



## Mayor and Cabinet

### **Report title: Setting the Council Tax Base, the NNDR Tax Base & Discounts for Second Homes and Empty Homes**

**Date:** 6 December 2023

**Key decision:** No

**Class:** Part 1

**Ward(s) affected:** All

**Contributors:** Acting Executive Director for Corporate Resources

### **Outline and recommendations**

#### **Outline**

The purpose of this report is to ask the Mayor and Cabinet to recommend that Council set the Council Tax Base on the 17 January 2024, note the 2024/25 NNDR estimated income, delegates final approval of the NNDR1 form to the Acting Executive Director for Corporate Resources and approves the continuation of the existing policy relating to discounts for second / empty homes, the continuation of the discretionary Council Tax discount for care leavers, the continuation of the Council Tax Reduction Scheme, the continuation of a sanctuary discount, and the continuation of the discretionary War Disablement Pensions and War Widow Pensions scheme discount for 2024/25.

#### **Recommendations**

Mayor and Cabinet is asked to approve the recommendations set out in section 2 of this report.

## Timeline of engagement and decision-making

- The 2023/24 Council Tax Reduction Scheme was agreed by Council on the 18 January 2023;
- The 2022/23 Council Tax Reduction Scheme was agreed by Council on the 19 January 2022.
- The 2021/22 Council Tax Reduction Scheme was agreed by Council on the 20 January 2021

### 1. Summary

- 1.1 This report sets out the statutory calculations required in order to set the Council Tax Base and estimates the National Non-Domestic Rates (NNDR) tax base for 2024/25. The Council Tax Base and NNDR estimates are statutory obligations and are key elements in setting the General Fund revenue budget.
- 1.2 The report provides information on the Council Tax Base. There are also a series of discretionary powers which allows the Council to grant and vary discounts for various types of properties with the aim of bringing as many as possible back into use as soon as possible. These are set out in section five of this report.
- 1.3 The Council also has the ability to offer discretionary discounts to individuals, groups of individuals, or households but the cost is borne by all other Council Tax payers. The report recommends the continuation of the discretionary Council Tax discount of 100% for care leavers, and the 25% sanctuary discount to residents currently in receipt of a single person discount who accommodate a refugee in their home, as set out in section six of this report.
- 1.4 The report recommends that the Council Tax Base for 2024/25 be agreed at 90,414.0 Band D equivalent properties, based on an assumed collection rate of 95.0%. The current Council Tax Base is 88,848.5 Band D equivalent properties based on an assumed collection rate of 94%. Details of the Council Tax Base, its calculation and the estimated collection rate are set out in sections six, seven, and eight of this report.
- 1.5 The NNDR1 return, which estimates the annual business rates yield, is currently being completed and is due to be submitted to the Department of Levelling Up, Housing and Communities (DLUHC) by the end of January 2024. There will be further updates that affect the values on this return over the coming weeks before the submission deadline, including the impact of the Non-Domestic Rating Bill currently awaiting Royal Assent, and any new relief schemes announced at the Autumn Statement.

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- 1.6 It has therefore been necessary to provide an estimated income value. On this basis, the provisional NNDR net yield figure for 2024/25 is £58m.
- 1.7 The requirements pertaining to the NNDR Base for 2024/25 are set out in section ten of this report.
- 1.8 The Council, at the full Council meeting on the 18 January 2023, agreed no changes to the Council Tax Reduction Scheme (CTRS) for 2023/24 and Council is now asked to agree that no changes be made for 2024/25, i.e. eligible claimants will need to make a minimum contribution of 25% towards their council tax. The impact of implementing this is set out in section ten.

## **2. Recommendations**

- 2.1 Mayor and Cabinet is asked to:
- 2.2 note the Council Tax Base calculation for 2024/25, as set out in the annual Council Tax Base government return, attached at Appendix A;
- 2.3 recommend Council agree a Council Tax Base of 90,414.0 Band D equivalent properties for 2024/25;
- 2.4 recommend Council agree a budgeted Council Tax collection rate of 95.0%;
- 2.5 recommend Council agree no changes be made to the Council Tax Reduction Scheme (CTRS) for 2024/25, that eligible claimants make a minimum contribution of 25% towards their council tax;
- 2.6 recommend Council approve the continuation of the discretionary Council Tax discount of 100% for care leavers up to the age of 25, as set out in section five of this report;
- 2.7 recommend Council agree that the existing policy of a 0% discount for second homes for 2020/21 be continued for 2024/25, as set out in section five of this report;
- 2.8 recommend Council agree that the existing policy of a 0% discount for empty homes Class A (an empty property undergoing structural alteration or major repair to make it habitable) be continued, as set out in section five of this report;
- 2.9 recommend Council agree that the existing policy of a 0% discount applied immediately for empty homes – Class C (a substantially empty and unfurnished property) be continued, as set out in section five of this report;

