

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – TUESDAY, 16 JANUARY 2018

Title of report	COUNCIL TAX BASE AND NON DOMESTIC RATING INCOME 2018/19
Key Decision	a) Financial Yes b) Community Yes
Contacts	Councillor Nick Rushton 01530 412059 nicholas.rushton@nwleicesterhire.gov.uk Chief Executive 01530 454500 Bev.smith@nwleicestershire.gov.uk Financial Planning Team Manager/Deputy S151 Officer 01530 454707 Tracy.Ashe@nwleicestershire.gov.uk
Purpose of report	To determine the Council Tax Base for the 2018/19 Financial Year.
Reason for Decision	Statutory requirement to facilitate the setting of Council Tax for the forthcoming Financial Year.
Council Priorities	Value for Money Homes and Communities
Implications:	
Financial/Staff	These are set out in Section 2 of the report.
Link to relevant CAT	None.
Risk Management	Controls are in place to ensure the correct calculation of the Council Tax Base.
Equalities Impact Screening	Not applicable.
Human Rights	There are no Human Rights implications.
Transformational Government	Not applicable.
Comments of Head of Paid Service	The report is satisfactory
Comments of Deputy Section 151 Officer	As author of the report, the report is satisfactory.

Comments of Monitoring Officer	The report is satisfactory.
Consultees	None.
Background papers	Medium Term Financial Strategy (MTFS) 2017 - 2020 – Cabinet 11 October 2016 Council Tax Base 2017/18 – Cabinet 17 January 2017
Recommendations	<ol style="list-style-type: none"> 1. THAT THE CALCULATION OF THE COUNCIL TAX BASE FOR EACH PARISH AND SPECIAL EXPENSE AREA FOR THE FINANCIAL YEAR 2018/19, AS SHOWN IN APPENDIX 2 TO THE REPORT, BE APPROVED AND ADOPTED. 2. THAT, IN ACCORDANCE WITH THE LOCAL AUTHORITIES (CALCULATION OF COUNCIL TAX BASE) (England) REGULATIONS 2012 SI 2012/2914, THE AMOUNT CALCULATED BY NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL AS ITS COUNCIL TAX BASE FOR THE FINANCIAL YEAR 2018/19 SHALL BE 32,852. 3. THAT THE AMOUNTS OF COUNCIL TAX SUPPORT GRANT FOR EACH TOWN AND PARISH COUNCIL DETAILED IN APPENDIX 3 BE NOTED. 4. THAT DELEGATED AUTHORITY BE GIVEN TO THE DEPUTY S151 OFFICER TO SUBMIT THE CALCULATIONS OF NONDOMESTIC RATING INCOME AND OTHER AMOUNTS REQUIRED BY THE GOVERNMENT BY 31 JANUARY EACH YEAR FOR THE FORTHCOMING FINANCIAL YEAR.

1.0 INTRODUCTION

- 1.1 The Local Government Finance Act 1992 requires that the calculation of the Council Tax Base for the financial year 2018/19 be determined by no later than 31 January 2018. This is a necessary component in the setting of the 2018/19 Council Tax. Cabinet has delegated powers from Council to approve the Council Tax Base.

2.0 FINANCIAL IMPLICATIONS

- 2.1 The Council Tax Base is a measure of the relative taxable capacity of the District, as shown in Appendix 1, and of each part of the District as shown in Appendix 2. It is expressed as the equivalent number of Band D properties in each area. The Council Tax Base multiplied by the Band D Council Tax gives the total Council Tax receivable for the forthcoming financial year.

- 2.2 The budget requirement of this Authority, and of its Precepting Authorities, to be met by the Council Tax charge is divided by the Council Tax Base figure to arrive at the level of Council Tax to be levied on a Band D property in order to generate that amount of Council Tax income. The actual levy on properties in other Bands is calculated on a pro-rata basis using the following ratios:

Band A = 6/9 of Band D
Band B = 7/9 of Band D
Band C = 8/9 of Band D
Band D = 9/9 of Band D
Band E = 11/9 of Band D
Band F = 13/9 of Band D
Band G = 15/9 of Band D
Band H = 18/9 of Band D

- 2.3 Where the precept relates to only part of the District (i.e. Parish Precepts and Special Expenses) the appropriate Council Tax Base of the part (as shown in Appendix 2) is used. Accordingly, all Precepting Authorities will be informed of their appropriate Council Tax Base for 2018/19 once the total Council Tax Base has been determined.

