



Financial Intelligence Toolkit

2024/25 Subscription

Financial Benchmarking – Local Taxation Report

Newtimber

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Summary of Key Points

- This report provides analysis of your authority's local tax situation in 2024/25 and recent changes.

Potential revenue gains/losses

- The notional impact on revenue if your authority's Council Tax rate (Band D equivalent) was increased or decreased, so as to be:
 - higher than **80%** of its nearest neighbours: ↑ gain of **£32.3m**
 - higher than **20%** of its nearest neighbours: ↑ gain of **£10.2m**

Council Tax

- In 2024/25, Newtimber's Council Tax rate was 5.9% lower than the nearest neighbour average, and 0.4% lower than the England average.

Tax rate (per Band D equivalent)		
Your authority		£1,729
Nearest neighbours		£1,837
England		£1,737

- Changes in your authority's Council Tax **rate**:

In 2024/25		
Your authority		+5.0%
Nearest neighbours		+5.0%
England		+5.0%

Over past five years**		
Your authority		+21.4%
Nearest neighbours		+21.3%
England		+21.1%

- Changes in your authority's Council Tax **base** (Band D equivalent properties):

In 2024/25		
Your authority		+1.5%
Nearest neighbours		+1.2%
England		+1.2%

Over past five years		
Your authority		+5.2%
Nearest neighbours		+5.5%
England		+5.7%

Non-domestic rates

- Change in the **rateable value** of non-domestic properties, for your authority or billing authorities:

In 2024/25 (forecast)		
Your authority		+0.9%
Nearest neighbours		+0.4%
England		+0.4%

Over past five years		
Your authority		-1.0%
Nearest neighbours		+2.1%
England		+0.9%

- Retained business rate** income:

In 2024/25, your authority's retained business rates income was forecast to be 16.3% higher than its baseline funding level (i.e. its needs-based funding met through business rates).

Retained rates above or below baseline funding		
Your authority		+16.3%
Nearest neighbours		+16.9%
England		+10.9%

Collection rates

- Council Tax collection rates in 2023/24:

Your authority		96.6%
Nearest neighbours		97.2%
England		96.2%

↓ Your authority's Council Tax collection rate has decreased from 96.7% in 2022/23.

- Non-domestic tax collection rates in 2023/24:

Your authority		96.4%
Nearest neighbours		97.5%
England		97.4%

↓ Your authority's non-domestic collection rate decreased from 96.7% in 2022/23.

* If your authority's tax rate is currently above these benchmarks, then there would be a notional reduction in revenue.

** This is based on the simple sum of annual changes, rather than the compounded growth rate.

1. Comparator groups

For benchmarking purposes, two sets of comparator groups are used in this analysis: (a) your authority's nearest neighbour group, and (b) all comparable authorities across England.

Nearest neighbour group

To enable a like-for-like comparison, this analysis makes use of LG Futures' statistical 'nearest neighbour' groups. These identify councils with similar economic and social characteristics and groups them on a statistical basis. These were last updated for 2024/25 reports.

For Newtimber, the nearest neighbour group is shown in the table below:

Table 1 - Nearest Neighbour Group

■ Newtimber	■ Authority H
■ Authority A	■ Authority I
■ Authority B	■ Authority J
■ Authority C	■ Authority K
■ Authority D	■ Authority L
■ Authority E	■ Authority M
■ Authority F	■ Authority N
■ Authority G	■ Authority O

National comparator group

When making national comparisons, it is sometimes necessary to consider the functions carried out by each authority. For example, authorities that provide both upper- and lower-tier services will charge a higher rate of Council Tax than those that provide exclusively lower-tier services, all else being equal. To enable national comparisons, authorities are therefore categorised into three groups, as shown below.

Based on the services it provides, Newtimber falls into Group 1. Where applicable, national comparisons in this report are made with reference to this grouping of 130 authorities.

Table 2 - National Comparator Groups

Group	Authority Type	Lower tier	Upper tier	Fire	No.
Group 1	Metropolitan districts, London boroughs and unitaries without fire responsibilities	✓	✓		127
	Unitaries with fire responsibilities*	✓	✓	✓	3
Group 2	Shire counties without fire responsibilities		✓		12
	Shire counties with fire responsibilities		✓	✓	9
Group 3	Shire districts	✓			164

* As there are only three unitaries with fire responsibilities, these have been included in Group 1.

County council adjustments

Please note: Information on this page is only relevant to county councils.

As can be seen in Table 2, all county councils have been grouped together, despite the fact that some provide fire services, while others do not. This is done to ensure that there is a sufficiently large group when carrying out national comparisons.

To ensure that the comparisons remain meaningful, adjustments are made to the Council Tax rates of county councils with fire responsibilities. This is because the tax rate for these authorities includes a fire component, whereas, for other county councils, it does not. To correct for this, the tax rates of counties with fire responsibilities are reduced downwards, based on the relative share of Council Tax paid to fire authorities in other county councils.

In 2024/25, the Council Tax rates levied by fire authorities were, on average, equal to 5.2% of the total Council Tax rate in counties **without** fire. On this basis, the Council Tax rate of shire counties **with** fire responsibilities have been reduced by 5.2% for the purpose of national comparisons.