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- 2.10 recommend Council agree that the existing Long Term Empty Property homes premium of: 100% for properties empty between 2 and 5 years, 200% for those empty for over five years, and 300% for properties that remain empty for 10 years or more continues, as set out in section five of this report;
- 2.11 recommend Council agree the continuation of the existing policy of a 25% 'sanctuary' discount to ensure residents eligible for a single person discount are not financially worse off as a result of housing a refugee, as set out in section five of this report;
- 2.12 recommend Council agree the continuation of the discretionary War Disablement Pensions and War Widow Pensions scheme discount as set out in section five of this report;
- 2.13 note the proposed 2024/25 National Non Domestic Rate (NNDR) estimated net yield of £58m, based on current information available.
- 2.14 recommend Council agree to delegate the approval of the final 2024/25 NNDR1 form to the Acting Executive Director for Corporate Resources for submission by the deadline of 31 January 2024.

### **3. Policy Context**

- 3.1 The Council's strategy and priorities drive the Budget with changes in resource allocation determined in accordance with policies and strategy. The Council launched its current Corporate Strategy in 2022, with seven corporate priorities as stated below:

#### Corporate Priorities

- 3.2 The seven Corporate priorities are as follows:
  - Cleaner and Greener
  - Strong Local Economy
  - Quality Housing
  - Children and Young People
  - Safer Communities
  - Open Lewisham
  - Health and Wellbeing
- 3.3 The setting of the Council Tax Base, collection rate, the Council Tax Reduction Scheme and the various discounts to properties will directly support the delivery of these priorities.

### **4. Background**

- 4.1 The calculation of the Council Tax Base has been prepared in

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accordance with the regulations 'Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI: 2012: 2914)' which came into force on 30 November 2012, to ensure the calculation of the Council Tax Base takes account of local council tax reduction schemes. These regulations specify the formulae for calculating the tax base, which is detailed in sections six and seven of this report.

- 4.2 The purpose of this calculation is to set the Council's Tax Base and not the Council Tax itself. The Council Tax will be set at the meeting of full Council on 28 February 2024 as part of setting the Council's annual budget.
- 4.3 The Council Tax Base is defined as the number of Band D equivalent properties in a local authority's area. An authority's Tax Base is taken into account when it calculates its Council Tax. It is calculated by adding together the 'relevant amounts' (the number of dwellings) for each valuation band, then multiplying the result by the Council's estimate of its collection rate for the year. This calculation is set out in section eight of this report.
- 4.4 Members should note that the Welfare Reform Act 2012 abolished Council Tax Benefit in March 2013 and replaced it with the Council Tax Reduction Scheme (CTRS).

## **5. Local Discretion**

- 5.1. The Council has the power and local discretion to grant and vary discounts for different types of properties under Section 11a of the Local Government Finance Act 1992, as amended by the Local Government Finance Act 2003 and the Local Government Finance Act 2012.
- 5.2. The local discretion to grant and vary discounts enables local authorities to create greater financial incentives for owners of empty properties to bring them back into use, either for owner occupation or letting.
- 5.3. Second Homes – Currently, local authorities have discretion to offer a discount of between 0% and 50% to owners of second homes. The Council currently offers a 0% discount. It is proposed to retain the 0% discount for 2024/25.
- 5.4. Empty Property Class A exemptions – Currently, a discount can be awarded between 0% to 100% at the Council's discretion where the property is undergoing structural alteration or major repairs. The Council is being recommended to retain the 0% discount on these properties.
- 5.5. Empty Properties Class C exemptions – Currently, 0% discount is awarded for four weeks to substantially empty and unfurnished properties, this is because the Council wants to encourage properties to be occupied as soon as possible. The Council is being recommended to retain the 0% discount on these

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properties.

