

1.1 Council Tax

- 1.1.1 In calculating the level of general grant support to be provided to councils the Government assumes that councils will maximise income receipts from Council Tax as part of the Core Spending Power assessment, see point **Error! Reference source not found.**
- 1.1.2 For this MTFS the level of proposed Council Tax income is based on 4.99% increase, which is comprised of 2.99% general and 2.00% Adult Social Care precept on the 2023/24 rates. This is in line with the 2024/25 referendum limits confirmed in December 2023 by Government and means that the Band D rate will increase from £2,013.04 in 2023/24 to £2,113.49 in 2024/25 for the Council's element of the Council Tax charge.
- 1.1.3 The Council Tax base is forecast to increase by 140 homes each year, which equates to 115 Band D equivalents. This forecast is in line with the housing growth experienced within the County except for 2023/24 where growth has slowed due to prevailing national economic conditions which are expected to continue to recover for 2024/25.
- 1.1.4 The Council is a 'billing authority' and therefore operates a 'Collection Fund' that accounts for all the council tax and business rate payments as they are received from residents and businesses. For Council Tax the funding is distributed to the relevant precepting authorities eg Police, Fire and Parish Council's, based on their demand made at budget setting. The Council's share of the estimated surplus on the Collection Fund for the current year 2023/24 is £0.0m but this will be reviewed in January and updated as part of the final budget proposal. For budget setting purposes this is accounted for in the following year 2024/25 budget.
- 1.1.5 The following table summarises the Council's current Council Tax income assumptions over the MTFS period:

Council Tax summary	2024/25	2025/26	2026/27	2027/28
Council Tax increase	2.99%	2.99%	2.99%	2.99%
Adult social care precept	2.00%	2.00%	2.00%	2.00%
Council Tax Band D (£)	£ 2,113.49	£ 2,218.95	£ 2,329.68	£ 2,445.93
Council Tax Base	16,031.0	16,146.2	16,261.0	16,375.80
Council Tax income (Band D x Tax Base) (£000)	33,883	35,828	37,883	40,054
Parish precept*	tbc	tbc	tbc	tbc
Collection Fund surplus / (deficit)*	0	0	0	0
Council Tax budget (£000)	33,883	35,828	37,883	40,054

* to be confirmed in final budget following statutory declaration mid-January 2024

- 1.1.6 Further information on Council Tax assumptions are contained in Appendix F.