



Department for Communities and Local Government

NOTES FOR COMPLETION OF THE CTB(OCTOBER 2012) FORM

Introduction

1. The Council Tax Base (CTB) return this year is designed to calculate both your authority's council tax base using the method previously used for Formula Grant purposes and also the new Council Tax base for Revenue Support Grant purposes, which takes into account the technical changes to the rules on discounts for second homes.

2. This form is to be completed by reference to dwellings shown on the Valuation List for the authority as at 10 September 2012, and by reference to the number of exemptions and discounts on 1 October 2012 in respect of those dwellings. Generally, we would expect information on discounts and exemptions to be provided on the basis of the information available to the authority on 1 October 2012. However, more recent figures for discounts and exemptions applicable as at 1 October 2011 will be acceptable if numbers change significantly in the light of information received after 1 October 2012 (for example, for class N exemptions for students) although, please note that the deadline for return of this form is **Friday 12 October 2012**.

3. For the purposes of this form, chargeable dwellings are defined as dwellings shown on the Valuation List as at 10 September 2012 which are, on 1 October 2012, chargeable dwellings under section 4 of the Local Government Finance Act 1992 ('the 1992 Act'), less demolished dwellings and dwellings outside the area of the authority (as defined in paragraph 12).

Notes on Columns

4. *Columns 2 to 9* refer to the valuation band shown for each dwelling on the Valuation List as at 10 September 2012, except that for *lines 6 to 10*, dwellings subject to a reduction for disability should be treated as falling in the "alternative valuation band" (i.e. the band which applies after the reduction), as defined in the Council Tax (Reductions for Disabilities) Regulations 1992 (SI 1992/554) (as amended) ('the 1992 Regulations'). The valuation bands are set out in section 5(2) of the 1992 Act.

5. *Column 1* refers to dwellings in band A that are subject to a reduction for disability and hence pay 5/9 the band D amount as defined in regulation 4 of the 1992 Regulations.

6. *Column 10* shows the total number of dwellings on the Valuation List as at 10 September 2012 in each of the lines defined by the notes below; these fields are calculated automatically.

Notes on Lines

Number of dwellings on the Valuation List

7. Enter in line 1 the total number of dwellings shown in the Valuation List as at 10 September 2012. **Any revision concerning the list at 10 September 2012 supplied by the**

listing officer to the authority will have to be confirmed in writing by the local Valuation Office.

Exempt dwellings

8. Enter in *line 2* the number of dwellings shown on the Valuation List as at 10 September 2012 which are exempt dwellings on 1 October 2012 as prescribed by Classes A to N and P to W of the Council Tax (Exempt Dwellings) Order 1992 (SI 1992/558) (as amended) ('the Exempt Dwellings Order'). The total in column 10 should correspond with the total figure given at the bottom of *Part 1* of the *CTB(Supplementary)(October 2012)* form.

9. Dwellings exempt under Class O of the Exempt Dwellings Order (MoD properties held for the purposes of armed forces accommodation) should also be included in *line 2* (and hence will not appear in *line 4*), because contributions in lieu will be paid in respect of them and these will be allowed for in *line 20* of the form.

10. Dwellings where Crown immunity applies should be counted as chargeable dwellings (because although contributions in lieu will be paid, these contributions are not allowed for in *line 20* of the form) and should not be included in *lines 2* or *3*; they will therefore appear in *line 4*.

11. Demolished dwellings and dwellings outside the area of the authority (as defined below) should be included in *line 3* and not *line 2*.

Demolished dwellings and dwellings outside the area of the authority

12. Enter in *line 3* the number of dwellings (not already included in *line 2*) shown on the Valuation List as at 10 September 2012 which, on 1 October 2012, have been demolished (i.e. where, in the opinion of the authority, the dwelling has ceased to exist) or which, according to information available to the authority, were not within the area of the authority on 1 October 2012. These dwellings are treated for the purposes of this return as if they were exempt from council tax.

Chargeable dwellings

13. *Line 4* gives the result of *line 1* minus *line 2* and *line 3*, i.e., the number of chargeable dwellings as defined in paragraph 3 above; this cell is automatically calculated.

Disability reductions

14. Enter in *line 5* the number of dwellings shown in each band of the Valuation List as at 10 September 2012 in respect of which the amount of council tax payable on 1 October 2012 is reduced by virtue of the 1992 Regulations. Enter in columns 2 to 9 of *line 6* the number of such dwellings in each band after the reduction for disabled relief has been taken into account (i.e. the number of such dwellings in the "alternative valuation band" as described in regulation 4(1) and (3A)(a) of the 1992 Regulations). Enter in column 1 of *line 6* the number of dwellings in band A subject to the 5/9 of Band D council tax in accordance with regulation 4(3A)(b) of the 1992 Regulations. This row is calculated automatically.