These adjustments are identified throughout the report, wherever they have been applied.

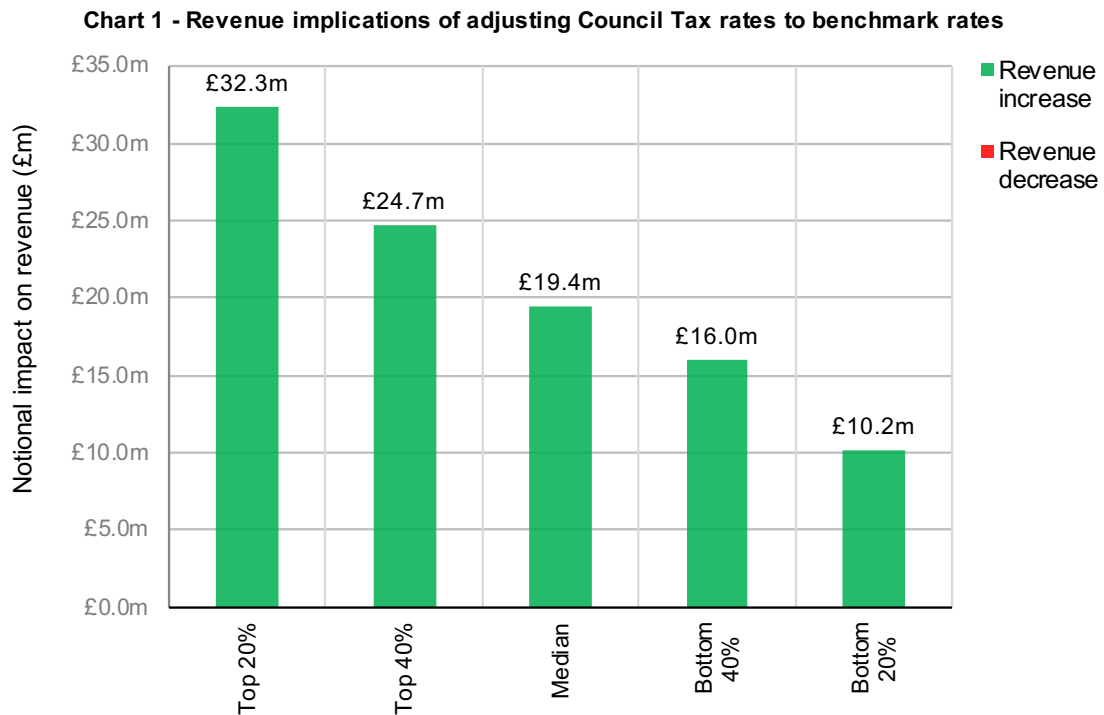
2. Potential revenue gains/losses

This section considers the notional gain or loss in revenue associated with setting your authority's Council Tax rate (Band D equivalent) to certain benchmark levels.

In most cases, these benchmark rates will be of theoretical interest only, given the government's policy of requiring a local referendum for Council Tax rises exceeding certain amounts.

Benchmark rates are set relative to your authority's nearest neighbour group.

The chart below shows the revenue implications of applying these benchmark tax rates to Newtimber's Council Tax base. For example, setting its tax rate equal to the top 20% of its nearest neighbours would generate notional revenue gains of £32.3m. Setting rates equal to the bottom 20% of its nearest neighbours would result in revenue gains of £10.2m.



The following sections provide more details on your authority's Council Tax rates relative to others.

3. Council Tax revenue

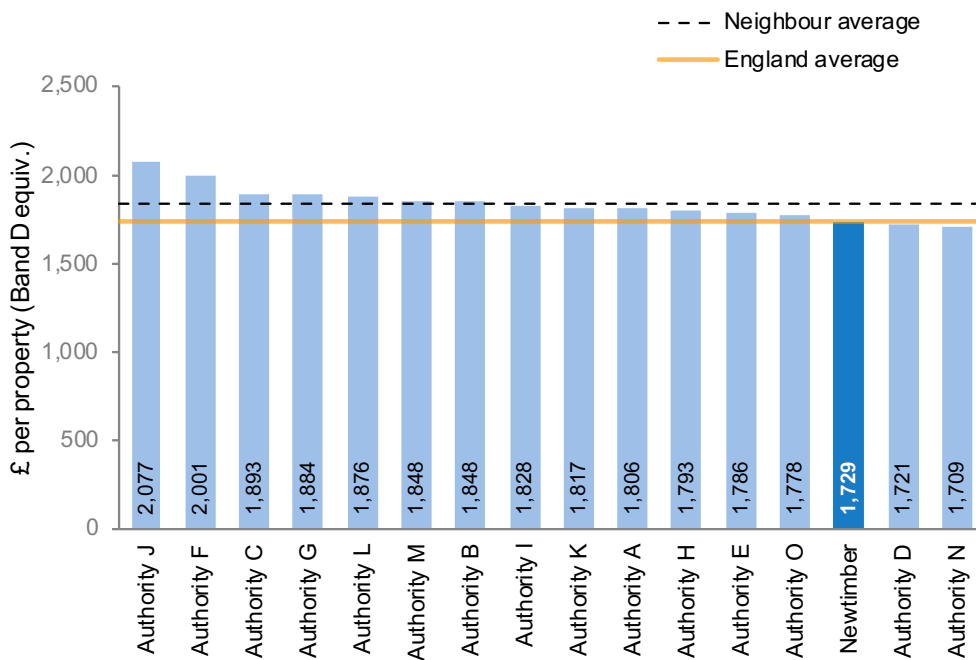
This section examines:

- Your authority's relative Council Tax rate in 2024/25
- The change in your authority's tax rate over time
- The change in your authority's tax base over time

Council Tax rates in 2024/25

In 2024/25, the Council Tax rate for Newtimber was £1,729 per property (Band D equivalent), 5.9% lower than the NN average of £1,837. It was ranked 14th highest in the NN group, as shown in the chart below.

Chart 2 - Council Tax rates compared to nearest neighbours, 2024/25



Compared nationally, your authority's Council Tax rate was 0.4% lower than the average for all comparable authorities (of £1,737 per property). It was ranked 79th highest out of 130 authorities.

Please note that these figures:

- Exclude Council Tax collected on behalf of precepting authorities (e.g. police or fire authorities);
- Exclude parish and other local precepts;
- Include the Adult Social Care precept (if applicable); and
- Use adjusted Council Tax figures for county councils with fire responsibilities (if applicable).

Changes in Council Tax rates

This section examines changes in your authority's Council Tax rate over two periods:

- Changes in the most recent year (2024/25); and
- Over the past five years (since 2019/20).

Change in the tax rate in 2024/25

In 2024/25, local authorities were able to increase their basic Council Tax by up to (but not including) 3% without triggering a local referendum. In the case of shire districts, the permitted increase was up to 3% or £5 per Band D equivalent property, whichever was greater.

Additionally, authorities with adult social care responsibilities were able to increase their Council Tax rate by an additional 2%, to be spent exclusively on adult social care.

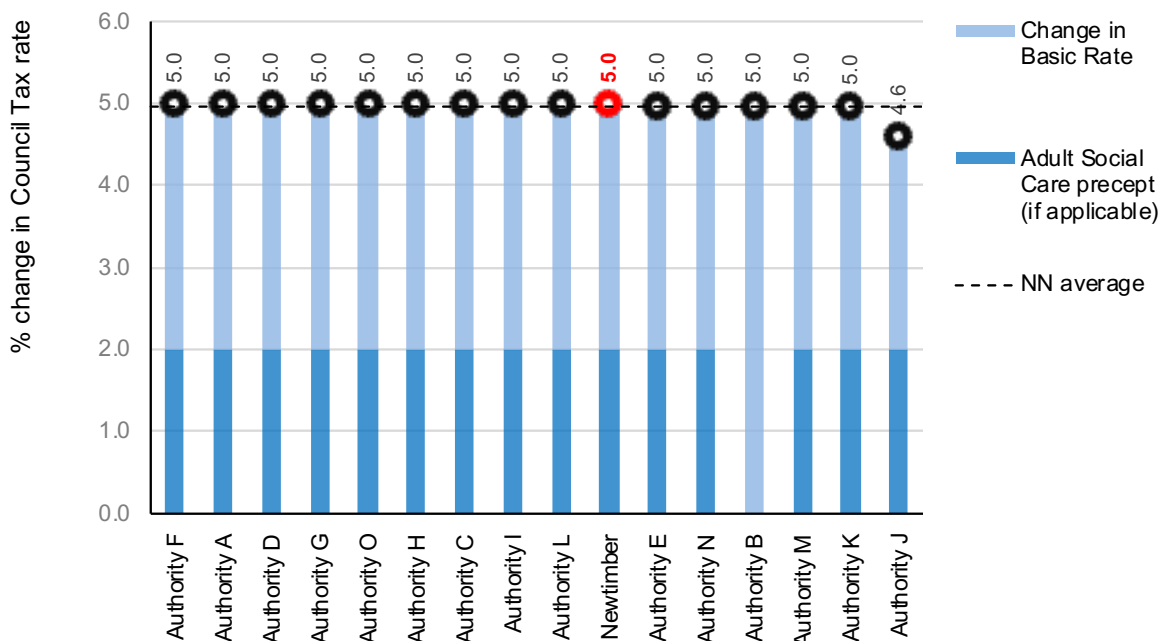
Birmingham, Thurrock and Slough were able to raise council tax by an additional 5% above referendum principles set out above, and Woking was able to increase overall council tax by 10%, instead of the usual shire district limit.

To enable a like-for-like comparison, in this section, your authority is compared against 151 local authorities with adult social care responsibilities (excluding Isles of Scilly and City of London).

In 2024/25, Newtimber increased its Council Tax rate by 5.0%. This compared to a 5.0% average increase among its nearest neighbours, and a 5.0% increase nationally.

Newtimber's change relative to its nearest neighbours is illustrated below.