- 5.6. Long Term Empty Properties empty homes premium – Section 11 of the Local Government Finance Act 2012 removed the discount for long term empty properties and introduced discretion to charge up to 50% premium on this category of properties. A long term empty home is defined as a dwelling which has been unoccupied and substantially unfurnished for a continuous period of 2 years.
- 5.7. In November 2018 the Act was amended increasing the premium from 50% to 100% effective from 1 April 2019, with further incremental increases in future years. The Council currently charges a premium of 100% additional council tax on properties that have been empty and substantially unfurnished for 2 years but less than 5 years, and 200% additional council tax on properties that have remained empty and substantially unfurnished for 5 years but less than 10 years.
- 5.8. In 2022/23 the Council agreed the maximum premium of 300% of the standard Council Tax to properties that remain empty and substantially unfurnished for 10 years or more, effective from 1 April 2022. This will mean that the total cost will be 400%, being the standard Council Tax annual charge plus the 300% premium.
- 5.9. The premium is calculated by taking the council tax liability that would normally be levied at the relevant band amount (assuming no other reductions apply ie. single person discount) and adding the additional percentage increase based on the empty property period as set out below:

<b>Long term empty property criteria giving rise to additional council tax premiums;</b>	<b>Additional council tax premium percentage applicable</b>
For Properties which have remained empty for at least 2 Years	100%
For Properties which have remained empty for less than 5 Years	100%
For Properties which have remained empty for at least 5 but less than 10 Years	200%
For Properties which have remained empty for at least 10 Years	300%

- 5.10. Section 13A(1)(c) of the 1992 Local Government Finance Act 1992 gives local authorities the ability to offer discretionary discounts to individuals, groups of individuals or households encountering exceptional financial hardship. The legislation allows the Council to reduce or write off a percentage of the amount payable or the entire sum. The cost of the write-off is borne by the remaining Council Tax payers or, the Council budgeting for less Council Tax income.

- 5.11. Since 1 April 2015 this section of the Act has mainly been used to help those

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impacted by the introduction of the Council's local Council Tax Reduction Scheme. However, from 1 April 2018 the Council introduced a discount for care leavers. The Council, as corporate parent, is committed to improving the life chances of looked after children and care leavers and provides a range of support to children and young people leaving care. The exemption from paying Council Tax up to the age of 25 is seen as a further opportunity to provide financial support to care leavers transitioning from care into independent living. There are currently 376 recipients of the exemption totalling £371k.

- 5.12. As a Borough of Sanctuary the Council is keen to support residents who wish to assist refugees, asylum seekers and migrants who may otherwise be homeless, and ensure that they are not financially worse off as a result of accommodating them. Without this policy, a resident in receipt of a Single Person Discount who provides accommodation to any of the above would lose their 25% concession. The introduction in 2022/23 of a local discount specifically for this purpose, was to compensate for this loss and ensure residents are not financially penalised through the loss of their existing Single Person Discount.
- 5.13. The Sanctuary discount is only awarded to those residents who accommodate a refugee via Refugees At Home or another similarly recognised organisation. This will have the advantage of pre-assessment and verification of the individual's status, and ensure any resident in this situation is receiving support from a recognised organisation. Residents who accommodate a refugee via another route and are in jeopardy of losing their single person discount will be signposted to Refugees At Home.
- 5.14. It should be noted that approximately 23% of any additional Council Tax income generated as a result of the variation in discounts is attributable to the Greater London Authority (GLA) in line with their precept element of the Council Tax.
- 5.15. These discounts and exemptions form part of the Council Tax Base calculation and therefore need to be agreed at this time.
- 5.16. Separate from Council Tax specifically, but in relation to discretionary schemes, regulation 40(2) and schedule 5 of The Housing Benefit Regulations 2006 and regulation 33(9) of the Housing Benefit (Persons who have attained the age qualifying for State Pension Credit) Regulations 2006 set out disregards for income other than earnings within Housing Benefit and allows a £10.00 disregard for War Disablement Pensions and War Widows Pensions.
- 5.17. Sections 134 (8) of the Social Security Administration Act 1992, along with the Housing Benefit and Council Tax Benefit (War Pension Disregards) (Amendment) Regulations 2009 allows the Council to disregard all income from War Disablement Pensions and War Widows Pensions for benefit purposes rather than just the £10.00 allowed.
- 5.18. The cost of the write-off is borne by the council budgeting for the appropriate subsidy return from central government. The Council has been running this scheme since the 1990's and wishes to continue to do so.

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- 5.19. Whilst not a new or change to a discretionary scheme, there is new legislation is being introduced from 1 December 2023. Currently, for licenced Houses of Multiple Occupation (HMO) properties, the council tax liability falls to each occupant and is based on their individual banding. From 1 December 2023, the occupants will no longer be liable for council tax and liability will fall to the owner. The new liability will be based on the banding for the whole property and not the individual units. This may mean that certain HMO tenants will no longer be eligible for discounts (CTRS or SPD), but also not subject to the council tax liability directly. The financial impacts are not known although we can anticipate a financial loss to the Council as the banding for the whole property is likely to be less than the aggregate amount of liability for each occupant.

