September.

8. How will the Precept be paid

Payment will be made by BACS directly into the Town/Parish bank account.

Any changes to bank account must be notified on headed paper to:
Accounts.Payable@scams.gov.uk

9. Parishes with a precept greater than £140k

If a Parish has a precept requirement greater than £140,000 they are required to provide a breakdown of expenditure and income to the public. This is published on our website <https://www.scams.gov.uk/council-tax/financial-information/parishes-with-yearly-expenditure-over-140k/>

Please complete the Appendix D with the appropriate information.

D Hasler
15/11/2023