Chart 3 - Annual change in Council Tax rates, 2024/25

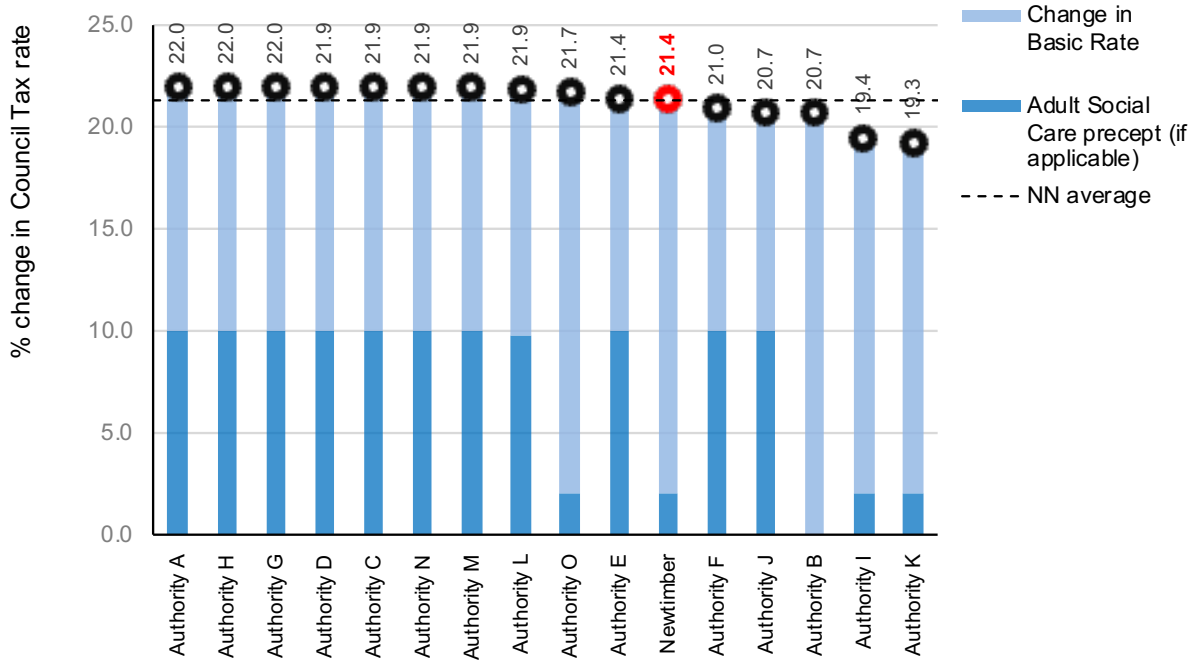


Change in the tax rate over the past five years

Over the past five years, Newtimber has increased its Council Tax rate by 21.4%.* This compared to a 21.3% average increase among its nearest neighbours, and a 21.1% increase nationally.

Newtimber's change relative to its nearest neighbours is illustrated below.

Chart 4 - Change in Council Tax rates since 2019/20



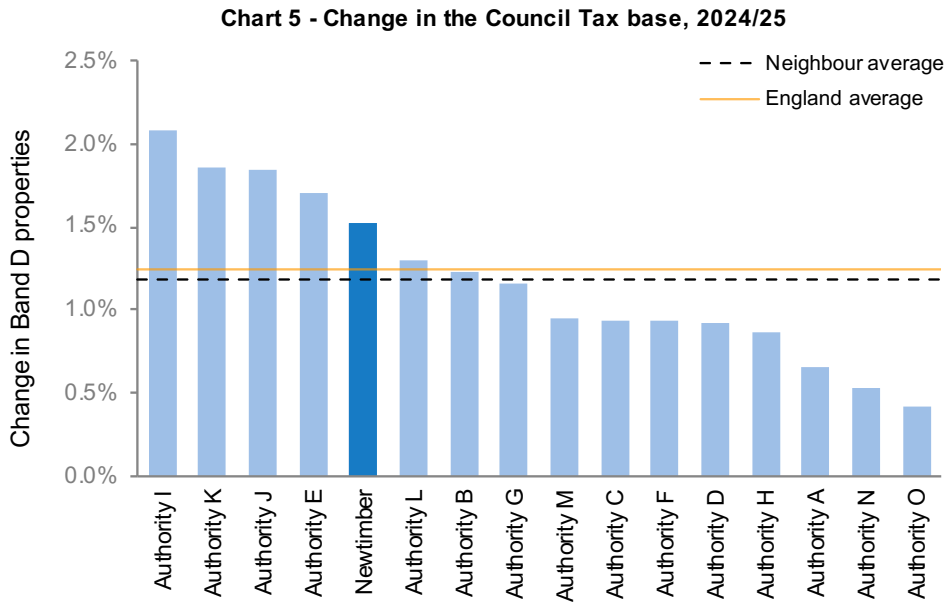
* This is based on the simple sum of annual percentage changes, rather than the compounded growth rate.

Changes in the Council Tax base

This section examines changes in the Council Tax base, based on the number of Band D equivalent properties for tax setting purposes. These changes include the impacts of (1) local Council Tax support schemes, (2) discounts and exemptions, and (3) budgeted collection rates. We examine changes in the most recent year, and over the past five years.