## 6. The Council Tax Base

- 6.1 The calculation of the Council Tax Base has been prepared in accordance with the regulations 'Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI: 2012: 2914)'.  
6.2 The regulations specify a formula for this calculation, which for 2024/25

is:

$$((H - Q + E + J) - Z) \times (F / G)$$

Where:

H is the number of chargeable dwellings in that band, calculated in accordance with the regulations.

Q is a factor to take account of the discounts to which the amount of Council Tax payable was subject in that band, estimated in accordance with the regulations.

E is a factor to take account of the premiums, if any, to which the amount of Council Tax payable was subject in that band, estimated in accordance with the regulations.

J is the estimated variations in the Tax Base from changes after 30 November 2021 from factors such as:

- New properties and properties being banded.
- Variations in numbers of exempt properties.
- Successful Appeals against bandings.
- Variations in the number of discounts.

Z is the total amount that the authority estimates will be applied in relation to the authority's Council Tax Reduction Scheme in relation

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to the band, expressed as an equivalent number of chargeable dwellings in that band.

F is the proportion of Council Tax to be paid for dwellings in that band.

G as compared with a Band D property, using the proportions in the 1992 Act.

- 6.3 The proportions applicable to the various Council Tax bands (the 'basic' band being D) are as follows:-

Band	A	B	C	D	E	F	G	H
Proportion (ninths)	6	7	8	9	11	13	15	18

- 6.4 The Council's basic tax is calculated in respect of Band D. Therefore, Band A properties pay 6/9 of the basic tax, Band B properties 7/9 of the basic tax and so on, up to Band H where the tax is 18/9 or twice the tax at Band D.

Band	Relevant Amount (i.e. number of dwellings)
A	3,650.8
B	19,844.6
C	35,510.0
D	23,393.7
E	8,568.1
F	3,748.5
G	2,125.7
H	329.0
<b>Aggregate of Relevant Amounts</b>	<b>95,172.6</b>

## 7. Calculation of the Council Tax Base

- 7.1 Regulation 3 of the 'Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI: 2012: 2914), requires that the Council's Tax Base for a financial year shall be calculated by applying the formula:

$$A \times B = T$$

Where:

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A - is the total of the relevant amounts for that year for each of the valuation bands, which is shown or is likely to be shown for any day in that year in the authority's valuation list as applicable to one or more dwellings situated in its area.

B - is the Authority's estimate of its collection rate for that year.

T - is the calculated Council Tax Base for that year.

- 7.2 In accordance with the requirements of the regulations and following from the calculations in this report, the calculation of the Council Tax Base for the London Borough of Lewisham in 2024/25 is as follows:

	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
Total of relevant amounts (A)	93,584.1	94,519.7	95,172.6
X			
Collection rate (B) =	95.0%	94.0%	95.0%
Council Tax Base (T)	<b>88,904.9</b>	<b>88,848.5</b>	<b>90,414.0</b>

- 7.3 The detailed calculations proposed for the London Borough of Lewisham for 2024/25 are set in the annual Council Tax Base return to government, attached at Appendix A.

## **8. Estimate of the Collection Rate**

- 8.1 The Regulations require that the Council estimates its collection rate for the financial year. This is the Council's estimate of the total amount in respect of its Council Tax for the year payable into its Collection Fund and transferable between its General Fund and Collection Fund, and which it estimates will ultimately be transferred.
- 8.2 Prior to the Covid pandemic Council Tax collection in Lewisham had held steady for a number of years, reflecting the work of the service to enforce debts more effectively against those able to pay and to make reasonable arrangements for debtors in genuine financial hardship. However, this was significantly impacted in 2020/21 and 2021/22 by the pandemic and is still struggling to return to pre-pandemic levels. The in-year collection rate is reported to members in the regular financial monitoring
- 8.3 The current stubbornly high level of inflation coupled with the cost of living crisis means that collection will remain very challenging for next year. It is therefore proposed to only slightly increase the estimated collection rate from 94% to 95% to account for these ongoing macroeconomic pressures.
- 8.4 The initial Discretionary Hardship Fund (set up to assist those households experiencing exceptional financial hardship) was retracted at the end of

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March 2015. Claimants who find themselves in this financial position can make an application under Section 13A (1)(c) of the Local Government Finance Act (1992) on the grounds of severe financial hardship. The provision is available irrespective of the Council Tax Reduction Scheme decided upon for future years.