3.0 CALCULATION OF COUNCIL TAX BASE

- 3.1 The Council Tax Base calculation for the financial year 2018/19 has been carried out in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012. Appendix 1 shows the actual number of Band D equivalent properties on the Council Tax database as at 30th November 2017 by Council Tax band.
- 3.2 For the 2018/19 year, growth estimates in respect of the number of new of properties liable for council tax have also been included. These properties have been identified and monitored by the Council's Planning Policy team and the Revenues and Benefits Partnership, and included in the council tax base calculation at parish level at assumed bandings, before conversion to Band D equivalents. This is a new approach for 2018/19. The estimated growth by band can be found in Appendix 1.
- 3.3 A bad debt provision of 2% of the base has been applied to allow for non collection and banding appeals. This targeted level is consistent with the collection rate achieved in 2016/17 of 97.8% and the forecast collection rate to be achieved in 2017/18 of 97.6%.
- 3.4 The adjusted figures for each Parish and Special Expense area are set out in Appendix 2. The respective Council Tax base for each Parish and Special Expense area is used as a basis for charging Special Expenses and Parish Precepts to the Council Tax payers of the appropriate parts of the District.
- 3.5 On 1 April 2013 Council Tax Benefit was replaced by a new Local Council Tax Support Scheme. The new support scheme introduced new discounts into the Council Tax Base calculation, which reduced the tax base significantly in comparison to previous years. For 2014/15 revisions were made to the scheme which reduced the level of Council Tax Support Discounts given which in turn increased the Council Tax Base. In subsequent years, from 2015/16 to 2017/18, there have been no further changes to the scheme.
- 3.6 For 2013/14 only, the Government replaced Council Tax Benefit Subsidy grant with Council Tax Support grant but reduced the level of funding by around 10% for 2013/14. The grant was intended to pay for the Council Tax Support Discounts. Town and Parish Councils did not receive the Government grant in their own right and the District Council has passed on to them an element of its own funding to compensate them for the Council Tax Discounts. There has been no specific element of funding since 2013/14 but the Council has continued to support the Special Expenses, Town and Parish Councils with this grant.
- 3.7 As part of the Medium Term Financial Strategy presented to Cabinet on 11 October 2016, Members agreed to reduce the Local Council Tax Reduction/Support Scheme grant to town and parish council's by approximately 25 percent per annum over a four year period. The allocation of Council Tax Support grant to Town and Parish Councils for 2017/18 to 2021/22

was presented to Cabinet in the Council Tax Base report on 17 January 2017. This table is re-presented to Cabinet, for information, in Appendix 3.

3.8 The District Council will be providing £75,578.25 in grants to Town and Parish Councils in 2018/19.

3.9 Appendix 4 shows the estimated Town and Parish Council Precepts, recommended grants and total estimated funding available for 2017/18 and 2018/19. Although the estimates of the precepts reflect changes in the taxbase, no increase in the council tax level has been assumed. Town and parish councils as independent bodies can increase their own levels of council tax in order to increase their precept. This table is therefore indicative only.

4.0 NATIONAL NON-DOMESTIC RATES (BUSINESS RATES)

4.1 The funding system for Local Government from April 2013 includes the “localisation” of business rates. As part of the Government’s business rates distribution formula, North West Leicestershire District Council will initially retain 40% of all business rates collected within the District, 9% will go to Leicestershire County Council, 1% will go to the Fire Authority, and the remaining 50% known as the “central share” will go to Central Government. There is however also a complex system of “top-ups” “tariffs” and “levies” which results in the District as a “tariff” authority being required to pay a 50% levy on its 40% of additional business rates back to Central Government. Due to the existence of the Leicester and Leicestershire Business Rate Pool, this levy payment is instead retained and combined with other levy funds from other Councils in the County and subsumed into the Leicester and Leicestershire Economic Partnership (LLEP).

4.2 Currently, the Government is piloting 100% retention in several areas of England and in September 2017 announced that they were seeking to carry out another set of pilots in 2018/19. The Council, along with all counterparties in respect of Business Rates in Leicester and Leicestershire, entered a bid to undertake in a 1 year pilot. Successful bids were announced as part of the Secretary of State’s provisional local government finance settlement on 19 December 2017. Unfortunately, on this occasion the Leicester and Leicestershire bid was unsuccessful.

4.3 Local Authorities are required to provide details of expected Business Rates income for the following year to the Government by 31 January and this is done on a form called NNDR 1. As business rate income has become a fundamental part of the new funding system for Local Government, the Department of Communities and Local Government (DCLG) has introduced requirement for the NNDR 1 form to be formally approved. The expectation is that the approval process is to be in line with approval of the Council Tax Base.

4.4 The calculations that feed into the NNDR1 form are typically carried out by the Revenues and Benefits Partnership shortly before the 31 January deadline to ensure figures are as up to date as possible. In view of the timing, Cabinet is requested to give delegated authority to the Financial Planning Team Manager and Deputy Section 151 Officer to approve and submit the form for 2018/17.

