

Appendix 9 – Council Tax Base Calculation Process and Associated Background information

The Tax Base calculation process is as follows:

- Calculate the number of properties on 30 November 2022 and adjust for changes due to demolitions and new builds up to 31 March 2024 which are then converted to a full year Band D equivalent. The council also adjust for discounts, exemptions and disabled relief and add any changes expected over the year reflecting the Local Council Tax Reduction Scheme and changes to empty property discounts and premiums.
- Convert the number of “discounted” dwellings in each Council Tax Band to Band D equivalent.
- Adjust the total number of Band D equivalents by the estimated Council Tax collection rate for the year. The amended calculation is as below and will be utilised in calculating the Council Tax charge for 2023/24.

Wirral Council Tax Band D calculation 2023/24

Band	Properties 2023	Changes due to LCTRS discounts, exemptions	Revised property equivalent	Ratio to Band D	Net Band D equivalent
A	61,298	(24,733.74)	36,564.26	6/9	24,376.17
B	32,964	(7,318.10)	25,645.90	7/9	19,946.81
C	27,760	(3,933.59)	23,826.41	8/9	21,179.03
D	13,581	(1,503.42)	12,077.58	9/9	12,077.58
E	8,426	(761.71)	7,664.29	11/9	9,367.47
F	4,387	(302.70)	4,084.30	13/9	5,899.54
G	3,195	(218.22)	2,976.78	15/9	4,961.30
H	279	(34.12)	244.88	18/9	489.76
Band A Disabled		(4.80)	73.60	5/9	40.90
Total	151,890	(38,810.48)	113,158.00		98,338.55
Assumed Collection Rate					x 97.20%
Adjusted Council Tax Base					95,585.07

The increase in the Council Tax-Base, coupled with general inflationary increases and allowances for the Adult Social Care precept, is expected to result in increased Council Tax income of approximately £8.88m in 2023/24. Wirral’s share of Council Tax after the non-collection allowance is applied is expected to be £171.91m. This amount has been reflected in the 2023/24 Budget.

In terms of inflationary increases, the Government announced in the Provisional Local Government Finance Settlement that General Council Tax can increase by 2.99%. The Referendum threshold for general Council Tax increases is set at 3% for 2023/24, this means that local authorities will be

able to increase their relevant basic amount of council tax (essentially their average Band D council tax including special expenses and levies but excluding local precepts) by up to 2.99% without having to hold a referendum. The calculation of the Referendum 'trigger' amount is a comparison between overall Band D levels for 2022/23 and 2023/24.

The recent provisional Local Government Finance Settlement included permission to include a 2% Adult Social Care Precept in 2023/24, over and above the inflationary increase of up to 2.99%. If agreed, this generates an additional £3.3m funding for the Council in 2023/24.

The decision on the level of Council Tax is scheduled to be made by Council on 27 February 2023. The current budget proposal for 2023/24 assumes that general Council Tax will increase by 4.99%, representing the inflationary increase of 2.99% plus the Adult Social Care Precept of 2%.