

Calculating Council Tax

Step One ('B1')

This requires calculation of the basic amount of Council Tax for a Band D dwelling for the whole of the City's area by applying the formula:

$$'B1' = \frac{R}{T}$$

Where

'B1' is the Basic Amount 'One':

R is the amount calculated by the authority as its council tax requirement for the year;

T is the amount which is calculated by the authority as its Council Tax base for the year. This amount was approved by the Chamberlain under the delegated authority of the City of London together with the Council Tax bases for each part of the City's area.

The above calculation is as follows:

$$'B1' = \frac{\pounds 10,581,635.10}{9,595.07}$$

$$'B1' = \pounds 1,102.82$$

Note: Item R consists of the following components:

	£	£
City Fund Net Budget Requirement		241,812,681
Less:		
Business Rates Retention	(81,800,000)	
Government Grant Funding	(8,552,000)	
Police Grant	(91,940,595)	
City's Offset	(13,496,000)	
Estimated Non-Domestic Rate Premium	(35,163,405)	
Estimated Collection Fund Surplus as at 31 March 2025 (City's share)	(279,046)	(231,231,046)
TOTAL COUNCIL TAX REQUIREMENT ®		10,581,635

Step Two ('B2')

This calculation is for the basic amount of tax for the area of the City excluding special items. The prescribed formula is:

$$'B2' = 'B1' - \frac{A}{T}$$

Where:

'B2' is the Basic Amount 'Two';

'B1' is the Basic Amount of Council Tax (Basic Amount 'One')
NB included with 'B1' is the aggregate of special items

A is the Aggregate of all special items;

T is the Council Tax base for the whole area

The above calculation is as follows:

$$'B2' = \quad \quad \quad \pounds 1,102.82 - \frac{\pounds 22,495,020.88}{9,595.07}$$

$$'B2' = \quad \quad \quad \pounds 1,241.62 \quad \underline{\text{CR}}$$

Note: Item A consists of the following components:

	£	£
Highways Net Expenditure	10,832,000.00	
Street Cleansing	5,937,000.00	
Waste Collection	2,927,000.00	
Waste Disposal	1,639,000.00	
Road Safety	269,000.00	
Drains and Sewers	475,000.00	
Total City's Special Expenses		22,079,000.00
Inner Temple's Precept	237,444.88	
Middle Temple's Precept	178,576.00	416,020.88
Total Special Items		22,495,020.88

Step Three 'B3'

The next calculation is for the basic amount of each of the three parts of the City (the Inner and the Middle Temple and the remainder of the City area) to which special items relate (Basic Amount 'Three'). The calculations for each of the areas are as follows:

$$'B3' = 'B2' + \frac{S}{TP}$$

Where:

'B3' is the Basic Amount 'Three'

'B2' is the Basic Amount 'Two'

S is the amount of the special items for the part of the area

TP is the billing authority's Tax base for the part of the area to which the special items relate as determined by the Chamberlain under the delegated authority of the City of London Finance Committee.

City Area Excluding the Temples

$$'B3' = \text{£}1,241.62 \text{ CR} + \frac{\text{£}22,079,000}{9,417.62}$$

$$'B3' = \text{£}1,102.82$$

Inner Temple

$$'B3' = \text{£}1,241.62 \text{ CR} + \frac{\text{£}237,444.88}{101.28}$$

$$'B3' = \text{£}1,102.82$$

Middle Temple

$$'B3' = \text{£}1,241.62 \text{ CR} + \frac{\text{£}178,576.00}{76.17}$$

$$'B3' = \text{£}1,102.82$$

Step Four

Finally, Council Tax amounts have to be calculated for each valuation band (A to H) in each of the three areas (i.e. 24 Council Tax categories). The formula to be used is:

$$\text{Council Tax for particular category} = A \times \frac{N}{D}$$

A is the Basic Amount 'Three' ('B3') calculated for each part of its area;

N is the proportion applicable to dwellings listed in the particular valuation Band for which the calculation is being made;

D is the proportion applicable to dwellings listed in valuation Band D.

Council Tax per Property Band: calculated by applying nationally fixed proportions from Band D.

Appendix B

	£							
	A	B	C	D	E	F	G	H
Proportion	6	7	8	9	11	13	15	18
CoL	735.21	857.75	980.29	1,102.82	1,347.89	1,592.96	1,838.03	2,205.64
GLA	114.17	133.19	152.22	171.25	209.31	247.36	285.42	342.50
Total	849.38	990.94	1,132.51	1,274.07	1,557.20	1,840.32	2,123.45	2,548.14