Change in the tax base in 2024/25

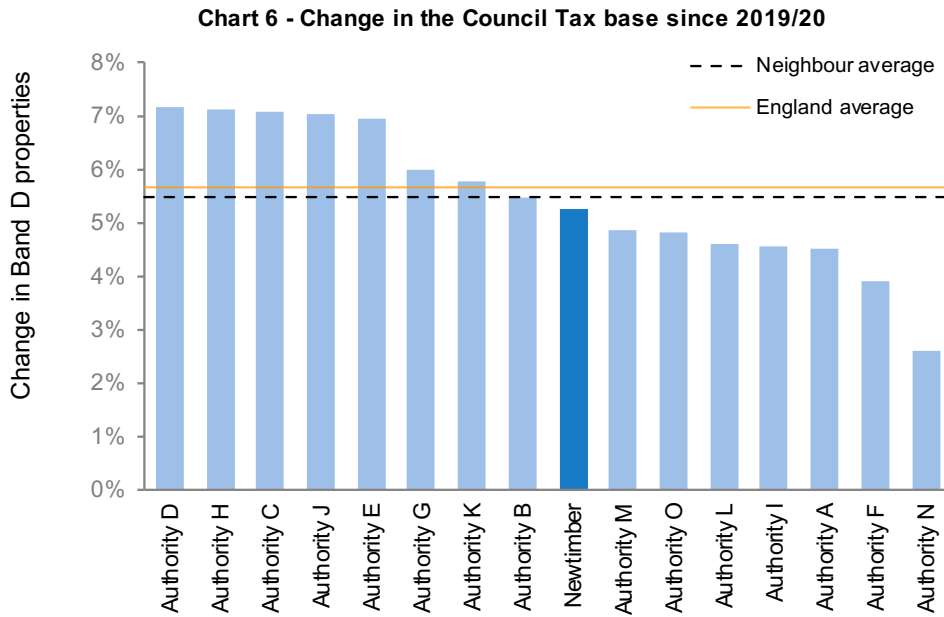
In 2024/25, Newtimber's Council Tax base increased by 1.5%, greater than the average nearest neighbour change of 1.2%. This is illustrated in the chart below.



Compared nationally, the increase in Newtimber's Council Tax base of 1.5% was greater than the England average of 1.2%. Its growth rate was ranked 105th highest out of 315 authorities.

Change in the tax base over the past five years

Over the past five years, Newtimber's Council Tax base increased by 5.2%, lower than the nearest neighbour average of 5.5%.



Compared nationally, Newtimber's increase of 5.2% was lower than the England average of 5.7%. Its growth rate was ranked 172nd highest out of 315 comparable authorities.

Council Tax Support

Since 2013/14, local authorities in England have been responsible for implementing their own local Council Tax Support (CTS) schemes. They have been obliged to maintain support for pensioners at levels set by central government, but have had discretion over the level of support provided to working-age families.

In 2023/24, Newtimber's revenue was reduced by 7.2%, due to its local CTS scheme. Of this, 3.5% was in the form of support to pensioners and 3.8% was support for working-age families. The table below compares the share of revenue foregone with the nearest neighbour and England averages.

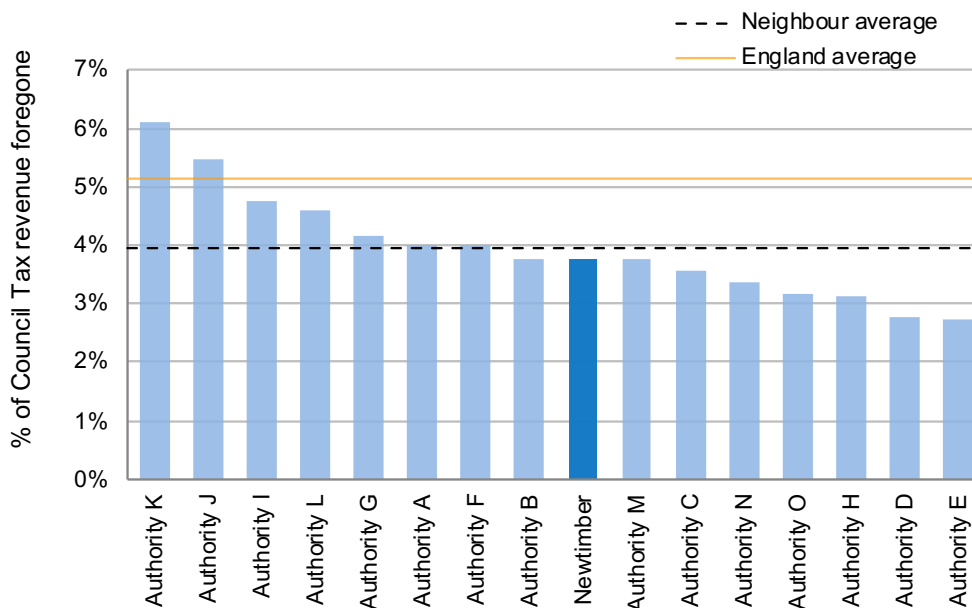
Table 3 - Council Tax revenue foregone due to CTS in 2023/24

	Newtimber	Neighbour average	England average
Support for pensioners	3.5%	3.4%	3.7%
Support for working-age families	3.8%	4.0%	5.1%
Total Council Tax Support	7.2%	7.3%	8.8%

The chart below focuses on differences in support for **working-age families**, as this is the age group for which councils have discretion over the level of support provided.

