



Statistical Release

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COUNCIL TAX LEVELS SET BY LOCAL AUTHORITIES IN ENGLAND – 2012-13

- The average Band D council tax set by local authorities in England for 2012-13 will be £1,444, (2011-12 £1,439) an increase of 0.3%.
- In England in 2012-13, the average council tax per dwelling will be £1,201 compared with £1,196 in 2011-12, an increase of 0.4%.
- The average Band D council tax will be £1,304 in London, £1,401 in metropolitan areas and £1,492 in shire areas.
- In 2012-13, 85% of all authorities will benefit from the Council tax freeze grant.
- Parish precepts in 2012-13 will total £384 million. This represents an increase of 4.6% over the 2011-12 figure of £367 million. The average Band D parish precept in 2012-13 will be £47.80, an increase of 4.2% on 2011-12.
- The total tax base used for setting council taxes for 2012-13 was 18.5 million Band D equivalent dwellings. This represents an increase of 0.7% over the figure of 18.4 million for 2011-12.

This release provides information on council tax levels and associated information for the financial year 2012-13, and changes over 2011-12. This information is derived from Council Tax Requirement (CTR) forms submitted by all 326 billing authorities and all 95 major precepting authorities in England. The release has been compiled by the Local Government Finance – Data Collection, Analysis and Accountancy division of the Department for Communities and Local Government.

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Council tax levels set by local authorities in England 2012-13

Contents	Page	
Table 1	Average council tax and % change 2003-04 to 2012-13	3
Chart A	Average Band D council tax % change 2003-04 to 2012-13	4
Table 2	Average Band D council tax and % change by area of authority 2008-09 to 2012-13	5
Table 3	Local government net revenue expenditure: England summary 2010-11 to 2012-13	6
Table 4	2012-13 Council tax (average Band D and average per dwelling) and % change: by area	7
Table 5	2012-13 Council tax (average Band D and average per dwelling) and % change: by class of authority	9
Table 6	Number and percentage of authorities freezing or reducing council tax levels in 2012-13, by type of authority.	10
Table 7	Average Band D parish precepts by region	11
Additional tables (these are available via the following web-link - http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/counciltax/rates/)		
Table 8	2012-13 Council tax (average Band D and average per dwelling) and % change: individual local authorities	11
Table 9	2012-13 Area council tax for a dwelling occupied by two-adults by band	11
Table 10	2012-13 Council tax requirement and chargeable dwelling figures - all authorities	11
Table 11	Average Band council tax (excluding parish precepts), 2011-12, 2012-13 and qualification for 2012-13 freeze grant offer, by authority	11
Table 12	Change in relevant basic amount of council tax for the purposes of a referendum, by authority between 2011-12 and 2012-13	11
Terminology used in this release		13
Data quality		16
Uses made of data		16
Background Notes		17

Special Factors

There are two special factors affecting the setting of council tax levels for 2012-13. The first is the offer from central government of a council tax freeze grant to those authorities that set their average Band D council tax (excluding parish precepts) either at or below the level for 2011-12. The second is that local authorities must hold a referendum when their council tax increase is higher than the principles proposed by the Secretary of State, and approved by the House of Commons. Further details about both council tax freeze grant and referendums can be found in **Terminology used in this release** and **Background notes** later in the release.

Council tax levels set by local authorities in England 2012-13

1. Council tax can be measured in 'Band D' or in 'per dwelling' terms. Band D has historically been used as the standard for comparing council tax levels between and across local authorities, as this measure is not affected by the varying distribution of properties in bands that can be found across authorities. Additionally, the number of Band D equivalent dwellings are collected at around the same time that the council tax levels are set by the local authority, whereas the 'per dwelling' calculation uses chargeable dwellings figures that are captured some five months in advance of setting council tax levels. The Band D measure therefore better reflects the latest position.
2. **Table 1** gives figures for levels of, and changes in, the average Band D council tax and the average council tax per dwelling for the last 10 years. These figures include parish precepts, whereas figures excluding parish precepts are shown in **Table 5**. Figures in this release are shown in pounds whilst percentage changes are calculated on figures expressed to the nearest penny.
3. The Government Spending Review 2010 allocated £650 million to help local authorities to implement a **council tax freeze** in England in 2011-12. Authorities that did so qualified for grant in each year of the Spending Review.
4. In October 2011, the Chancellor of the Exchequer announced that up to an additional £675 million funding would be made available to help councils freeze or reduce their council tax for a further year in 2012-13. This will comprise a one-off grant payable for one year only.
5. Under the Localism Act 2011, a local authority is now required to hold a referendum if it proposes an increase in its "relevant basic amount of council tax" which exceeds the principles endorsed each year by the House of Commons. Key elements of the council tax freeze scheme and council tax referendums can be found in paragraph 2 of the **Background notes**.

- The average Band D council tax set by local authorities in England for 2012-13 will be £1,444, (2011-12 £1,439) an increase of 0.3%.
- In England in 2012-13, the average council tax per dwelling will be £1,201 compared with £1,196 in 2011-12, an increase of 0.4%.

