

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 17 JANUARY 2017

Title of report	COUNCIL TAX BASE 2017/18
Key Decision	a) Financial Yes b) Community Yes
Contacts	Councillor Nick Rushton 01530 412059 nicholas.rushton@nwleicesterhire.gov.uk Interim Director of Resources 01530 454833 andrew.hunkin@nwleicestershire.gov.uk Financial Planning Manager/Deputy S151 Officer 01530 454707 pritesh.padaniya@nwleicestershire.gov.uk
Purpose of report	To determine the Council Tax Base for the 2017/18 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 report author, the report is satisfactory
Comments of Deputy Monitoring Officer	The report is satisfactory

Consultees	None.
Background papers	Medium Term Financial Strategy (MTFS) 2017 - 2020 – Cabinet 11 October 2016
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 2017/18, 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 2017/18 SHALL BE 31,262. 3. THAT THE AMOUNTS OF COUNCIL TAX SUPPORT GRANT FOR EACH TOWN AND PARISH COUNCIL DETAILED IN APPENDIX 3 BE APPROVED FOR THE FINANCIAL YEAR 2017/18.

1.0 INTRODUCTION

1.1 The Local Government Finance Act 1992 requires that the calculation of the Council Tax Base for the financial year 2017/18 be determined by no later than 31 January 2017. This is a necessary component in the setting of the 2017/18 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 2017/18 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 2017/18 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 2016 by Council Tax band.
- 3.2 A bad debt provision of 2% of the base has been applied to allow for non collection and banding appeals.
- 3.3 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.
- 3.4 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.
- 3.5 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 do not receive the Government grant in their own right and the District Council intends to pass on to them an element of its own funding to compensate them for the Council Tax Discounts in 2017/18 as it did in prior years. 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.
- 3.6 The Town and Parish Councils will receive the same level of grant that they received in 2016/17 from the District Council, to maintain their level of funding. The District Council will be providing £100,771 in grants to Town and Parish Councils in 2017/18.
- 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 proposed allocation of Council Tax Support grant to Town and Parish Councils for 2017/18 to 2021/22 is shown in Appendix 3.
- 3.8 Appendix 4 shows the estimated Town and Parish Council Precepts, recommended grants and total estimated funding available for 2016/17 and 2017/18. 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.

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 paying a 50% levy on its 40% of additional business rates back to Central Government.
- 4.2 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 a 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. The Head of Finance as the Council’s Chief Finance Officer has the delegated authority to approve and submit the form.

COUNCIL TAX BASE**APPENDIX 1**

BAND	RATIO TO BAND D	NUMBER OF BAND D EQUIVALENTS AS AT 30 NOV. 2016	NON COLLECTION RATE 2%	COUNCIL TAX BASE 2017/18
A	6/9	4,642	93	4,549
B	7/9	8,240	165	8,075
C	8/9	5,589	112	5,477
D	9/9	5,450	109	5,341
E	11/9	4,462	89	4,373
F	13/9	2,066	41	2,025
G	15/9	1,367	27	1,340
H	18/9	84	2	82
TOTALS		31,900	638	31,262

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

Parish / Special Expense Area	Council Tax Base	
	2016/2017	2017/2018
APPLEBY MAGNA	426	438
ASHBY DE LA ZOUCH	4,972	5111
ASHBY WOULD'S	1,132	1175
BARDON	14	9
BELTON	292	294
BREEDON-ON-THE-HILL	410	416
CASTLE DONINGTON	2,314	2388
CHARLEY	76	78
CHILCOTE	53	53
COALVILLE	5,808	5966
COLEORTON	538	553
ELLISTOWN AND BATTLEFLAT	773	788
HEATHER	316	324
HUGGLESCOTE AND DONINGTON LE HEATH	1,259	1283
IBSTOCK	1,969	2135
ISLEY WALTON-CUM-LANGLEY	27	28
KEGWORTH	1,203	1215
LOCKINGTON-CUM-HEMINGTON	240	237
LONG WHATTON AND DISEWORTH	728	739
MEASHAM	1,525	1577
NORMANTON-LE-HEATH	66	64
OAKTHORPE, DONISTHORPE AND ACRESFORD	783	809
OSGATHORPE	184	186
PACKINGTON	347	349
RAVENSTONE WITH SNIBSTON	763	863
SNARESTONE	128	129
STAUNTON HAROLD	62	61
STRETTON-EN-LE-FIELD	20	20
SWANNINGTON	443	461
SWEPSTONE	253	260
WHITWICK	2,635	2684
WORTHINGTON	560	569
TOTALS	30,319	31,262