For Newtimber, support for working-age residents was equivalent to 3.8% of Council Tax revenue. This was lower than the nearest neighbour average of 4.0% and lower than the England average of 5.1%.

Chart 7 - Council Tax revenue foregone due to CTS for working-age families (2023/24)



Please note that the figures above do not control for differences in the proportion of residents who are pensioners and of working age.

4. Non-domestic rates

The business rates retention scheme was introduced in 2013/14. The scheme allows local authorities to retain a proportion of local business rates income, thereby benefitting from any increased local revenues (but also losing resources from any reduction to revenues). Local authorities only benefit from growth in the physical tax base, as opposed to growth in business rates due to changes in the multiplier, which is linked to inflation, or changes in valuation resulting from revaluations.

This section provides an indication of your authority's relative performance under the scheme. Two measurements are presented:

- Changes in **rateable value**. This is a proxy for rates of change in the business tax base in your local area over the duration of the scheme.
- Your authority's forecast **retained business rates income** in 2024/25. This estimates its current gain or loss from the scheme, relative to its baseline funding level and compared to other authorities.

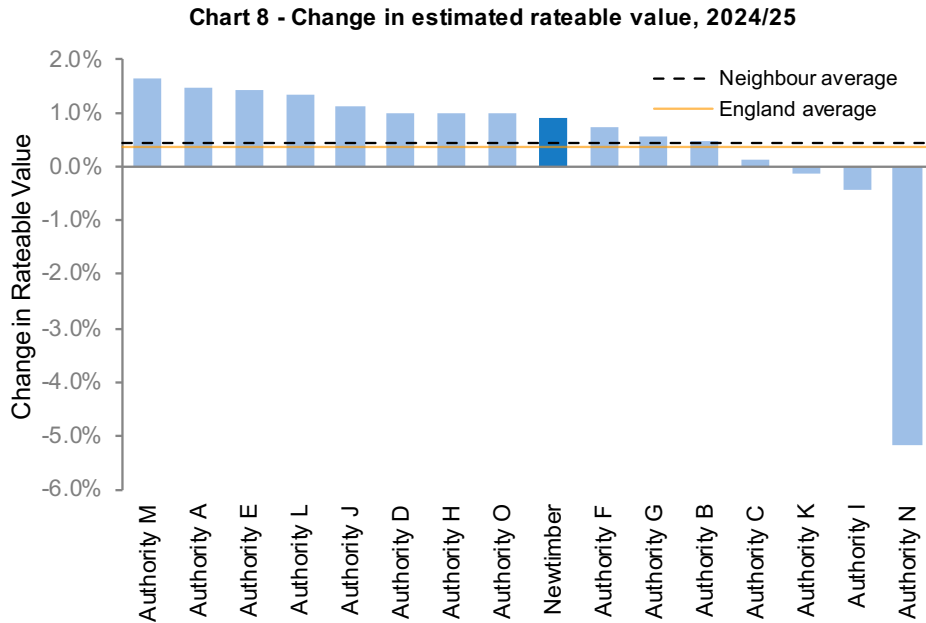
Changes in rateable value

Rateable value is used as a proxy for the size of the tax base in your local area. It reflects the market rent that could be charged on business premises in your local area on a given date.

When looking at the change in rateable value, we have adjusted the figures to cancel out the effects of revaluation that took place in 2023.

Change in rateable value in 2024/25

In 2024/25, the annual change in Newtimber's estimated rateable value was 0.9%, higher than the nearest neighbour average of 0.4%. This is illustrated in the chart below.

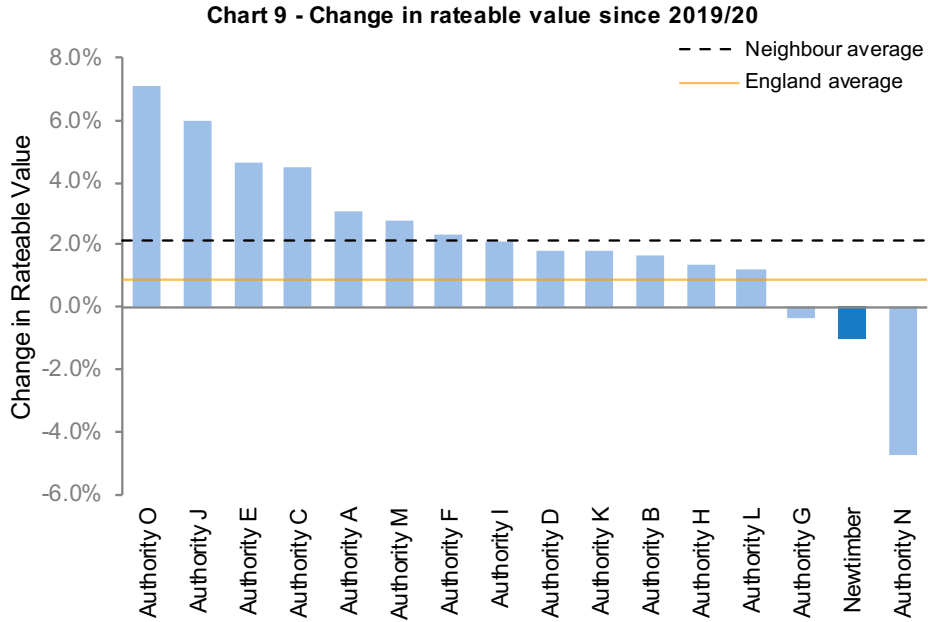


Compared nationally, the average change in Newtimber's estimated rateable value of 0.9% was higher than the England average of 0.4%. Its growth rate was ranked 79th highest out of 315 authorities.