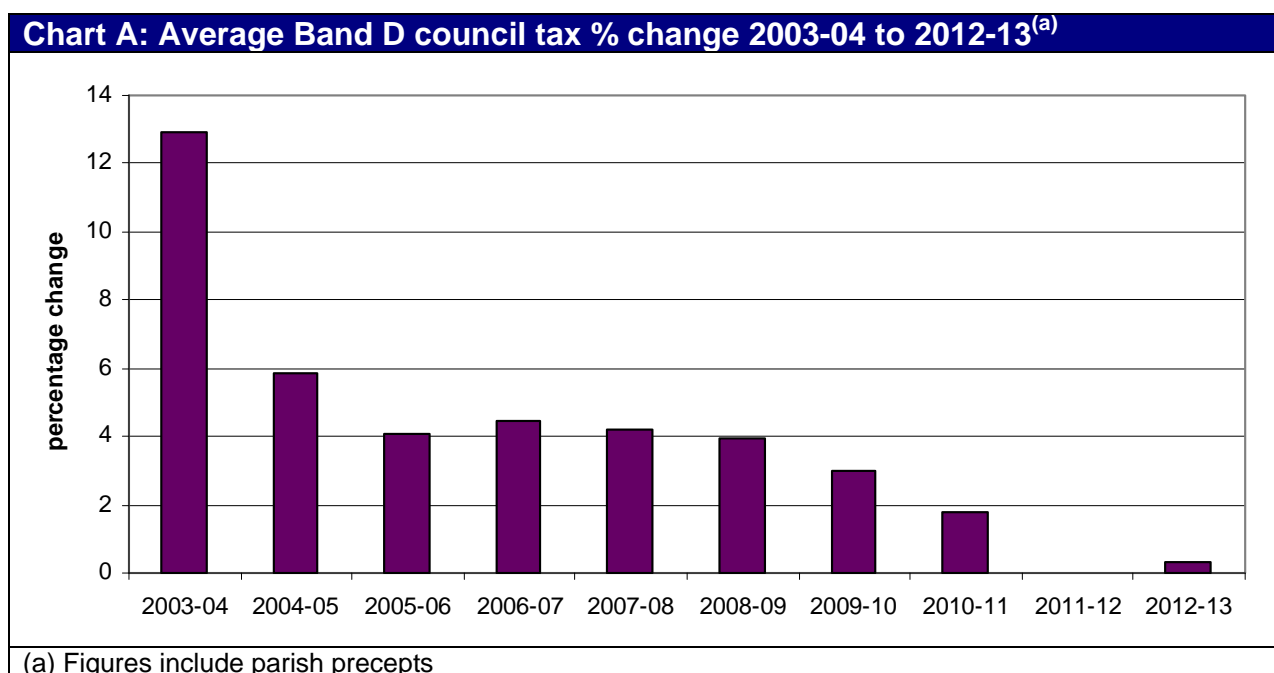
Table 1: Average council tax and % change 2003-04 to 2012-13 ^(a)

	Band D for area		Average per dwelling	
	£	% change	£	% change
2003-04	1,102	12.9	908	13.1
2004-05	1,167	5.9	967	6.4
2005-06	1,214	4.1	1,009	4.3
2006-07	1,268	4.5	1,056	4.7
2007-08	1,321	4.2	1,101	4.3
2008-09	1,373	3.9	1,145	4.0
2009-10	1,414	3.0	1,175	2.6
2010-11	1,439	1.8	1,195	1.7
2011-12	1,439	0.0	1,196	0.1
2012-13	1,444	0.3	1,201	0.4

Sources: CTR (from 2012-13), BR (to 2011-12) and CTB forms
(a) Figures include parish precepts.

6. The average council tax per dwelling is lower than the average Band D council tax. This is mainly because, in England as a whole, bands A to C account for almost two-thirds of all dwellings. Further details on this can be found in paragraph 10 of the **Background Notes** to this release.
7. Generally, the percentage increase in the average council tax per dwelling is higher than the increase in the average Band D council tax. This is largely because the percentage increase in the tax base (the denominator for the average Band D measure) is greater than the percentage increase in the number of chargeable dwellings (the denominator for the average per dwelling measure). In both 2009-10 and 2010-11 the opposite occurred and the percentage increase in tax base was lower than the percentage increase in chargeable dwellings. This led to the increase in average council tax per dwelling being lower than that for the average Band D. However in 2011-12 and 2012-13, the percentage change in average council tax per dwelling was again higher than that for the average Band D.

8. **Chart A** shows the changes in average Band D council tax since 2003-04.



9. **Table 2** gives the average Band D council tax levels and percentage changes for London, metropolitan areas and shire areas for the last five years.

- The average Band D council tax for 2012-13 will be £1,304 in London, £1,401 in metropolitan areas and £1,492 in shire areas.