*For example, the figure in **line 6 column 1** should be the same as that in **line 5 column 2**; the figure in **line 6 column 2** should be the same as that in **line 5 column 3**, etc*

15. *Line 7* shows the number of chargeable dwellings (as defined in paragraph 2 above), after adjustment for disabled relief, i.e. *line 4* less *line 5* plus *line 6* and in the case of column 1, this number is the same as *line 6* of column 1; this cell is automatically calculated.

25% discounts where there is only one adult resident

16. Enter in *line 8* the number of dwellings shown on the Valuation List as at 10 September 2012 in respect of which the amount of council tax payable is subject, on 1 October 2012, to a 25% discount of council tax because only one adult is in residence, under section 11(1)(a) of the 1992 Act.

25% discounts where all but one adult resident is disregarded

17. Enter in *line 9* the number of dwellings shown on the Valuation List as at 10 September 2012 in respect of which the amount of council tax payable is subject, on 1 October 2012, to a 25% discount of council tax because all but one adult is disregarded for council tax purposes, under section 11(1)(b) of the 1992 Act.

18. If the billing authority has determined a 25% discount of council tax for second or long-term empty homes, such discounts should **not** be included at *lines 8* or *9*, but at *lines 11* or *15*, as appropriate.

50% discounts where all adult residents are disregarded

19. Enter in *line 10* the number of dwellings shown on the Valuation List as at 10 September 2012 in respect of which the amount of council tax payable is subject on 1 October 2012 to a 50% discount of council tax because all the residents are disregarded for council tax purposes under section 11(2)(b) of the 1992 Act.

Second homes

20. Enter in *line 11* the number of chargeable dwellings shown on the Valuation List as at 10 September 2012 which are not the sole or main residence of an individual and which are furnished. These will be dwellings where the amount of council tax payable would be subject, on 1 October 2012, to a 50% discount of council tax - or would have been entitled to a 50% discount if the billing authority had **not** exercised its powers to reduce the discount under section 11A of the 1992 Act.

21. Under section 11A(3) of the 1992 Act billing authorities can determine a lesser percentage discount of at least 10% for 2 classes of dwelling:

- a. a Class A dwelling is defined as a dwelling "which is not the sole or main residence of an individual, which is furnished, and the occupation of which is restricted by a planning condition preventing occupancy for a continuous period of at least 28 days in the relevant year"; and;
- b. a Class B dwelling is defined as a dwelling "which is not the sole or main residence of an individual, which is furnished, and the occupation of which is not restricted by a planning condition preventing occupancy for a continuous period of at least 28 days in the relevant year."

22. These definitions are as set out in regulations 4 to 6 the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 (SI 2003/3011) ('the 2003 Regulations'). Note that there are exceptions in regulation 6 for caravans, boats and certain job-related dwellings.

Long-term empty homes

23. Enter in *line 12* the number of chargeable dwellings which are unoccupied and substantially unfurnished, and which are shown on the Valuation List as at 10 September 2012 in respect of which the amount of council tax payable has been granted, on 1 October 2012, a 50% discount of council tax.

24. *Do not include any dwelling where the billing authority has determined to change the discount under section 11A of the 1992 Act.*

25. *Line 13* is the sum of *lines 10, 11* and *12* where separate figures have been provided, i.e. the total number of dwellings regarded, for formula grant purposes, as being entitled to a 50% discount as at 1 October 2012. If separate figures cannot be provided and estimates are readily available, please estimate your split between *lines 10, 11* and *12*; this total will be automatically calculated. However, if you are unable to provide separate figures, and obtaining an estimated split may delay submission of your CTB, please override the automatic calculation in *line 13* and enter total figures for each band in *line 13*.

26. Enter in *line 14* the number of chargeable dwellings shown on the Valuation List as at 10 September 2012 which are unoccupied and substantially unfurnished, and in respect of which the amount of council tax payable has been granted, on 1 October 2012, NO council tax discount.

27. Enter in *line 15* the number of chargeable dwellings shown on the Valuation List as at 10 September 2012 which are unoccupied and substantially unfurnished, and in respect of which the amount of council tax payable has been granted, on 1 October 2012, an amount of discount other than zero% or 50%. You should enter the discount percentage amount granted in the cell adjacent to the text description in *line 15*. If your authority has granted more than one level of long-term empty homes discount between zero% and 50%, please contact us for clarification of how you should deal with varying levels of discount.

28. Under section 11A(4) of the 1992 Act billing authorities can determine a lesser percentage, or that a discount shall not apply, for a dwelling which is "unoccupied, and which is substantially unfurnished". This is a Class C dwelling, as defined in regulation 7 of the 2003 Regulations as "unoccupied, and which is substantially unfurnished."