Change in rateable value over the past 5 years

When looking at the change in rateable value, we have adjusted the figures to cancel out the effects of revaluation that took place in 2023.

Over the past five years, Newtimber's change in rateable value was -1.0%, lower than the nearest neighbour average of 2.1%.



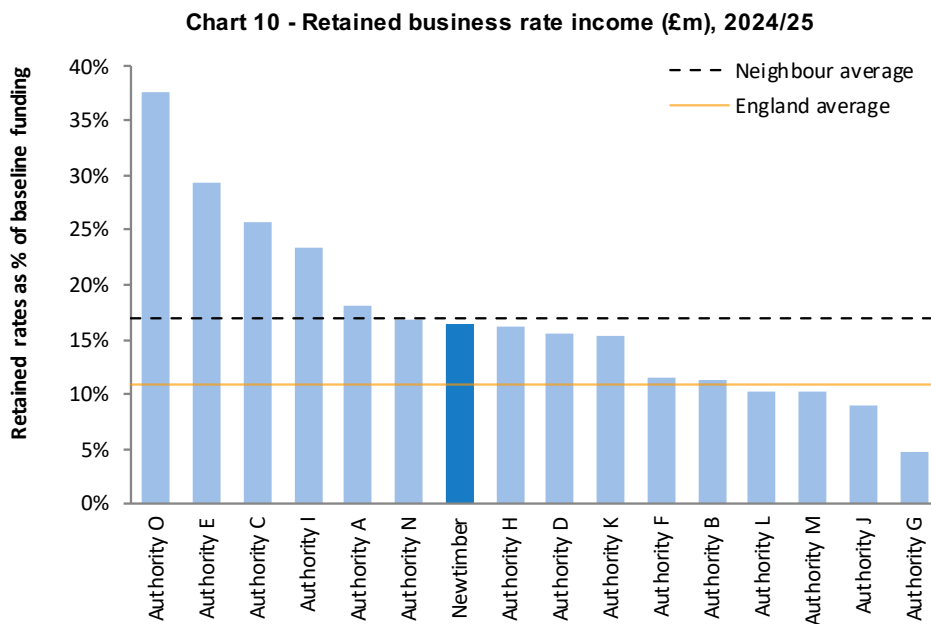
Compared nationally, Newtimber's change of -1.0% was lower than the England average of 0.9%. Its growth rate was ranked 213th highest out of 315 comparable authorities.

Retained business rates income 2024/25

This section provides estimates of your authority's gain or loss from the business rates retention scheme in 2024/25, relative to its baseline funding level. (Baseline funding represents DLUHC's assessment of each authority's relative spending need, less its assumed ability to generate Council Tax revenue).

In 2024/25, your authority was forecast to experience a gain in revenue of £14.5m, relative to its baseline funding level. This is equivalent to receiving 16.3% more than its baseline funding level.

On average, your nearest neighbours received 16.9% more in retained business rates income than their baseline funding levels. Your authority was ranked 7th highest in the group, as illustrated below.



On average, comparable authorities in England are forecast to receive 10.9% more in retained rates than their baseline funding level. Your authority was ranked 29th highest out of 130 authorities.

The analysis above is based on forecasts derived from the NNDR1 publication. The figures above **include** the impact of:

- Appeals and provision for appeals
- Levy and safety net payments
- Pilot schemes
- Section 31 grants for government policy changes to reliefs, e.g. 100% small business rate relief

The figures **do not** include the impact of:

- Pooling arrangements
- Any local alternative arrangements to disperse growth e.g. joint pots under pilot status
- Areas that are exempt, e.g. enterprise zones and income from renewable energy sites
- Amounts received due to the multiplier cap

5. Collection rates in 2023/24

This final section examines collection rates for Council Tax and non-domestic rates.