## **9. 2024/25 NNDR Expected Income**

- 9.1 Under the Local Government Finance Act 2012, the system of national pooling of business rates was repealed and replaced with the Business Rates Retention scheme. The new scheme commenced on 1 April 2013 and requires the meeting of full Council to formally approve the NNDR1 return to government by 31 January, immediately preceding the financial year to which it relates.
- 9.2 The NNDR1 contains details of the rateable values shown for the Authority's local rating list as at 30 September. It enables the Council to calculate the expected income in respect of business rates for the year, a proportion of which the Council retains.
- 9.3 Under the 2024/25 system, the London Borough of Lewisham will retain 30% of all business rates collected within the borough, 37% is attributed to the Greater London Authority and the remaining 33%, known as the Central Share, is passed to the Government.
- 9.4 The Government removed the 'no detriment' guarantee 100% pilot pool status for London for 2020/21. However, the GLA and the 33 London billing authorities, through decisions made collectively by the London Councils Leaders Committee and the Mayor, continued the business rates retention pool in 2020/21. With the impact of Covid-19 the Council was required to contribute £2.164m to the pool in 2021/22. London ceased pooling for 2021/22 with no decision of future years at present.
- 9.5 The Council is in the process of completing the 2024/25 NNDR1 form which is due for submission on the 31st January 2024. The information used to calculate the net yield in this report is therefore based on the new rateable values and is an estimate. There is an expectation that data requirements for the NNDR1 and NNDR3 returns will change in the future years.
- 9.6 In summary, the Council estimates that it will collect £58m in 2024/25.
- 9.7 It should be noted the figure above shall be subject to change as a result of the Non-Domestic Rating Bill which received Royal Assent on the 26 October and which is intended to be implemented by the 1 April 2024. The Bill provides for the following changes:

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- Improvement Relief whereby ratepayers receive a 12 month relief for higher bills where eligible improvements to an existing property have increased their rateable value;
- The current discretionary relief for low carbon heat networks will become mandatory;
- Business Rate Multipliers, from 1 April 2024 the small business multiplier will be default apply to all small hereditaments with a rateable value below multiplier threshold (currently £51,000), and this includes properties occupied by charities and unoccupied properties which currently do not qualify for the small business multiplier.
- Removal of restrictions on discretionary rate relief, allowing local authorities to make decision on discretionary reliefs fully retrospectively and set their own rules for notification of reliefs in their area.

9.8 The revised figure will be much clearer in January 2024 when the new software to apply these reliefs becomes available, and when the NNDR1 return is completed.

9.9 The full distribution is as shown below:

	<b>2023/24</b>		<b>2024/25</b>	
<b>Business Rates*</b>	<b>Percentage Share</b>	<b>Amount £m</b>	<b>Percentage Share</b>	<b>Amount £m</b>
Central Share	33%	18,400	33%	19,140
Lewisham	30%	16,800	30%	17,400
GLA	37%	20,720	37%	21,460
<b>Total</b>	<b>100%</b>	<b>56,000</b>	<b>100%</b>	<b>58,000</b>

\*After allowing for transitional arrangements, small business rate uplift/relief, exemptions, allowances, business rates supplements and BRS relief, collection rate and appeals allowance.

9.10 The Council will keep its entire share, but will also be in receipt of a top-up, the calculation of which is based on the DLUHC calculation of the Council's baseline funding level. This provisional 2024/25 funding is as yet unknown and will be provided in the Provisional Local Government Finance Settlement announcement expected in the week commencing 18 December 2023.

9.11 As the figures included on the NNDR1 return (due for submission by the 31 January 2024) are likely to vary from the estimated level disclosed in this report as a result of the new non-domestic rates bill coming into force and any implementation of the new relief schemes delivered in the autumn statement, delegation is sought from Council to the Acting Executive Director of Corporate Resources to allow the opportunity to revise the Tax Base and approve a revised and more accurate position.

9.12 Mayor and Cabinet is asked to endorse this estimate and agree to recommend to Council the delegation of the approval of the final 2024/25

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NNDR 1 return to the Acting Executive Director for Corporate Resources.

## **10. Council Tax Reduction Scheme (CTRS)**

- 10.1 On 1 April 2013 the Council implemented a local CTRS which passed on the government cut in grant in full to 24,648 working age households previously in receipt of Council Tax Benefit. Pensioners are protected from the changes under legislation maintaining their support at least in line with Council Tax Benefit levels.
- 10.2 On the 12th December 2018, the Mayor decided that no changes should be made to the CTRS for 2019/20 and that the Council should continue to pass on the government cut in funding to working age claimants as was the case for 2020/21, 2021/22, 2022/23 and 2023/24. It is recommended that this should continue in 2024/25. This will mean eligible claimants will need to contribute a minimum of 25% towards their Council Tax.