Table 2: Average Band D council tax and % change by area of authority 2008-09 to 2012-13^(a)

	London area		Metropolitan areas		Shire areas ^(b)	
	£	% change	£	% change	£	% change
2008-09	1,292	2.7	1,328	3.4	1,406	4.3
2009-10	1,308	1.3	1,372	3.3	1,452	3.3
2010-11	1,309	0.0	1,399	2.0	1,484	2.2
2011-12	1,308	0.0	1,399	0.0	1,484	0.0
2012-13	1,304	-0.3	1,401	0.2	1,492	0.5

Source: CTR (from 2012-13) and BR (to 2011-12) forms
 (a) Figures include parish precepts.
 (b) Figures include unitary authorities.

10. **Table 3** gives a breakdown of the funding of net revenue expenditure for England for 2010-11 to 2012-13. This information is as reported at the time local authorities set their budgets, and has been reported to the Department for Communities and Local Government by the authorities on either their BR or CTR forms.

- The council tax requirement in 2012-13 will total £26.7 billion which represents an increase of 1.0% over the 2011-12 figure of £26.5 billion.
- Parish precepts in 2012-13 will total £384 million. This represents an increase of 4.6% over the 2011-12 figure of £367 million.
- Local authorities have budgeted to use £823 million from reserves during 2012-13. This figure is £140 million, or 15% lower than the £963 million reported on the 2011-12 BR forms.
- The total tax base used for setting council taxes for 2012-13 was 18.5 million Band D equivalent dwellings. This represents an increase of 0.7% over the figure of 18.4 million for 2011-12.

Table 3: Local government net revenue expenditure: England summary 2010-11 to 2012-13

		2010-11	2011-12	£ million 2012-13
	Net revenue expenditure (excluding parish precepts)	55,796	56,672	55,088
<i>less</i>	Use of reserves	773	963	823
	<i>of which:</i>			
	<i>schools reserves</i>	76	84	83
	<i>earmarked reserves</i>	509	575	530
	<i>unallocated reserves</i>	188	305	209
<i>less</i>	Formula Grant	29,060	29,499	27,809
	<i>of which:</i>			
	<i>Redistributed business rates ^(a)</i>	21,517	19,017	23,136
	<i>Revenue support grant</i>	3,122	5,873	448
	<i>Principal formula police grant</i>	4,374	4,546	4,224
<i>plus</i>	General GLA grant (Greater London Authority only)	48	63	50
<i>plus</i>	Community charge items from the preceding year	0	0	0
<i>plus</i>	Collection fund deficit (+)/ surplus (-) from the preceding year ^(b)	-65	-125	-126
<i>equals</i>	Council tax requirement <u>excluding</u> parish precepts	25,897	26,084	26,330
<i>plus</i>	Parish precepts	357	367	384
<i>equals</i>	Council tax requirement <u>including</u> parish precepts	26,254	26,451	26,715
<i>divided by</i>	Taxbase for council tax-setting purposes (million)	18.242	18.378	18.499
<i>equals</i>	Average Band D council tax (including parish precepts) (£)	1,439	1,439	1,444

Source: CTR (2012-13) and BR (2010-11, 2011-12) forms, Local Government Finance Settlement

(a) City of London's figures include income from the City Offset and the higher business rates multiplier that City of London is allowed to set under the Special Authority Multiplier provisions. In 2010-11 these sources of income amounted to £10m and £6.5m respectively. In 2011-12 they were £10.2m and £6.5m respectively. In 2012-13 they will be £10.3m and £6.5m respectively.

(b) Amounts transferable from a billing authority's general fund to the collection fund are positive; amounts transferable in the opposite direction are negative.

11. **Table 4** shows both the levels and the annual percentage changes in the average Band D council tax and the average council tax per dwelling by area and region.

- The average Band D council tax in each region for 2012-13 varies from £1,304 in London to £1,525 in the North East.
- The average council tax per dwelling for 2012-13 varies from £1,052 in Yorkshire and the Humber to £1,381 in the South East.

Table 4 : 2012-13 Council tax (average Band D and average per dwelling)^(a) and % change: by area

	Average Band D council tax for area of billing authority		Average council tax per dwelling in the area	
	£	% change	£	% change
ENGLAND	1,444	0.3	1,201	0.4
By area of authority:				
London area	1,304	-0.3	1,213	-0.1
Metropolitan areas	1,401	0.2	1,002	0.2
Shire areas ^(b)	1,492	0.5	1,265	0.6
By Region:				
North East	1,525	0.9	1,072	1.1
North West	1,474	0.3	1,092	0.4
Yorkshire and the Humber	1,411	0.3	1,052	0.4
East Midlands	1,495	0.6	1,147	0.7
West Midlands	1,420	0.3	1,118	0.4
East of England	1,490	0.7	1,302	0.6
London	1,304	-0.3	1,213	-0.1
South East	1,475	0.4	1,381	0.5
South West	1,504	0.3	1,275	0.3

Sources: CTR, BR and CTB forms

(a) Figures include parish precepts.

(b) Figures include unitary authorities.

