

Slough Borough Council

Report To:	Cabinet
Date:	20 January 2025
Subject:	Council Tax Base 2025/26
Lead Member:	Councillor Smith – Leader of the Council Councillor Chahal – Lead Member Finance, Council Assets and Transformation
Chief Officer:	Annabel Scholes – Executive Director, Finance and Commercial (Section 151 Officer)
Contact Officer:	Dave McNamara – Director, Financial Management & Strategy
Ward(s):	All
Key Decision:	YES
Exempt:	NO
Decision Subject To Call In:	YES
Appendices:	Appendix 1 – Breakdown of proposed 2025/26 Council Tax Base

1. Summary and Recommendations

- 1.1 This report presents information to Members on the number of properties in Slough and their categories of occupation for the purpose of determining the Council Tax base for the borough for the 2025/26 financial year.
- 1.2 Section 31B of the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 requires the council as the Billing Authority to calculate a Council Tax Base for its area by 31 January for the forthcoming financial year and duly notify precepting authorities (i.e., Thames Valley Police and Royal Berkshire Fire and Police) as well local Parish Councils.

Recommendations:

Cabinet is recommended to approve:

- a) The provision for uncollectable amounts of council tax for 2025/26 agreed at 1.75% producing an expected collection rate of 98.25%;
- b) The council tax base calculation for 2025/26 of 44,974.9 Band D equivalent dwellings (being 45,776 x 98.25%); and
- c) That no notional funding is passported to parish councils in respect of council tax support.

Cabinet is requested to note:

- d) The council tax base is broken down as follows between local parishes and the rest of Slough:

	Slough unparished	Colnbrook	Wexham Court	Britwell	Total
CTB1 adjusted for CTSS	40,857.50	1,903.50	1,456.00	892.20	45,109.20
# of new properties (band D equivalents)	360.03	4.89	1.13	0.75	366.80
Unbanded properties (assume similar distribution to parish growth)	98.15	1.33	0.31	0.21	100.00
Second homes premium	182.49	9.64	5.59	2.28	200.00
Forecast council tax base (before collection rate adjustment)	41,498.20	1,919.40	1,463.00	895.40	45,776.00

- e) The ongoing work to estimate the 2024/25 year-end council tax position.

Reason:

The Council Tax Base is calculated and approved annually for the purposes of calculating funding from Council Tax for a Billing Authority, Major Precepting Authorities and local Parish Councils. The tax-base is calculated according to provisions in the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.

Commissioner Review

The commissioners are content for this report to be considered and endorse the revision to a more prudent overall collection rate of 98.25%.

2. Report

Purpose of decision

- 2.1 As a Billing Authority, the Council has a statutory duty under Regulation 18 of Part V of The Council Tax (Administration and Enforcement) Regulations 1992 to serve a notice on the occupant of a property in the borough that is liable to pay Council Tax.
- 2.2 The requirement and provisions to calculate the Council's tax-base is set out in Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
- 2.3 The decision to approve the Council Tax base is required to fulfil a statutory duty and to enable the collection of locally generated funding to contribute towards the running of services for the Council's General Fund, Major Preceptors and local Parish Councils.

Options considered

Option	Description
1. Non approval of council tax base 2025/26	<p>The Council hold the responsibility of setting the budget and policy framework. (Constitution, Part 3.4, table 2, 4) and complying with Part 4.3 Budget and Policy Framework Procedure Rules.</p> <p>It is a legal requirement for councils to set a balanced budget. For the general fund this can be found in the Local Government Finance Act 1992 which sets out procedures for setting council tax.</p> <p>This option is not recommended</p>
2. Approval of council tax base 2025/26	<p>The Council hold the responsibility of setting the budget and policy framework. (Constitution, Part 3.4, table 2, 4) and complying with Part 4.3 Budget and Policy Framework Procedure Rules.</p> <p>It is a legal requirement for councils to set a balanced budget. For the general fund this can be found in the Local Government Finance Act 1992 which sets out procedures for setting council tax.</p> <p>This option is recommended</p>

Background

Council Tax Base – Relevant Amounts

- 2.4 The proposed 2025/26 tax base for the Council and the parishes within Slough in this report have been calculated by reference to data available relating to dwellings within the borough provided by the Valuation Office Agency as at 30th November 2024.
- 2.5 The calculation of the Council's tax-base (ort 'T') can be expressed as the sum of 'Relevant Amounts' known as 'A' for each valuation band (Bands A to H) multiplied by the collection rate known as 'B'.
- 2.6 In summary, 'Relevant Amounts' are to be calculated as the number of dwellings on the valuation lists supplied by the District Valuer adjusted for discounts, disabled persons reductions and anticipated changes e.g., projected growth in properties and Council Tax Support claims to the valuation lists during 2025/26.
- 2.7 The Band D equivalents for each property band in the borough of Slough for 2025/26 are summarised as follows:

Ratio	Bands	Relevant amount (i.e. number of band D equivalent amounts)				
		Slough unparished	Colnbrook	Wexham Court	Britwell	Total for Slough
5/9	A*	0.6	0.0	0.0	0.0	0.6
6/9	A	865.0	14.9	10.3	2.7	892.9
7/9	B	5,859.6	175.5	115.3	83.7	6,234.1
8/9	C	16,392.9	932.3	316.2	676.0	18,317.4
9/9	D	10,450.4	571.6	897.9	116.2	12,036.1
11/9	E	5,093.6	159.9	94.9	5.3	5,353.7
13/9	F	2,288.2	46.3	15.9	9.8	2,360.2
15/9	G	534.7	18.9	12.5	1.7	567.8
18/9	H	13.2	0.0	0.0	0.0	13.2
	Total	41,498.2	1,919.4	1,463.0	895.4	45,776.0

Adjustments

- 2.8 Within the regulations for setting the Council Tax-Base, adjustments are permitted for anticipated changes that are not currently in the position as at 30 November 2024. These adjustments could be to reflect estimates of property growth, changes to discounts and Council Tax Support claims.
- 2.9 The calculation reflects the recommendation in the Council Tax Support scheme for 2025/26 Financial Year report which contains more background information of the operation of the scheme.

Growth

- 2.10 Based on the latest building and planning information, we are expecting an increase of 390 properties for 2025/26, calculated at 366.8 band D equivalents after taking into consideration the discounts and Council Tax Support that these properties may be eligible for, and a further 174.2 unbanded properties.

Collection Rate

- 2.11 For 2025/26, Cabinet is requested to approve a collection rate of 98.25%, which is a decrease of 0.75% from 2024/25 reflecting actual in-year performance.

Summary

- 2.12 Applying this collection rate of 98.25% ("B") in the statutory calculation of the 2025/26 Council Tax Base ("T") results in a Band D Equivalent tax-base of 44,974.9 dwellings:

Element of calculation	2024/25	2025/26
Total of relevant amounts (A)	44,806.5	45,776.0
Collection rate (B)	99.0%	98.25%
Council Tax Base (A x B)	44,358.4	44,974.9

Collection Fund Position

- 2.13 Any difference between the estimated Tax Base and what is actually realised in year has no impact on the in-year revenue position. Under accounting rules for Local Government, the difference is recognised in the Collection Fund Adjustment Account which is an “unusable reserve” and distributed in the following year.
- 2.14 The in-year position for 2024/25 is under review and an estimate of the in-year position will be confirmed in January 2025.

3. Implications of the Recommendation

1.1. Financial implications

- 1.1.1. The decision to approve the proposed tax base in this report has a material financial implication for the Council. Funding from Council Tax is a key source of funding for the Council’s GF budget and ongoing Medium Term Financial Strategy (MTFS) projections.
- 1.1.2. Funding from Council Tax is determined by:
- i. The tax base (No. of Band D equivalent Dwellings)
 - ii. The collection rate (this is factored into i)
 - iii. The council tax rate (measured at Band D)
- 1.1.3. The proposed tax-base for 2025/26 shows net growth of 0.74% over 2024/25. When the Council sets its council tax rate at Budget Council it will include an estimate of the total council tax to be collected.

1.2. Legal implications

- 1.2.1. Pursuant to The Local Government and Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the Council as Billing Authority is required to determine the Council Tax Base for the next financial year by 31st January 2023 and to notify other precepting authorities of the determination.
- 1.2.2. The Local Authority (Calculation of Council Tax Base) (England) Regulations 2012 SI.2914, require a Billing Authority to use a given formula to calculate the Council Tax Base. This is the formula set out and followed in the appendix to this report.
- 1.2.3. Under paragraph 4.(2) of Part 4.3 (Budget and Policy Framework Procedure Rules) of the Constitution, by the end of January, the Cabinet must approve or delegate the approval of, the Council Tax Base estimates.

1.3. Risk management implications

- 1.3.1. The following table outlines the risks, mitigations and additional controls:

Category	Risks	Mitigation	Additional Controls
Financial	<p>The recommendation in this report is based on adopting the recommendation in the Council Tax Support scheme for 2025/26 Financial Year report</p> <p>If the tax base is lower than expected because either growth does not materialise or there is a higher caseload of Council Tax Support claimants than estimated If the tax-base is higher than forecast there will be a collection fund surplus which will benefit the 2024/25 financial position</p>	<p>This would result in a collection fund deficit which would need to be funded in 2026/27 either from any available reserves if available or from further savings to the revenue budget.</p>	<p>Budget monitoring process and regular reporting on achievement of budget and savings</p>
Financial	<p>The actual collection rate is lower than the estimated collection rate of 98.3% If collection is better than forecast then this would result in a one-off collection fund surplus in 2025/26</p>	<p>This would result in a collection fund deficit which would need to be funded in 2025/26 either from reserves if available or from further savings to the revenue budget.</p>	<p>Budget monitoring process and regular reporting on achievement of budget and savings</p>

1.4. Environmental implications

1.4.1. Not applicable.

1.5. Equality implications

1.5.1. Certain protected groups are more likely to be on lower incomes or at higher risk of unemployment and the Council CTS scheme targets these groups. In addition, consideration will be given to use of enforcement processes alongside support to ensure that individuals who are struggling to pay their council tax are aware of the availability of debt welfare support and access to the CTS Hardship fund.

4. Background Papers

None