## **11. Financial implications**

- 11.1 This report proposes that a Council Tax Base of 90,414.0 be set for 2024/25. This represents an increase of 1,565.5 chargeable dwellings from the Council Tax Base of 2023/24, reflecting a small growth in dwellings and an increase in the collection rate from 94% to 95%.
- 11.2 Officers believe that increasing the collection rate marginally from 94% to 95% for 2024/25 is prudent and reflects the work being undertaken to collect Council Tax in light of given the extremely challenging economic conditions and the cost of living crisis. In line with current policy, the collection rate target is subject to review annually.
- 11.3 In respect of the Care Leavers exemption the annual cost to date is £371k. In respect of CTRS, the annual cost is approximately £20.972m. This represents General Fund revenue forgone which has been met through reductions in expenditure in other areas of activity.

## **12. Legal implications**

- 12.1 Members are referred to the legal requirements set out in the body of the report and particularly the changes brought in by the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (section five) and the changes introduced by the Local Government Finance Act 2012, which set out a number of changes for Council tax payers discounts removal of some exemptions relating to empty homes (section six) and the current NNDR system (section ten).
- 12.2 Section 33 of the Welfare Reform Act 2012 abolished Council Tax Benefit. The Local Government Finance Act 2012 amends the Local Government Finance Act 1992 to make provision for council tax support through locally

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adopted CTRSs. A report setting out the CTRS for 2018/19 was presented to Mayor & Cabinet on 12 December 2018. That Report contained the outcome of the consultation and determined that a local CTRS be retained from 1 April 2019 that passes on any shortfall in government funding, as set out in section 11 and additional support be delivered to the most vulnerable residents through use of the existing provision within Section 13A (1) (c) of the 1992 Local Government Finance Act.

- 12.3 Section 13A(1)(c) of the Local Government Finance Act 1992 provides that the Council may reduce the amount of council tax which a person is liable to pay in respect of any chargeable dwelling and any day (as determined in accordance with sections 10 to 13) to such extent as the billing authority for the area in which the dwelling is situated thinks fit (i.e. discretionary discounts).
- 12.4 Discretionary discounts recognise that an Authority's Local Council Tax Reduction Scheme does not always meet the household's full Council Tax liability. The Council has the right to choose whether to use its powers on a case-by-case basis or it also has the right to specify a class of use. A class of use is where several people who pay Council Tax fall into a group because their circumstances are similar.
- 12.5 In accordance with the Local Government Finance Act 1992 and related Statutory Instruments, the Authority is required to decide its Council Tax Base for 2022/23 by no later than 31 January 2022.
- 12.6 The recommendations in this report relate to non-executive functions in respect of which decisions are reserved to and must be made by Council. Accordingly Mayor and Cabinet are making recommendations to Council only.
- 12.7 The Cabinet and Council, in recommending and then setting the Council Tax, must have due regard to the impact those decisions will have upon the Council's statutory duty with regard to equalities, i.t. the obligation to have 'due regard' to the need to 1) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Equalities Act 2010; 2) to advance equality of opportunity between people who share a relevant protected characteristic and those who don't; and 3) to foster good relations between people who share a relevant protected characteristic and those who don't (which involves tackling prejudice and promoting understanding). The relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion, sex, and sexual orientation.

### **13. Equalities implications**

- 13.1 Every effort will be made to ensure that Council Tax payers, particularly those who are from disadvantaged groups, receive prompt and accurate Council Tax bills, and that those who are eligible for exemptions and

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discounts - such as the disabled people, single people and those on low incomes, are encouraged to claim them. Consistent with the Legal Implications noted above.

