

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 13 JANUARY 2015

Title of report	COUNCIL TAX BASE 2015/16
Key Decision	a) Financial Yes b) Community Yes
Contacts	Councillor Nick Rushton 01530 412059 nicholas.rushton@nwleicesterhire.gov.uk Chief Executive 01530 454500 christine.fisher@nwleicestershire.gov.uk Head of Finance 01530 454520 ray.bowmer@nwleicestershire.gov.uk
Purpose of report	To determine the Council Tax Base for the 2015/16 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	Report is satisfactory
Comments of Section 151 Officer	As report author the report is satisfactory
Comments of Monitoring Officer	Report is satisfactory

Consultees	None.
Background papers	None.
Recommendations	<p>1. THAT THE CALCULATION OF THE COUNCIL TAX BASE FOR EACH PARISH AND SPECIAL EXPENSE AREA FOR THE FINANCIAL YEAR 2015/16, AS SHOWN IN APPENDIX 2 TO THE REPORT, BE APPROVED AND ADOPTED.</p> <p>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 2015/16 SHALL BE 29,664.</p> <p>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 2015/16.</p>

1.0 INTRODUCTION

- 1.1 The Local Government Finance Act 1992 requires that the calculation of the Council Tax Base for the financial year 2015/16 be determined by no later than 31 January 2015. This is a necessary component in the setting of the 2015/16 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 (and of each part of the District as listed 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 2015/16 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 2015/16 has been carried out in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012. Appendix 1 shows the actual number properties on the Council Tax database as at 30 November 2014 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. For 2015/16 there are no proposed changes to the Scheme.
- 3.5 From 1 April 2013 the Government also replaced Council Tax Benefit Subsidy grant with Council Tax Support grant but reduced the level of funding by around 10% for 2013/14. Funding was reduced further for 2014/15 following the withdrawal of Transitional funding. The grant is intended to pay for the Council Tax Support Discounts. Town and Parish Councils do not receive these Government grants in their own right and the District Council intends to continue to pass on to them an element of its own grant to compensate them for the Council Tax Discounts in 2015/16 as it did in 2013/14 and 2014/15 . As there are no proposed changes to the Council Tax Support Scheme this means that Town and Parish Councils will receive similar levels of grant from the District Council to maintain their level of funding. For the year 2015-16, the District's funding from the Government (excluding New Homes Bonus) is expected to be reduced by around 15%.
- 3.6 The Council's Council Tax Support Grant for 2015/16 is now included in mainstream Government funding. Whilst the District Council is under no obligation to pass on this grant, the Cabinet agreed at its meeting on 18 November 2014 to allocate part of its grant to Town and Parish Councils again in this year's budget to assist them in maintaining their current level of funding. The District Council has calculated that a total of £100,076 is needed in grant support to maintain existing funding levels.
- 3.7 The attached Appendix 3 shows the proposed allocation of Council Tax Support grant to Town and Parish Councils. It shows the estimated Town and Parish Council Precepts, recommended grants and total estimated funding available for 2014/15 and 2015/16.

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. The Government will then redistribute the central share to Local Authorities using formula grant methodology. 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

COUNCIL TAX BAND	RATIO TO BAND D	NUMBER OF BAND D EQUIVALENTS AS AT 30 NOV. 2014	NON COLLECTION RATE 2%	COUNCIL TAX BASE 2015/16
A	6/9	4,425	89	4,336
B	7/9	7,849	157	7,692
C	8/9	5,374	107	5,267
D	9/9	5,167	103	5,064
E	11/9	4,123	82	4,041
F	13/9	1,898	38	1,860
G	15/9	1,351	27	1,324
H	18/9	82	2	80
		30,269	605	29,664