APPENDIX 3

TOWN / PARISH GRANTS 2017/18 – 2021/22

PARISH	Grant 2016/17	Grant 2017/18	Grant 2018/19	Grant 2019/20	Grant 2020/21	Grant 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	-

ESTIMATED PARISH PRECEPTS

PARISH	2016/17 Parish Precept £	2016/17 Grant £	2016/17 Total Parish Budget Requirement £	2017/18 Estimated Parish Precept £	2017/18 Recommended Grant £	2017/18 Total Estimated Parish Budget Requirement £
APPLEBY MAGNA	15,062	938	16,000	15,488	938	16,426
ASHBY DE LA ZOUCH	365,144	24,763	389,907	375,352	24,763	400,115
ASHBY WOULD'S	89,632	12,071	101,703	93,037	12,071	105,108
BELTON	16,713	787	17,500	16,829	787	17,616
BREEDON-ON-THE-HILL	16,000	875	16,875	16,232	875	17,107
CASTLE DONINGTON	270,695	4,717	275,412	279,348	4,717	284,065
CHARLEY	3,818	182	4,000	3,919	182	4,101
COLEORTON	14,348	185	14,533	14,749	185	14,934
ELLISTOWN & BATTLEFLAT	59,743	2,757	62,500	60,905	2,757	63,662
HEATHER	10,947	1,053	12,000	11,223	1,053	12,276
HUGGLESCOTE & DONINGTON LE HEATH	85,776	6,356	92,132	87,411	6,356	93,767
IBSTOCK	185,000	7,499	192,499	200,605	7,499	208,104
ISLEY WALTON -CUM-LANGLEY	368	27	395	382	27	409
KEGWORTH	99,452	2,919	102,371	100,444	2,919	103,363
LOCKINGTON CUM HEMINGTON	7,300	346	7,646	7,210	346	7,556
LONG WHATTON & DISEWORTH	37,000	594	37,594	37,556	594	38,150
MEASHAM	98,774	8,908	107,682	102,142	8,908	111,050
OAKTHORPE, DONISTHORPE & ACRESFORD	43,989	4,011	48,000	45,450	4,011	49,461
OSGATHORPE	3,778	191	3,969	3,819	191	4,010
PACKINGTON	19,526	0	19,526	19,638	0	19,638
RAVENSTONE WITH SNIBSTON	50,167	3,250	53,417	56,742	3,250	59,992
SNARESTONE	6,176	0	6,176	6,224	0	6,224
STAUNTON HAROLD	200	0	200	197	0	197
SWANNINGTON	18,416	2,122	20,538	19,164	2,122	21,286
SWEPSTONE	14,000	0	14,000	14,388	0	14,388
WHITWICK	184,634	15,535	200,169	188,068	15,535	203,603
WORTHINGTON	9,020	685	9,705	9,167	685	9,852
Sub-Totals	1,725,678	100,771	1,826,449	1,785,689	100,771	1,886,460
BARDON	0	0	0	0	0	0
CHILCOTE	0	0	0	0	0	0
NORMANTON-LE-HEATH	0	0	0	0	0	0
STRETTON-EN-LE-FIELD	0	0	0	0	0	0
COALVILLE	0	0	0	0	0	0
TOTAL	1,725,678	100,771	1,826,449	1,785,689	100,771	1,886,460