12. **Table 5** shows council tax levels for England as a whole and by class of authority, along with the percentage change over the corresponding figure for 2011-12. For columns 1 to 6, this is expressed in terms of average Band D council tax, both excluding (columns 1 and 2) and, where they exist, including parish precepts (columns 3 to 6). Columns 5 and 6 show the average area Band D council tax for 2012-13.
13. The final two columns of **Table 5** show the average council tax per dwelling within the area. The definition for columns 5 to 8 includes the council tax for the other authorities that provide services in the authority's area.

- The largest increase in a class will be for shire police authorities which will increase by 1.4%. The second largest increase is for metropolitan fire and rescue authorities which will increase by 1.0%.
- There will be a decrease in the overall average Band D council tax in London of 1%; whilst the average Band D figure for The Mayor's Office for Policing and Crime will increase slightly, by 0.1%, the average Band D figure for the remaining GLA services will decrease by 4.0%.
- The increase in average council tax per dwelling in England will be 0.4%. The largest increase in a class is for shire unitary authorities which will increase by 0.8% whilst the figure for Inner London will decrease by 0.1%.
- The Greater London Authority's Band D council tax again includes a £20 precept to contribute towards the 2012 Olympic Games.

14. Further information about which class of authority individual local authorities fall into can be found either in Annex A to *Local Government Financial Statistics England No. 20 2010* which is accessible at www.communities.gov.uk/documents/statistics/pdf/1622442.pdf or in **Table 10** of this release.

Table 5 : 2012-13 Council tax (average Band D and average per dwelling) and % change: by class of authority

	Average council tax for the authority excluding parish precepts (Band D)		Average council tax for the authority including parish precepts (Band D)		Average council tax for area of billing authority (Band D) ^(a)		Average council tax per dwelling in the area ^(a)	
	£ (Column 1)	% change (Column 2)	£ (Column 3)	% change (Column 4)	£ (Column 5)	% change (Column 6)	£ (Column 7)	% change (Column 8)
ENGLAND	1,423	0.3	1,444	0.3	1,444	0.3	1,201	0.4
Class of authority:								
Inner London boroughs including City	806	-0.2	807	-0.2	1,112	-0.4	1,024	-0.1
Outer London boroughs	1,119	0.0	1,119	0.0	1,425	-0.2	1,334	0.0
London boroughs	998	-0.1	998	-0.1	1,304	-0.3	1,213	-0.1
Greater London Authority ^(b)	307	-1.0	307	-1.0	-	-	-	-
<i>of which The Mayor's Office for Policing and Crime</i>	228	0.1	228	0.1	-	-	-	-
<i>of which other services</i>	79	-4.0	79	-4.0	-	-	-	-
Metropolitan districts	1,214	0.0	1,219	0.0	1,401	0.2	1,002	0.2
Metropolitan police authorities ^(c)	124	0.9	124	0.9	-	-	-	-
Metropolitan fire and rescue authorities	56	1.0	56	1.0	-	-	-	-
Shire unitary authorities	1,221	0.5	1,250	0.6	1,472	0.7	1,174	0.8
Shire counties	1,099	0.3	1,099	0.3	-	-	-	-
Shire districts	166	0.2	198	0.7	1,502	0.5	1,317	0.5
Shire police authorities	165	1.4	165	1.4	-	-	-	-
Shire fire and rescue authorities	67	0.8	67	0.8	-	-	-	-
Police authorities ^(d)	167	1.1	167	1.1	-	-	-	-
<i>excluding The Mayor's Office for Policing and Crime</i>	155	1.4	155	1.4	-	-	-	-
Fire and rescue authorities ^(e)	64	0.8	64	0.8	-	-	-	-

Sources: CTR, BR and CTB forms

(a) Figures include parish precepts.

(b) This includes Transport for London (TfL), London Fire and Emergency Planning Authority (LFEPA) and The Mayor's Office for Policing and Crime.

(c) This does not include The Mayor's Office for Policing and Crime element from GLA.

(d) Includes The Mayor's Office for Policing and Crime element from GLA, but excludes City of London Police (as this element is not distinguishable from the amount paid to the City of London).

(e) Excludes fire and rescue services provided by counties, unitaries and the GLA.

Council Tax Freeze Grant

15. **Table 6** shows, by class of authority, the number of authorities that will receive the council tax freeze grant in respect of 2012-13 because they have frozen or reduced the level of council tax for 2012-13. All authorities froze or reduced the level of their council tax in 2011-12.

- In 2012-13, 85% of all authorities will benefit from the council tax freeze grant.

Table 6: Number and percentage of authorities freezing or reducing council tax levels^(a) in 2012-13, by type of authority

	Number of authorities	Number qualifying for freeze grant	% qualifying for freeze grant
ENGLAND	421	358	85.0
London boroughs and the GLA	34	34	100.0
Metropolitan districts	36	35	97.2
Unitary authorities	56	45	80.4
Shire districts	201	179	89.1
Shire counties	27	25	92.6
Police authorities ^(b)	37	19	51.4
Fire authorities	30	21	70.0

Source: CTR forms
 (a) Figures exclude parish precepts.
 (b) Excluding the GLA's Mayor's Office for Policing and Crime.