APPENDIX 2

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

Parish / Special Expense Area	Council Tax Base	
	2014/2015	2015/2016
APPLEBY MAGNA	420	420
ASHBY DE LA ZOUCH	4,621	4773
ASHBY WOULD'S	1,068	1096
BARDON	12	13
BELTON	289	292
BREEDON-ON-THE-HILL	388	404
CASTLE DONINGTON	2,185	2253
CHARLEY	77	75
CHILCOTE	56	56
COALVILLE	5,640	5719
COLEORTON	518	529
ELLISTOWN AND BATTLEFLAT	761	758
HEATHER	308	312
HUGGLESCOTE AND DONINGTON LE HEATH	1,236	1247
IBSTOCK	1,786	1882
ISLEY WALTON-CUM-LANGLEY	27	27
KEGWORTH	1,125	1178
LOCKINGTON-CUM-HEMINGTON	238	237
LONG WHATTON AND DISEWORTH	728	728
MEASHAM	1,460	1487
NORMANTON-LE-HEATH	62	63
OAKTHORPE, DONISTHORPE AND ACRESFORD	763	772
OSGATHORPE	179	180
PACKINGTON	348	343
RAVENSTONE WITH SNIBSTON	742	763
SNARESTONE	123	128
STAUNTON HAROLD	61	60
STRETTON-EN-LE-FIELD	19	19
SWANNINGTON	430	433
SWEPSTONE	252	255
WHITWICK	2,620	2625
WORTHINGTON	532	537
TOTALS	29,074	29,664

APPENDIX 3

ESTIMATED PARISH PRECEPTS

	2014/15 Estimated Parish Precept	2014/15 Recommended Grant	2014/15 Parish Total Budget Requirement	2015/16 Estimated Parish Precept	2015/16 Recommended Grant	2015/16 Total Estimated Parish Total Budget Requirement
PARISH	£	£	£	£	£	£
APPLEBY MAGNA	13,562	938	14,500	13,562	938	14,500
ASHBY DE LA ZOUCH	327,906	24,763	352,669	338,692	24,763	363,455
ASHBY WOULD'S	81,681	12,071	93,752	83,822	12,071	95,893
BELTON	13,213	787	14,000	13,350	787	14,137
BREEDON-ON-THE-HILL	14,000	875	14,875	14,577	875	15,452
CASTLE DONINGTON	243,578	4,717	248,295	251,158	4,717	255,875
CHARLEY	3,818	182	4,000	3,719	182	3,901
COLEORTON	13,815	185	14,000	14,108	185	14,293
ELLISTOWN & BATTLEFLAT	58,234	2,757	60,991	58,004	2,757	60,761
HEATHER	10,444	1,053	11,497	10,580	1,053	11,633
HUGGLESCOTE & DONINGTON LE HEATH **	24,385	1,885	26,270	69,815	6,123	75,938
IBSTOCK	130,381	7,499	137,880	137,389	7,499	144,888
ISLEY WALTON -CUM-LANGLEY	368	27	395	368	27	395
KEGWORTH	92,081	2,919	95,000	96,419	2,919	99,338
LOCKINGTON CUM HEMINGTON	6,904	346	7,250	6,875	346	7,221
LONG WHATTON & DISEWORTH	35,000	594	35,594	35,000	594	35,594
MEASHAM	94,570	8,908	103,478	96,319	8,908	105,227
OAKTHORPE, DONISTHORPE & ACRESFORD	40,989	4,011	45,000	41,472	4,011	45,483
OSGATHORPE	3,793	191	3,984	3,814	191	4,005
PACKINGTON	19,000	0	19,000	18,727	0	18,727
RAVENSTONE WITH SNIBSTON	48,693	3,250	51,943	50,071	3,250	53,321
SNARESTONE	6,176	0	6,176	6,427	0	6,427
STAUNTON HAROLD	100	0	100	98	0	98

	2014/15 Estimated Parish Precept	2014/15 Recommended Grant	2014/15 Parish Total Budget Requirement	2015/16 Estimated Parish Precept	2015/16 Recommended Grant	2015/16 Total Estimated Parish Total Budget Requirement
PARISH	£	£	£	£	£	£
SWANNINGTON	15,878	2,122	18,000	15,989	2,122	18,111
SWEPSTONE	5,370	0	5,370	5,434	0	5,434
WHITWICK *	29,048	2,623	31,671	172,534	15,073	187,607
WORTHINGTON	9,000	685	9,685	9,085	685	9,770
	1,341,987	83,388	1,425,375	1,567,408	100,076	1,667,484

* The Recommended grant reflects costs being transferred from Special Expenses to Parishes.