Two adult dwellings (no discounts)

29. *Line 16* shows the result of *line 7* minus *lines 8, 9, 13* and *15*, i.e. the number of chargeable dwellings shown on the Valuation List as at 10 September 2012 where there is liability to pay 100% council tax; this is automatically calculated. Apart from demolished dwellings and dwellings outside the area of the authority, where an authority does not have any available information about the discounts or exempt status of dwellings on the Valuation List, it is assumed, for the purposes of this return, that these dwellings are chargeable dwellings which are not subject to any discounts.

Calculations

30. *Line 17* represents the equivalent number of dwellings in each valuation band after allowing for exempt dwellings, disabled relief, and dwellings in respect of which the amount of council tax payable is subject to one or more discounts. It is calculated as:-

$(\text{line } 8 * 0.75) + (\text{line } 9 * 0.75) + (\text{line } 13 * 0.5) + (\text{line } 15 * ((100 - \% \text{ discount}) / 100)) + \text{line } 16.$

These cells are automatically calculated.

31. *Line 18* is already completed. It shows the proportions for each of the different valuation bands in relation to Band D. The proportions are set out in section 5(1) of the 1992 Act. The ratio for column 1 (band A dwellings entitled to a disabled relief reduction) is 5/9, as set out in the 1992 Regulations.

32. *Line 19* (Band D equivalents) expresses the figures in *line 17* in terms of Band D equivalent dwellings; all columns of *line 19* are automatically calculated. If completing the form manually, you should calculate this by multiplying the figure in *line 17* by the fraction in *line 18*. You should enter the total of columns 1 to 9 on *line 19* in column 10 of *line 19* to one decimal place.

Contributions in lieu (in respect of Class O dwellings)

33. Enter in column 10 of *line 20* the number of band D equivalent Class O exempt dwellings (MoD properties) in respect of which contributions in lieu are payable for the financial year 2012-13. This should be calculated as the amount of contributions in lieu receivable for 2012-13 in respect of Class O exempt dwellings in the authority's area divided by the average council tax (expressed in terms of band D 2 adult dwellings) for the authority for 2012-13.

For this purpose the average council tax is the basic amount of council tax calculated by the billing authority for the year under section 31B of the 1992 Act, plus the amount obtained by dividing the sum of the amounts of precept payable for the year to each major precepting authority (as stated in accordance with section 40(2)(b) of the 1992 Act) by the amount of the council tax base calculated by the billing authority for 2012-13 under section 33 of the 1992 Act. The number should be entered to *one decimal place* only.

Taxbase for Formula Grant Purposes

34. The figure in *line 21* column 10 is the sum of *line 19* column 10 and *line 20* column 10 to *one decimal place* and is calculated automatically.

Certification

35. The Chief Financial Officer is required to certify that the information provided on the form has been based on the number of dwellings shown in the Valuation List for the authority as at 10 September 2012, and that it accurately reflects the information available to him about the numbers of exemptions, demolished dwellings etc. disability reductions, and discounts applicable on 1 October 2012 and has been completed in manner consistent with the form for 2011. When a form has been completed and e-mailed to the Department for Communities and Local Government, it is necessary for you to print a copy of your return, obtain your Chief Financial Officer's signature on it and return it to the department.

36. Completed forms should be received by the department by **Friday 12 October 2012**. Electronic copies should be sent to ctb.statistics@communities.gsi.gov.uk.

Signed returns should be addressed to

Dennis Herbert
Department for Communities and Local Government
Zone 5/J6
Eland House
Bressenden Place
London
SW1E 5DU

Part 2 - Tax base for Revenue Support Grant Purposes

37. Part 2 of the form is new and is used to show how the Tax base for Revenue Support Grant purposes is calculated. No data need to be entered in Part 2 as all the relevant data have been provided in the first page of the form and are transferred automatically down to Part 2 and the remainder of the cells are automatically calculated.

38. The data used in Part 2 are derived as follows:

- Line 12x is the same as page 1 line 12
- Line 14x is the same as page 1 line 14
- Line 15x is the same as page 1 line 15
- * Line 15y is the sum of lines 12x, 14x & 15x
- * Line 15z is the sum of lines 8, 9, 10, 11 & 15y
- * Line 16x is the sum of line 7 minus line 15z
- * Line 17x is calculated from
 $((\text{line 8} + \text{line 9}) * 0.75) + ((\text{line 10} + \text{line 11}) * 0.5) + \text{line 16x}$
- Line 18x is the same as line 18
- * Line 19x is calculated from line 17x times line 18x
- Line 20x is the same as line 20
- * Line 21x is line 19x column 10 plus line 20x.

* These cells are automatically calculated.

Tax base for Revenue Support Grant Purposes

39. The figure in *line 21x* column 10 is the sum of *line 19x* column 10 and *line 20x* column 10 to *one decimal place* and is calculated automatically.

Any queries about the completion of the form should be made by e-mail to ctb.statistics@communities.gsi.gov.uk.

It is important that all authorities should return the information by the due date. Any authority who submits revised versions of either of the forms should make it clear that it replaces any previous return.

Department for Communities and Local Government
September 2012