Parish and Charter trustees in England

16. **Table 7** shows information relating to parishes and parish precepts. The table shows the number and tax base of parishes and charter trustees charging precepts and the average parish precept on an average Band D property in a precepting area. It also compares the figures for 2012-13 with those for 2011-12. The parishes, or temples, of the City of London are excluded due to their unique arrangements.
17. It is planned that further parish analysis and local level data, including any revisions to the information, will be published in April 2012. A similar statistical release was published in April 2011 and is available at <http://www.communities.gov.uk/publications/corporate/statistics/parishes201112>

- The average Band D precept charged by a parish or charter trustee for 2012-13 will be £47.80. This is an increase of 4.2% from 2011-12. The largest increase is in the North West where precepts have increased by 9.8%

Table 7: Average Band D Parish precept by region ^(a)

	Parishes and charter trustees charging a non-zero precept								Percentage change
	Total Number ^(b)		Tax base ^(b) (thousands)		Aggregate of Local Precepts ^(c) (£000)		Average Parish Precept per Band D (£)		
	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	
England	9,187	9,061	8,000	8,035	367,060	384,104	45.88	47.80	4.2%
North East	304	305	305.0	309.5	17,684	18,991	57.97	61.36	5.8%
North West	724	722	734.4	736.9	18,437	20,319	25.10	27.57	9.8%
Yorkshire and the Humber	958	939	728.3	728.7	23,766	24,743	32.63	33.96	4.1%
East Midlands	1365	1,293	835.1	813.5	40,140	41,873	48.07	51.47	7.1%
West Midlands	924	919	755.7	759.6	29,742	30,702	39.36	40.42	2.7%
East of England	1,695	1,680	1,324.5	1,333.0	67,588	70,517	51.03	52.90	3.7%
London	0	0	0.0	0.0	0	0	-	-	-
South East	1,494	1,483	1,969.1	1,992.9	98,625	101,747	50.09	51.05	1.9%
South West	1,723	1,720	1,348.2	1,360.8	71,078	75,212	52.72	55.27	4.8%

(a) Excludes the Temples of London

(b) The number of parishes subject to a non-zero precept and the associated taxbase have been imputed for 28 authorities to replace missing values.

(c) This is the total amount collected by the constituent billing authorities on behalf of parishes and Charter Trustees.

Additional tables

18. There are a number of additional tables produced for all authorities that are not included in the printed version of this release owing to their size. They are available on the Department's website and can be found at:
<http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/counciltax/rates/>
19. Below is a brief description of the data contained in the tables:
- Table 8 is similar to Table 5 but shows details at local authority level;
 - Table 9 shows the average area council tax for a dwelling occupied by two adults in each local authority area, for each council tax band;
 - Table 10 shows data, as reported by billing and major precepting authorities on their Council Tax Requirement (CTR) form, that have been used in calculating their council tax level for 2012-13. The forms are supplied by local authorities in England to the Department for Communities and Local Government. The table also shows details of the number of chargeable dwellings in each authority taken from the Council Tax Base (CTB) forms. Totals are also shown for England, regions and class of authority.
 - Table 11 shows the average Band council tax (excluding parish precepts), 2011-12, 2012-13 and qualification for 2012-13 freeze grant, by authority
 - Table 12 shows the change in relevant basic amount of council tax for the purposes of a referendum, 2012-13

Worked examples

The data in **Table 10** can be used to calculate other figures in this release:

Example A – Average council tax for East Lindsey excluding parish precepts (Band D)

Council tax requirement	6,909,359
<i>less</i>	
Parish precepts:	1,518,737
<i>equals</i>	<u>£5,390,622</u>
<i>divided by</i>	
Council tax base:	47,995.3
<i>equals:</i>	£112.41

Example B – Average council tax per dwelling in the South West:

Council tax requirement	£2,951,788,473
<i>divided by</i>	
Chargeable dwellings:	2,314,256
<i>equals:</i>	£1,275.48

All published figures are as reported by the authority on their Council Tax Requirement forms and may vary slightly when the formulae above are used.

National Statistics

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods, and
- are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

Terminology used in this release

A list of terms relating to local government finance is given in the glossary to the *Local Government Financial Statistics England No. 21 2011*. This is accessible at <http://www.communities.gov.uk/documents/statistics/pdf/1911067.pdf>

The most relevant terms for this release are defined below.

Area council tax - The average total amount of council tax payable for a Band D dwelling occupied by two adults within a billing authority's area. It is the sum of the amounts requested: a) by the billing authority; b) by major precepting authorities covering the billing authority's area; and c) by parish or town councils within the billing authority's area. The amount at c) is the total amount requested by parish and town councils, averaged across the whole of the billing authority's area.

Average council tax per dwelling - The total council tax payable in an area divided by the total number of chargeable dwellings in the area.

Band D council tax - This is the council tax payable on a Band D dwelling occupied as a main residence by two adults, before any reductions due to discounts, exemptions or council tax benefit. This definition is widely regarded as a benchmark when comparing council tax levels in different areas or over time.