COUNCIL TAX BASE

BAND	RATIO TO BAND D	NUMBER OF BAND D EQUIVALENTS AS AT 30 NOV. 2017	Less NON COLLECTION RATE 0.02	Plus ESTIMATED GROWTH FOR 2018/19	COUNCIL TAX BASE 2018/19
A	6/9	4,691	93	25	4,623
B	7/9	8,403	168	121	8,356
C	8/9	5,764	115	117	5,766
D	9/9	5,645	113	153	5,685
E	11/9	4,710	95	164	4,779
F	13/9	2,168	43	62	2,187
G	15/9	1,387	28	17	1,376
H	18/9	82	2	0	80
TOTALS		32,850	657	659	32,852

**COUNCIL TAX BASE
PARISH AND SPECIAL EXPENSE AREAS**

Parish / Special Expense Area	Council Tax Base	
	2017/2018	2018/2019
APPLEBY MAGNA	438	499
ASHBY DE LA ZOUCH	5,111	5485
ASHBY WOULD'S	1,175	1334
BARDON	9	10
BELTON	294	295
BREEDON-ON-THE-HILL	416	428
CASTLE DONINGTON	2,388	2415
CHARLEY	78	76
CHILCOTE	53	53
COALVILLE	5,966	6351
COLEORTON	553	561
ELLISTOWN AND BATTLEFLAT	788	797
HEATHER	324	326
HUGGLESCOTE AND DONINGTON LE HEATH	1,283	1427
IBSTOCK	2,135	2239
ISLEY WALTON-CUM-LANGLEY	28	28
KEGWORTH	1,215	1245
LOCKINGTON-CUM-HEMINGTON	237	236
LONG WHATTON AND DISEWORTH	739	752
MEASHAM	1,577	1656
NORMANTON-LE-HEATH	64	64
OAKTHORPE, DONISTHORPE AND ACRESFORD	809	838
OSGATHORPE	186	198
PACKINGTON	349	374
RAVENSTONE WITH SNIBSTON	863	954
SNARESTONE	129	128
STAUNTON HAROLD	61	62
STRETTON-EN-LE-FIELD	20	21
SWANNINGTON	461	466
SWEPSTONE	260	259
WHITWICK	2,684	2702
WORTHINGTON	569	573
TOTALS	31,262	32,852

TOWN / PARISH GRANTS 2017/18 – 2021/22

	Grant	Grant	Grant	Grant	Grant	Grant
PARISH	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
APPLEBY MAGNA	938.00	938.00	703.50	469.00	234.50	-
ASHBY DE LA ZOUCH	24,763.00	24,763.00	18,572.25	12,381.50	6,190.75	-
ASHBY WOULD'S	12,071.00	12,071.00	9,053.25	6,035.50	3,017.75	-
BARDON	-	-	-	-	-	-
BELTON	787.00	787.00	590.25	393.50	196.75	-
BREEDON-ON-THE-HILL	875.00	875.00	656.25	437.50	218.75	-
CASTLE DONINGTON	4,717.00	4,717.00	3,537.75	2,358.50	1,179.25	-
CHARLEY	182.00	182.00	136.50	91.00	45.50	-
CHILCOTE	-	-	-	-	-	-
COALVILLE	-	-	-	-	-	-
COLEORTON	185.00	185.00	138.75	92.50	46.25	-
ELLISTOWN & BATTLEFLAT	2,757.00	2,757.00	2,067.75	1,378.50	689.25	-
HEATHER	1,053.00	1,053.00	789.75	526.50	263.25	-
HUGGLESCOTE & DONINGTON LE HEATH	6,356.00	6,356.00	4,767.00	3,178.00	1,589.00	-
IBSTOCK	7,499.00	7,499.00	5,624.25	3,749.50	1,874.75	-
ISLEY WALTON -CUM-LANGLEY	27.00	27.00	20.25	13.50	6.75	-
KEGWORTH	2,919.00	2,919.00	2,189.25	1,459.50	729.75	-
LOCKINGTON CUM HEMINGTON	346.00	346.00	259.50	173.00	86.50	-
LONG WHATTON & DISEWORTH	594.00	594.00	445.50	297.00	148.50	-
MEASHAM	8,908.00	8,908.00	6,681.00	4,454.00	2,227.00	-
NORMANTON-LE-HEATH	-	-	-	-	-	-
OAKTHORPE, DONISTHORPE & ACRESFORD	4,011.00	4,011.00	3,008.25	2,005.50	1,002.75	-
OSGATHORPE	191.00	191.00	143.25	95.50	47.75	-
PACKINGTON	-	-	-	-	-	-
RAVENSTONE WITH SNIBSTON	3,250.00	3,250.00	2,437.50	1,625.00	812.50	-
SNARESTONE	-	-	-	-	-	-
STAUNTON HAROLD	-	-	-	-	-	-
STRETTON-EN-LE-FIELD	-	-	-	-	-	-
SWANNINGTON	2,122.00	2,122.00	1,591.50	1,061.00	530.50	-
SWEPSTONE	-	-	-	-	-	-
WHITWICK	15,535.00	15,535.00	11,651.25	7,767.50	3,883.75	-
WORTHINGTON	685.00	685.00	513.75	342.50	171.25	-
Totals	100,771.00	100,771.00	75,578.25	50,385.50	25,192.75	-