#### 14. Climate change and environmental implications

14.1 There are no specific environmental implications directly arising from this report.

#### 15. Crime and disorder implications

15.1 There are no specific environmental implications directly arising from this report.

#### 16. Health and wellbeing implications

16.1 There are no specific environmental implications directly arising from this report.

#### 17. Background papers

17.1 There are no further background papers relevant to this report.

#### 18. Glossary

Term	Definition
<b>Council Tax</b>	<b>Council tax</b> is a system of local taxation collected by local authorities. It is a tax on domestic properties. Each dwelling falls into one of eight 'Bands' based on property value, and there are 8 council tax bands in total ranging from A to H.
<b>Council Tax Base</b>	A " <b>tax base</b> " is the number of Band D equivalent dwellings in a local authority area.
<b>NNDR</b>	<b>NNDR</b> stands for National Non Domestic Rates, more commonly known as Business Rates. <b>Business rates</b> in England is a tax on the occupation of non-domestic property.
<b>Council Tax Reduction Scheme (CTRS)</b>	The <b>Council Tax Reduction Scheme</b> provides financial assistance with Council Tax bills for residents who are on a low income. The government abolished the national Council Tax Benefit scheme for working-age people from April 2013, and it was replaced with local schemes decided upon by each individual Local Authority.
<b>Greater London Authority (GLA)</b>	The <b>Greater London Authority (GLA)</b> is a top-tier administrative body responsible for the strategic administration of Greater London.

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## **19. Report author and contact**

- 19.1 For further information on this report, please contact:  
Katharine Nidd, Head of Strategic Finance, Planning and Commercial on 020 8314 6651 or Maxine Gordon Director of Resident and Business Services on 020 8314 6040.
- 19.2 Financial implications provided by Katharine Nidd and legal implications by Melanie Dawson.

## **20. Appendices**

- 20.1 Appendix A – Council Tax Base October 2023

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## APPENDIX A – Council Tax Base October 2023

CTB(October 2023)

**Calculation of Council Tax Base**

Please e-mail to : [ctb.stats@levellingup.gov.uk](mailto:ctb.stats@levellingup.gov.uk)

Please enter your details after checking that you have selected the correct local authority name

Ver 1.3

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<p>Check that this is your authority :</p> <p>E-code :</p> <p>ONS code :</p> <p>Local authority contact name :</p> <p>Local authority contact telephone number :</p> <p>Local authority contact e-mail address :</p>	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 50%;">Lewisham</td></tr> <tr><td>E5018</td></tr> <tr><td>E0900023</td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> </table>	Lewisham	E5018	E0900023			
Lewisham							
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CTB(October 2023) form for :	Lewisham	<i>Completed forms should be received by DLUHC by Friday 13 October 2023</i>
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Dwellings shown on the Valuation List for the authority on Monday 11 September 2023	Band A entitled to disabled relief reduction COLUMN 1	Band A COLUMN 2	Band B COLUMN 3	Band C COLUMN 4	Band D COLUMN 5	Band E COLUMN 6	Band F COLUMN 7	Band G COLUMN 8	Band H COLUMN 9	TOTAL COLUMN 10
<b>Part 1</b>										
1. Total number of dwellings on the Valuation List		9,851	35,764	47,142	27,351	7,955	2,803	1,368	182	132,416
2. Number of dwellings on valuation list exempt on 2 October 2023 (Class B & D to W exemptions)		1,600	1,268	1,061	434	109	31	22	3	4,528
3. Number of demolished dwellings and dwellings outside area of authority on 2 October 2023 (please see notes)		0	0	0	0	0	0	0	0	0
4. Number of chargeable dwellings on 2 October 2023 (treating demolished dwellings etc as exempt) (lines 1-2-3)		8,251	34,496	46,081	26,917	7,846	2,772	1,346	179	127,888
5. Number of chargeable dwellings in line 4 subject to disabled reduction on 2 October 2023		8	65	136	145	56	26	15	6	457

