

## **EXECUTIVE**

Tuesday 14 January 2025

Present:

Councillor Bialyk (Chair)

Councillors Wright, Asvachin, Foale, Vizard, Williams, R and Wood

Also present:

Councillor Jobson (as an opposition group Leader);

Councillor Moore (as an opposition group Leader); and

Councillor M. Mitchell (as an opposition group Leader).

Apologies:

Councillor Allcock

Also present:

Chief Executive, Strategic Director for Corporate Resources, Strategic Director of Operations, Head of Legal and Democratic Services & Monitoring Officer, Head of Service Operations and Democratic Services Manager

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### **COUNCIL TAXBASE AND NNDR 1 2025/26**

The Executive received the report which set out the 2025/26 Council Tax base in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012. The report also sought approval to delegate the estimate of Business Rate Income (NNDR1) for the next financial year to the Strategic Director for Corporate Resources and Section 151 Officer.

Particular reference was made to:-

- the increase of 2.07% in Band D equivalent properties compared to the 2024/25, which was higher than expected, but reflected the increase in premium charged on second homes;
- the NNDR1 would be available from the 21st of January 2025 and delegated authority was being sought to approve the Council's NNDR1 return by 31 January 2025

During the debate, Members expressed the following views:-

- it was noted that £1.3 million was the surplus but it only retained £103,000, with the rest being passed to other authorities; and
- the 2.07% premium increase for second homes, may not retain itself at that level, how was that being accounted for?

Opposition group leaders raised the following points and questions:-

- could clarification be provided on central government's refunding of discounts and exemptions to Exeter or any other authority?

In response to questions raised, the Strategic Director for Corporate Resources advised that:-

- the Council had accounted for the potential reduction in second homes and there was a government list of exceptions to second homes, which included homes for sale, marketed to let, or were places provided by an employer;
- council tax support had its own line in the report appendix, and the discounts related to an amalgamation of relevant single person empty or disregarded properties; and
- the data used in the government formula, was aware of the Council's tax estimate, but there was no direct compensation.

The Leader enquired about potential loopholes in the second homes tax policy, such as indefinite marketing without accepting offers.

The Strategic Director for Corporate Resources advised that there was a 12-month limit on marketing for sale, with short term let and holiday homes being grey areas in tax regulations.

The Leader moved the recommendations, which were seconded by Councillor Wright, voted upon, and CARRIED unanimously.

**RESOLVED** that:-

- (1) in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by Exeter City Council as its tax base for the year 2025/26 shall be £39,852;
- (2) the Collection Fund Surplus of £1,305,121 be approved; and
- (3) the responsibility to approve the Council's NNDR1 return by 31 January 2025 be delegated to the Section 151 Officer.