Billing Authorities - Billing authorities are the 326 authorities (354 before 1 April 2009) that are empowered to set and collect council taxes, and manage a Collection Fund, on behalf of themselves and other local authorities in their area. In England, district councils (metropolitan and shire), the Council of the Isle of Scilly, unitary authorities, London boroughs, and the City of London are billing authorities. These are also sometimes known as lower-tier authorities.

Budget requirement – This was an amount calculated, in advance of each year, by each billing authority, by each major precepting authority and by each local precepting authority (primarily parish councils). It was broadly the authority's net revenue expenditure allowing for movement in reserves. It was therefore, the amount to be met from revenue support grant, redistributed non-domestic rates, principal formula police grant, GLA general grant and council tax. On occasions it was revised during the year. The requirement to set a Budget requirement was removed under the Localism Act 2011.

Budget Requirement (BR) forms - A return completed by all billing and precepting authorities in England giving details of how their council tax requirement was calculated and what council tax a Band D two-adult dwelling should pay.

BR1 forms were completed by billing authorities, BR2 forms by precepting authorities and the BR3 form was completed by the Greater London Authority.

These forms were replaced for 2012-13 by the CTR forms.

Chargeable dwellings - Those domestic dwellings in an area for which council tax is payable. It excludes dwellings on the valuation list which are exempt from paying council tax. Each chargeable dwelling is counted as one dwelling, whether or not a full council tax bill is payable for it. The total number of chargeable dwellings in an area is the denominator used to calculate the average council tax per dwelling.

Charter Trustee - A body of councillors charged with preserving the historic property, privileges, rights, status and traditions of areas which have been subsumed within larger authorities as a result of local government reform. Charter Trustees cease to exist when a parish council is formed for the area.

Collection Fund - The fund administered by a billing authority into which council taxes are paid, and from which payments were made to the general fund of billing and precepting authorities.

Council tax - This is a local charge (or charges) set by the billing authority in order to collect sufficient revenue to meet their demand on the collection fund and the precepts issued by the precepting authorities. It replaced the community charge on 1 April 1993 and is calculated based on the council tax band assigned to the dwelling. The Valuation Office Agency assesses the properties in each district area and assigns each dwelling to one of eight valuation bands; A to H. The tax is set on the basis of the number of Band D equivalent properties. Tax levels for dwellings in other bands are set relative to the Band D baseline.

Council Tax Band - There are eight council tax bands, A to H. Each domestic dwelling is assigned a council tax band by the Valuation Office Agency (VOA). Council tax bands are based on the value of the dwelling as at 1 April 1991. Any dwelling built after this date is given a notional 1991 value for council tax purposes.

Council Tax Freeze Grant – a scheme was introduced in 2011-12 to reward local authorities that froze or reduced their council tax in that year. A payment will be made in each year of the 2010 Spending Review. A further scheme comprising of a one off payment was offered to authorities that froze or reduced their council tax in 2012-13. See paragraph 2 of the **Background Notes** for further details.

Council Tax Referendums - The Localism Act 2011 abolished central government capping and made provision for binding referendums to be held on excessive council tax increases. A referendum must be held where an authority's council tax increase is higher than the principles proposed annually by the Secretary of State and approved by the House of Commons.

Council tax requirement - This is an amount calculated, in advance of each year, by each billing authority and by each major precepting authority. It is the amount of revenue to be met from council tax, and is equivalent to an authority's Band D council tax multiplied by its council tax base.

Council Tax Requirement (CTR) forms - A return completed by all billing and precepting authorities in England giving details of how their council tax requirement is calculated and what council tax a Band D two-adult dwelling should pay.

CTR1 forms are completed by billing authorities, CTR2 forms by precepting authorities and the CTR3 form is completed by the Greater London Authority.

These forms were introduced for 2012-13 and replaced the BR forms. The CTR form mainly differs from the BR form in that authorities are no longer required to submit information on their Budget Requirement.

Designation - - this term was used prior to 2012-13. This was one of the ways the Government protected council taxpayers from excessive increases. It limited a local authority's budget requirement and hence its council tax. Authorities were also required to pay the costs for new council tax bills to be sent out for a lower amount.

Local precepting authority – parish / town councils, chairmen of parish meetings, charter trustees and the treasurers of the Inner and Middle Temples are all local precepting authorities. These local authorities make a precept on the billing authority's general fund.

Major precepting authority - These are county councils in two-tier areas, police authorities, fire and rescue authorities and the Greater London Authority. These local authorities make a precept on the billing authority's Collection Fund.

Olympic precept - A precept on all properties liable for council tax within the Greater London Authority area to contribute towards the 2012 Olympic Games. The precept was introduced in 2006-07 and has been set at £20 per Band D equivalent property for each year.

Parish - The term parish means an English civil parish. A parish may be represented by a parish council or parish meeting. A parish council can resolve to have the status of a town and can have city status conferred on it by royal prerogative. A parish council or parish meeting may resolve to adopt the style of a community, neighbourhood or village. They are local precepting authorities.

Parish precepts – Parish councils can raise a precept on the principal council (the billing authority). This is the main source of a parish council's income and the level of the precept is at the discretion of the parish. Parishes and Charter Trustees are local precepting authorities.