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6. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	8	65	136	145	56	26	15	6		457
7. Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6 or in the case of column 1, line 6)	8	8,308	34,567	46,090	26,828	7,816	2,761	1,337	173	127,888
8. Number of dwellings in line 7 entitled to a single adult household 25% discount on 2 October 2023	5	5,393	18,161	16,632	6,347	1,483	366	138	16	48,541
<b>Tax base after reduction</b>	<b>3.75</b>	<b>404.75</b>	<b>1,860.75</b>	<b>1,217.75</b>	<b>4,000.25</b>	<b>1,112.25</b>	<b>274.5</b>	<b>103.5</b>	<b>12</b>	
9. Number of dwellings in line 7 entitled to a 25% discount on 2 October 2023 due to all but one resident being disregarded for council tax purposes	1	68	420	616	282	69	14	8	2	1,480
<b>Tax base after reduction</b>	<b>3.75</b>	<b>51</b>	<b>315</b>	<b>462</b>	<b>2,113</b>	<b>517.5</b>	<b>145</b>	<b>5</b>	<b>15</b>	
10. Number of dwellings in line 7 entitled to a 50% discount on 2 October 2023 due to all residents being disregarded for council tax purposes	0	3	15	40	45	35	38	38	10	224
<b>Reduction in tax base</b>										
11. Number of dwellings in line 7 classed as second homes on 2 October 2023 (b/fwd from Flex Empty tab)		31	142	137	66	17	1	0	0	394
12. Number of dwellings in line 7 classed as empty and receiving a zero% discount on 2 October 2023 (b/fwd from Flex Empty tab)		120	403	485	199	56	28	12	0	1,303
13. Number of dwellings in line 7 classed as empty and receiving a discount on 2 October 2023 and not shown in line 12 (b/fwd from Flex Empty tab)		0	0	0	0	0	0	0	0	0
14. Number of dwellings in line 7 classed as empty and being charged the Empty Homes Premium on 2 October 2023 (b/fwd from Flex Empty tab)		46	101	99	21	10	3	3	1	284
15. Total number of dwellings in line 7 classed as empty on 2 October 2023 (lines 12+13+14).		166	504	584	220	66	31	15	1	1,587
16. Number of dwellings that are classed as empty on 2 October 2023 and have been for more than 6 months. NB These properties should have already been included in line 15 above.		107	287	321	122	33	18	9	1	898
16a. The number of dwellings included in line 16 above which are empty on 2 October 2023 because of the flooding that occurred between 1 December 2015 and 31 March 2016 and are only empty because of the flooding.		0	0	0	0	0	0	0	0	0

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16b. The number of dwellings included in line 16 above which are empty on 2 October 2023 because of the flooding that occurred between November 2019 and February 2020 and are only empty because of the flooding.		0	0	0	0	0	0	0	0	0
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17. Number of dwellings that are classed as empty on 2 October 2023 and have been for more than 6 months and are eligible to be treated under empty homes discount class D (formerly Class A exemptions). NB These properties should have already been included in line 15 above. Do NOT include any dwellings included in line 16a above.		1	1	0	2	1	0	0	0	5
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18. Number of dwellings that are classed as empty and have been empty for more than 6 months excluding those that are subject to empty homes discount class D or empty due to flooding (Line 16 - line 16a - line 16b - line 17) (equivalent to Line 18 in previous forms).		106	286	321	120	32	18	9	1	893
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19. Number of dwellings in line 7 where there is liability to pay 100% council tax before Family Annexe discount	2	2,798	15,869	28,703	20,133	6,219	2,340	1,150	144	77,358
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20. Number of dwellings in line 7 that are assumed to be subject to a discount or a premium before Family Annexe discount	6	5,510	18,698	17,387	6,695	1,597	421	187	29	50,530
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21. Reduction in taxbase as a result of the Family Annexe discount (b/fwd from Family Annexe tab)	0.0	0.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.5
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22. Number of dwellings equivalents after applying discounts and premiums to calculate taxbase	6.5	7,004.3	30,052.3	41,889.0	25,173.3	7,422.5	2,651.0	1,285.5	164.5	115,648.8
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23. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
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24. Total number of band D equivalents (to 1 decimal place) (line 22 x line 23)	3.6	4,669.5	23,374.0	37,234.7	25,173.3	9,071.9	3,829.2	2,142.5	329.0	105,827.7
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25. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2023-24 (to 1 decimal place)										0.0
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26. Tax base (to 1 decimal place) (line 24 col 10 + line 25)										105,827.7
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**Part 2**

27. Number of dwellings equivalents after applying discounts and premiums to calculate tax base (Line 22)	6.5	7,004.3	30,052.3	41,889.0	25,173.3	7,422.5	2,651.0	1,285.5	164.5	115,648.8
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28. Reduction in taxbase as a result of local council tax support (b/fwd from CT Support tab)	2.6	1,528.0	4,537.7	4,190.3	1,779.6	412.2	55.9	10.1	0.0	12,516.4
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29. Number of dwellings equivalents after applying discounts, premiums and local tax support to calculate taxbase	4.0	5,476.3	25,514.5	37,698.8	23,393.7	7,010.3	2,595.1	1,275.4	164.5	103,132.4
30. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
31. Total number of band D equivalents after allowance for council tax support (to 1 decimal place) (line 29 x line 30)	2.2	3,650.8	19,844.6	33,510.0	23,393.7	8,568.1	3,748.5	2,125.7	329.0	95,172.6
32. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2023-24 (to 1 decimal place)(line 25)										0.0
33. Tax base after allowance for council tax support (to 1 decimal place) (line 31 col 10 + line 32)										95,172.6

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