APPENDIX 4

ESTIMATED PARISH PRECEPTS

Parish Council	2017/18 Actual Precept	2017/18 Grant	2017/18 TOTAL BUDGET	Estimated Parish Precept available for 2018/19	2018/19 Grant	2018/19 Estimated Total Budget
Appleby Magna Parish Council	£16,062.00	£938.00	£17,000.00	£18,298.00	£703.50	£19,001.50
Ashby de la Zouch Town Council	£397,891.00	£24,763.00	£422,654.00	£427,007.00	£18,572.25	£445,579.25
Ashby Woulds Town Council	£95,828.00	£12,071.00	£107,899.00	£108,801.00	£9,053.25	£117,854.25
Bardon Parish Meeting	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Belton Parish Council	£20,353.00	£787.00	£21,140.00	£20,423.00	£590.25	£21,013.25
Breedon on the Hill Parish Council	£21,000.00	£875.00	£21,875.00	£21,605.00	£656.25	£22,261.25
Castle Donington Parish Council	£296,832.00	£4,717.00	£301,549.00	£300,185.00	£3,537.75	£303,722.75
Charley Parish Council	£3,919.00	£182.00	£4,101.00	£3,818.00	£136.50	£3,954.50
Chilcote Parish Meeting	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Coalville	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Coleorton Parish Council	£14,348.00	£185.00	£14,533.00	£14,558.00	£138.75	£14,696.75
Ellistown & Battleflat Parish Council	£59,743.00	£2,757.00	£62,500.00	£60,429.00	£2,067.75	£62,496.75
Heather Parish Council	£11,447.00	£1,053.00	£12,500.00	£11,518.00	£789.75	£12,307.75
Hugglescote and Donington le Heath Parish Council	£87,411.00	£6,356.00	£93,767.00	£97,222.00	£4,767.00	£101,989.00
Ilstock Parish Council	£198,850.00	£7,499.00	£206,349.00	£208,540.00	£5,624.25	£214,164.25
Isley cum Langley Parish Meeting	£382.00	£27.00	£409.00	£382.00	£20.25	£402.25
Kegworth Parish Council	£102,955.00	£2,919.00	£105,874.00	£105,501.00	£2,189.25	£107,690.25
Lockington cum Hemington Parish Council	£9,000.00	£346.00	£9,346.00	£8,961.00	£259.50	£9,220.50
Long Whatton & Diseworth Parish Council	£38,000.00	£594.00	£38,594.00	£38,668.00	£445.50	£39,113.50
Measham Parish Council	£103,755.00	£8,908.00	£112,663.00	£108,948.00	£6,681.00	£115,629.00
Normanton le Heath Parish Meeting	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Oakthorpe Donisthorpe & Acresford Parish Council	£45,989.00	£4,011.00	£50,000.00	£47,640.00	£3,008.25	£50,648.25
Osgathorpe Parish Council	£3,774.00	£191.00	£3,965.00	£4,017.00	£143.25	£4,160.25
Packington Parish Council	£19,638.00	£0.00	£19,638.00	£21,045.00	£0.00	£21,045.00
Ravenstone with Snibston Parish Council	£50,167.00	£3,250.00	£53,417.00	£55,456.00	£2,437.50	£57,893.50
Snarestone Parish Council	£6,176.00	£0.00	£6,176.00	£6,129.00	£0.00	£6,129.00
Staunton Harold Parish Meeting	£197.00	£0.00	£197.00	£200.00	£0.00	£200.00
Stretton en le Field Parish Meeting	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Swannington Parish Council	£19,164.00	£2,122.00	£21,286.00	£19,372.00	£1,591.50	£20,963.50
Sweepstone Parish Council	£17,500.00	£0.00	£17,500.00	£17,433.00	£0.00	£17,433.00
Whitwick Parish Council	£193,704.00	£15,535.00	£209,239.00	£195,003.00	£11,651.25	£206,654.25
Worthington Parish Council	£9,000.00	£685.00	£9,685.00	£9,065.00	£513.75	£9,578.75