Precept - The amount of money (council tax) that a local or major precepting authority has instructed the billing authority to collect and pay over to it in order to finance its net expenditure.

Reserves - These are sums held to finance future spending for purposes falling outside the definition of a provision. Reserves held for stated purposes are known as earmarked reserves, schools reserves are reserves held by individual schools with delegated budgets and the remainder are unallocated reserves.

Tax base - This is the number of Band D equivalent dwellings in a local authority area. To calculate the tax base for an area, the number of dwellings in each council tax band is reduced to take account of discounts and exemptions. The resulting figure for each band is then multiplied by its proportion relative to Band D (from 6/9 for Band A to 18/9 for Band H) and the total across all eight bands is calculated. An adjustment is then made for the collection rate. The tax base figure that is used by a local authority when it sets its council tax uses an adjustment for the collection rate and the actual discount for second homes.

Temples of London – The Inner and Middle Temples are self-governing bodies located in the west of the City of London. The Temples were defined as local authorities with many of the same powers and responsibilities, except in relation to housing, as the Inner London boroughs, under the London Government Act 1963. The Inner Temple and Middle Temple, through powers vested in the Under Treasurer and Sub-Treasurer of the Middle and Inner

Temple respectively, exercise a small number of local authority functions. All other functions fall under the responsibility of the City of London.

Data quality

1. The information in this release is based on data returned to the Department for Communities and Local Government by English local authorities on Budget Requirement (BR) forms, up to and including 2011-12, and the Council Tax Requirement (CTR) forms for 2012-13. The data are collected using legislative powers that require all precepting and billing authorities to return completed forms within seven days of the calculation and council agreement of an authority's council tax requirement for the coming year. This effectively ensures a 100% response rate before the release is compiled.
2. In some cases there are inconsistencies between figures reported by a major preceptor and a billing authority on which it precepts. These inconsistencies may, in turn, affect regional or national average or aggregate figures. Although work is done to identify and rectify reporting errors and inconsistencies prior to release, it is not always possible for an authority to amend its figures due to the legislation under which authorities set their level of council tax.
3. The key financial aggregate reported on the form (council tax requirement) is fixed once reported on an authority's CTR form and cannot, except in certain exceptional circumstances be varied during the year. Consequently, local authorities have a very strong financial incentive to report accurate figures on the CTR forms. The form also has to be signed by the Chief Finance Officer of the authority.
4. Figures are subjected to rigorous pre-defined validation tests both whilst the form is being completed by the authority (within the form itself) and also within the Department for Communities and Local Government as the data are received and stored.
5. The release document, once prepared, is also subject to intensive peer review before being cleared as fit for the purposes of publication.

Uses made of the data

1. The data in this Statistical Release are used to inform government policy on council tax and monitor existing schemes, such as the extent to which authorities have frozen or reduced their council tax (and therefore qualify for the associated grant payment) and the amount they should receive. The data include the council tax level (council tax requirement) and net revenue expenditure, which forms the basis of financial assessments of local government spending. Users can therefore look at how local authorities' council tax requirement relates to other elements that finance their revenue expenditure.
2. The council tax requirement figure is also used by the Office for National Statistics and HM Treasury for the Public Sector Finances statistics and the National Accounts.
3. Because the statistical release includes data for individual authorities, it enables the public (including council tax payers) to compare its authority with others in the same

class or locally. This can be done on the basis of Band D council tax - the normal benchmark when comparing council tax levels in different areas or over time - and council tax per dwelling, a more direct measure of the impact on council tax payers in an area.

4. Users can also examine the contribution of the local parish precept on their council tax bill and compare that with other local authority areas. Information is also used to answer numerous parliamentary, ministerial and ad hoc questions. It is also possible for users to check if an authority's reported relevant basic amount of council tax exceeds the principles approved annually by the House of Commons that determine whether a council tax referendum should be held.
5. Information on the use and level of earmarked, unallocated and school reserves is used by various customers including policy colleagues and members of the general public to increase their awareness of the financial position of the local authorities.

Background Notes

1. For press inquiries about this Statistical Release please contact the Local Government press desk on 0303 444 0444 or email press.office@communities.gsi.gov.uk. For other inquiries please telephone John Farrar on 0303 444 2116 or email br.statistics@communities.gsi.gov.uk.
2. The Government Spending Review 2010 allocated £650 million in each year of the Spending Review to help local authorities to implement a council tax freeze in England in 2011-12. Every authority chose not to increase its council tax in 2011-12 and are therefore benefiting from this scheme.
3. In October 2011, the Chancellor of the Exchequer announced that up to £675 million funding would be made available to help councils freeze or reduce their council tax for a further year in 2012-13. For each authority that qualifies for the payment, the amount they will receive will be published on the department's website in the near future.
4. The key elements of the new scheme for 2012-13 are:
 - a. The scheme is voluntary; and applies separately to each billing and major precepting authority in England (including police and fire and rescue authorities) rather than to each council tax bill issued. Local precepting authorities, such as town and parish councils, are not included in the scheme.
 - b. Where a local authority has not increased its Band D council tax in 2012-13 it will receive a grant equivalent to them having set a x% increase from their 2011-12 level where -
 - (i) For police authorities, and single purpose fire & rescue authorities, x% = 3%;
 - (ii) For the City of London, x% = 2.75%;

(iii) For other principal authorities, $x\% = 2.5\%$.