Collection rate for Council Tax

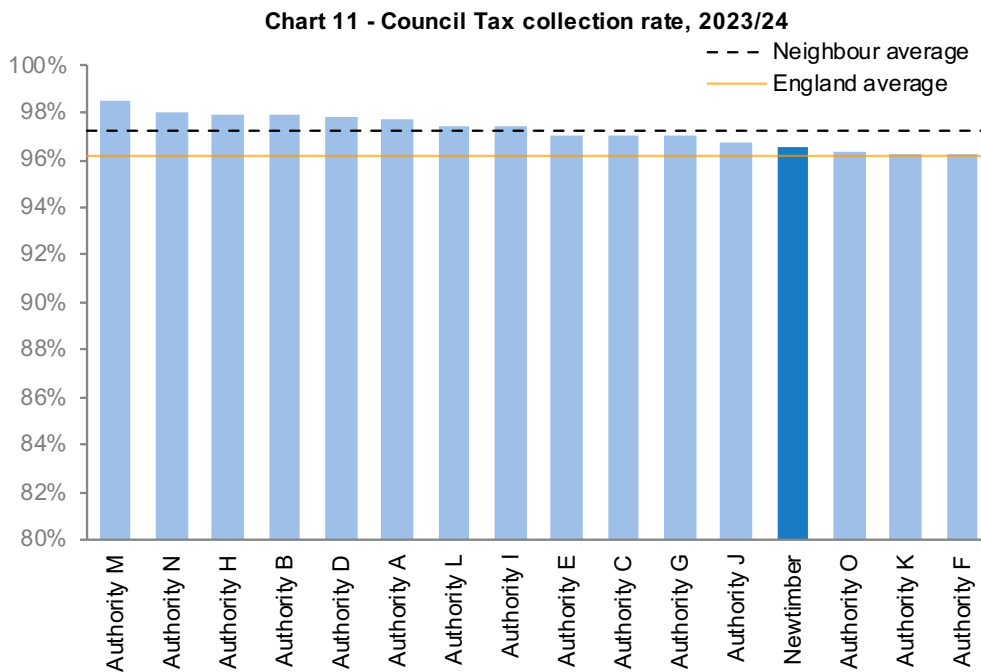
Latest change



In 2023/24, your authority's Council Tax collection rate decreased to 96.6%, down from 96.7% in the previous year.

Collection rates measure the receipts of Council Tax (by 31 March 2024) as a percentage of total net collectable debit.*

In 2023/24, Newtimber's collection rate was 96.6%, which was lower than the nearest neighbour average of 97.2%. Your authority's collection rate was 13th highest in the nearest neighbour group, as illustrated in the chart below.



Compared nationally, Newtimber's Council Tax collection rate was higher than the England average of 96.2%, and was ranked 179th highest out of 315 authorities.

Based on Newtimber's Council Tax requirement of £361.1m, every one percentage point increase in its collection rate would translate to an increase in revenue of £3.6m.

* For county councils, collection rates are estimated based on the collection rates of their constituent billing authorities, weighted by their total net collectable debit.

Collection rate for Non-Domestic Rates (NDR)

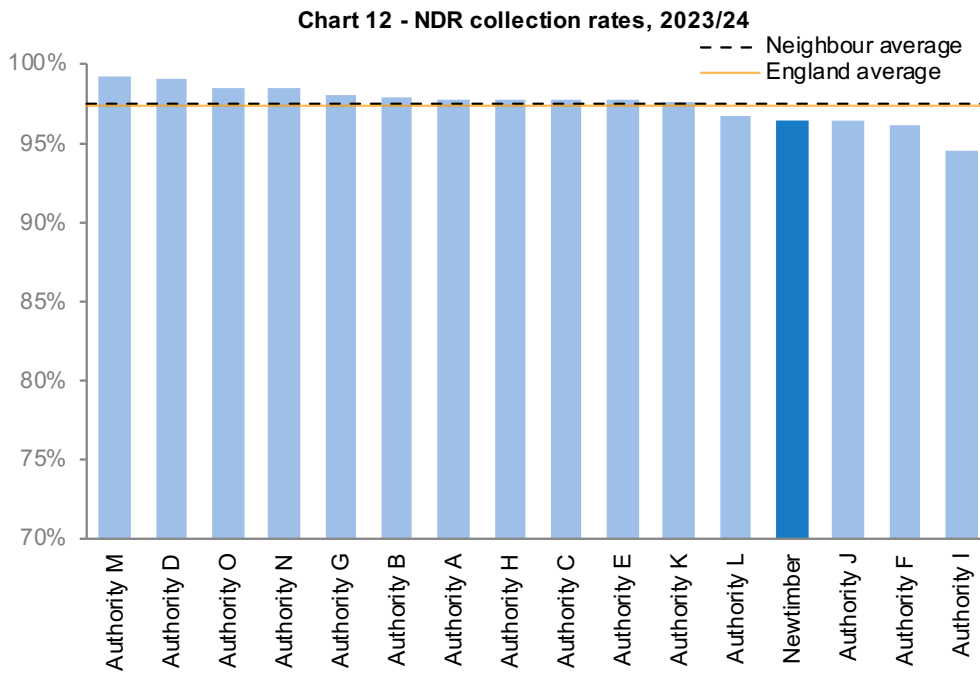
Latest change



In 2023/24, your authority's NDR collection rate decreased to 96.4%, down from 96.7% in the previous year.

NDR collection rates are based on the receipts of the tax (by 31 March 2024) as a percentage of net collectable debit.*

In 2023/24, Newtimber's collection rate was 96.4%, which was lower than the nearest neighbour average of 97.5%. Your authority's collection rate was 13th highest in the nearest neighbour group, as illustrated in the chart below.



Compared nationally, Newtimber's collection rate was lower than the England average of 97.4%, and was ranked 252nd highest out of 315 authorities.

* For county councils, collection rates are estimated based on the collection rates of their constituent billing authorities, weighted by their total net collectable debit.