(iv) Slightly different arrangements will apply for the Greater London Authority who calculate two different amounts of council tax. For them, the grant will be calculated based on a 3% increase on the amount that applies to the Metropolitan police plus a 2.75% increase on the amount for all other services.

c. Unlike for 2011-12, the council tax freeze grant for 2012-13 will involve a one-off payment and this will not be built into the baseline for the rest of the Spending Review period. The arrangements for funding the 2011-12 council tax freeze are unaffected by this new offer from Government to help councils freeze their council tax in 2012-13.

5. Local authorities were also required to prepare their CTR forms to show any amount of any levies and special levies issued for the year, or anticipated in pursuance of regulations under section 74 or 75 of the 1988 Act and the council tax requirement with these figures removed. A local authority must hold a referendum when its council tax increase is higher than the principles proposed by the Secretary of State, and approved by the House of Commons. Any authority planning an excessive council tax increase will be required to make substitute calculations, which will have effect in the event of the authority's proposed increase being rejected.
6. The figures in this release use recalculated council tax levels for one authority previously designated in 2009-10, one authority previously designated in 2008-09, eight authorities previously designated in 2005-06 and six authorities previously designated in 2004-05.
7. Following local government reorganisation, nine unitary authorities came into existence from 1 April 2009 and the nine new authorities replaced seven county councils and 37 shire district councils. The new authorities were given the flexibility to set separate basic amounts of council tax in each of their predecessor areas with the proviso that the unitary authority must ensure that the Band D amount is the same across the whole of its area no later than 1 April 2014.
8. Council taxes are set by each authority that receives formula grant (i.e. both billing authorities such as district councils and London boroughs, and major precepting authorities such as county councils, fire and rescue authorities and the Greater London Authority). Council taxes for all authorities providing services in an area appear on one council tax bill issued by the billing authority, which may also include an amount used to finance parish or town councils (known as parish precepts).
9. There are eight council tax bands: bands A to H. How much council tax each household pays depends on the value of the dwelling concerned, as estimated in the 1991 dwelling valuation exercise or referenced to 1991 values. The bands and the percentage of dwellings in each band as a percentage of the England total are:

Band	Value of dwelling (estimated at April 1991)	Proportion of the tax due for a Band D dwelling	% of total dwellings in England as at 12 September 2011
A	£40,000 and under	6 / 9	25
B	£40,001 - £52,000	7 / 9	20
C	£52,001 - £68,000	8 / 9	22
D	£68,001 - £88,000	9 / 9	15
E	£88,001 - £120,000	11 / 9	9
F	£120,001 - £160,000	13 / 9	5
G	£160,001 - £320,000	15 / 9	4
H	Over £320,000	18 / 9	1

10. Band D is used as the basis for calculating the tax base (the number of Band D equivalent dwellings) and for year-on-year comparisons of tax levels set. However, as only a minority of dwellings in each local authority are in Band D, the average Band D council tax does not enable direct comparison to be made of the average amounts of council tax payable by people in different areas. In contrast, the average council tax per dwelling reflects the wide variation between authorities in the distribution of dwellings across bands. Although, this is a helpful measure to use when comparing the amounts payable in different areas, the calculation requires using chargeable dwellings figures that are captured some five months in advance of setting council tax levels. Variations between council tax per dwelling figures are due to a combination of local authority tax-setting decisions and the distribution of dwellings across bands within each authority's area.

11. Further information is also available on the department's website at www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/counciltax/

In particular, spreadsheets shown under *Related downloads* give both the average Band D and the per dwelling figures for each authority, region and class of authority since council tax was introduced in 1993-94.

Information on council tax collection rates can be found at www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/counciltax/collectionrates/ .

12. For a fuller picture of recent trends in local government finance readers are directed to *Local Government Financial Statistics England No.21 2011* which is available in hard copy from Cambertown Limited at product@communities.gsi.gov.uk (Tel: 0300 123 1124) and electronically in PDF format via the Department's web site: www.communities.gov.uk/publications/corporate/statistics/financialstatistics212011

13. Both the Scottish Government and the Welsh Assembly Government also collect council tax data. Their information can be found at the following websites:

Scotland:

www.scotland.gov.uk/Topics/Statistics/Browse/Local-Government-Finance/DatasetsCouncilTax

Wales:

In English: new.wales.gov.uk/topics/statistics/theme/loc-gov/ctlevels/?lang=en

In Welsh: new.wales.gov.uk/topics/statistics/theme/loc-gov/ctlevels/?lang=cy

Symbols and convention used in this release

...	=	not available
–	=	not relevant
-	=	negative
0	=	zero or negligible
(R)	=	Revised since last release

Rounding

Where figures have been rounded, there may be a slight discrepancy between the total and the sum of constituent items

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