

## NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

### CABINET – 12 JANUARY 2016

Title of report	<b>COUNCIL TAX BASE 2016/17</b>
Key Decision	a) Financial Yes b) Community Yes
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Purpose of report	To determine the Council Tax Base for the 2016/17 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 Link to relevant CAT Risk Management Equalities Impact Assessment Human Rights Transformational Government	These are set out in Section 2 of the report. None. Controls are in place to ensure the correct calculation of the Council Tax Base. Not applicable. There are no Human Rights implications. Not applicable.
Comments of Head of Paid Service	The report is satisfactory
Comments of Section 151 Officer	As report author, the report is satisfactory
Comments of Monitoring Officer	The report is satisfactory

Consultees	None.
Background papers	None.
Recommendations	<p><b>1. THAT THE CALCULATION OF THE COUNCIL TAX BASE FOR EACH PARISH AND SPECIAL EXPENSE AREA FOR THE FINANCIAL YEAR 2016/17, AS SHOWN IN APPENDIX 2 TO THE REPORT, BE APPROVED AND ADOPTED.</b></p> <p><b>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 2016/17 SHALL BE 30,319.</b></p> <p><b>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 2016/17.</b></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 2016/17 be determined by no later than 31 January 2016. This is a necessary component in the setting of the 2016/17 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 2016/17 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 2016/17 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 30<sup>th</sup> November 2015 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 2016/17 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 and 2015/16 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 2016/17 as it did in prior years . 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.
- 3.6 The Council's Council Tax Support Grant was included in mainstream Government funding from 2014/15. Whilst the District Council is under no obligation to pass on this grant, the Cabinet agreed at its meeting on 8 December 2015 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 £100,771 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 2015/16 and 2016/17. Although our estimates of the precepts reflect changes in the taxbase, we have not assumed an increase in the council tax. 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

BAND	RATIO TO BAND D	NUMBER OF BAND D EQUIVALENTS AS AT 30 NOV. 2015	NON COLLECTION RATE 2%	COUNCIL TAX BASE 2016/17
A	6/9	4,507	90	4,417
B	7/9	8,008	160	7,848
C	8/9	5,470	110	5,360
D	9/9	5,282	106	5,176
E	11/9	4,267	85	4,182
F	13/9	1,974	39	1,935
G	15/9	1,350	27	1,323
H	18/9	80	2	78
<b>TOTALS</b>		<b>30,938</b>	<b>619</b>	<b>30,319</b>

**APPENDIX 2**

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

Parish / Special Expense Area	Council Tax Base	
	2015/2016	2016/2017
APPLEBY MAGNA	420	<b>426</b>
ASHBY DE LA ZOUCH	4,773	<b>4972</b>
ASHBY WOULD'S	1,096	<b>1132</b>
BARDON	13	<b>14</b>
BELTON	292	<b>292</b>
BREEDON-ON-THE-HILL	404	<b>410</b>
CASTLE DONINGTON	2,253	<b>2314</b>
CHARLEY	75	<b>76</b>
CHILCOTE	56	<b>53</b>
COALVILLE	5,719	<b>5808</b>
COLEORTON	529	<b>538</b>
ELLISTOWN AND BATTLEFLAT	758	<b>773</b>
HEATHER	312	<b>316</b>
HUGGLESCOTE AND DONINGTON LE HEATH	1,247	<b>1259</b>
IBSTOCK	1,882	<b>1969</b>
ISLEY WALTON-CUM-LANGLEY	27	<b>27</b>
KEGWORTH	1,178	<b>1203</b>
LOCKINGTON-CUM-HEMINGTON	237	<b>240</b>
LONG WHATTON AND DISEWORTH	728	<b>728</b>
MEASHAM	1,487	<b>1525</b>
NORMANTON-LE-HEATH	63	<b>66</b>
OAKTHORPE, DONISTHORPE AND ACRESFORD	772	<b>783</b>
OSGATHORPE	180	<b>184</b>
PACKINGTON	343	<b>347</b>

RAVENSTONE WITH SNIBSTON	763	<b>763</b>
SNARESTONE	128	<b>128</b>
STAUNTON HAROLD	60	<b>62</b>
STRETTON-EN-LE-FIELD	19	<b>20</b>
SWANNINGTON	433	<b>443</b>
SWEPSTONE	255	<b>253</b>
WHITWICK	2,625	<b>2635</b>
WORTHINGTON	537	<b>560</b>
<b>TOTALS</b>	<b>29,664</b>	<b>30,319</b>

**APPENDIX 3**

**ESTIMATED PARISH PRECEPTS**

	<b>2015/16 Parish Precept</b>	<b>2015/16 Grant</b>	<b>2015/16 Total Parish Budget Requirement</b>	<b>2016/17 Estimated Parish Precept</b>	<b>2016/17 Recommended Grant</b>	<b>2016/17 Total Estimated Parish Budget Requirement</b>
<b>PARISH</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
APPLEBY MAGNA	14,062	938	15,000	14,262	938	15,200
ASHBY DE LA ZOUCH	338,692	24,763	363,455	352,813	24,763	377,576
ASHBY WOULD'S	85,500	12,071	97,571	88,307	12,071	100,378
BELTON	16,000	787	16,787	15,999	787	16,786
BREEDON-ON-THE-HILL	14,500	875	15,375	14,715	875	15,590
CASTLE DONINGTON	263,556	4,717	268,273	270,692	4,717	275,409
CHARLEY	3,818	182	4,000	3,869	182	4,051
COLEORTON	14,108	185	14,293	14,348	185	14,533
ELLISTOWN & BATTLEFLAT	59,666	2,757	62,423	60,851	2,757	63,608
HEATHER	10,947	1,053	12,000	11,088	1,053	12,141
HUGGLESCOTE & DONINGTON LE HEATH	84,964	6,356	91,320	85,776	6,356	92,132
IBSTOCK	146,000	7,499	153,499	152,755	7,499	160,254
ISLEY WALTON -CUM-LANGLEY	368	27	395	368	27	395
KEGWORTH	97,384	2,919	100,303	99,452	2,919	102,371
LOCKINGTON CUM HEMINGTON	6,875	346	7,221	6,962	346	7,308
LONG WHATTON & DISEWORTH	37,000	594	37,594	36,997	594	37,591
MEASHAM	96,319	8,908	105,227	98,774	8,908	107,682
OAKTHORPE, DONISTHORPE & ACRESFORD	41,989	4,011	46,000	42,587	4,011	46,598
OSGATHORPE	3,814	191	4,005	3,899	191	4,090
PACKINGTON	19,300	0	19,300	19,526	0	19,526
RAVENSTONE WITH SNIBSTON	50,171	3,250	53,421	50,167	3,250	53,417
SNARESTONE	6,176	0	6,176	6,176	0	6,176
STAUNTON HAROLD	200	0	200	206	0	206



	<b>2015/16 Parish Precept</b>	<b>2015/16 Grant</b>	<b>2015/16 Total Parish Budget Requirement</b>	<b>2016/17 Estimated Parish Precept</b>	<b>2016/17 Recommended Grant</b>	<b>2016/17 Total Estimated Parish Budget Requirement</b>
<b>PARISH</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
SWANNINGTON	18,000	2,122	20,122	18,416	2,122	20,538
SWEPSTONE	10,907	0	10,907	10,821	0	10,821
WHITWICK	180,339	15,535	195,874	181,025	15,535	196,560
WORTHINGTON	9,685	685	10,370	10,102	685	10,787
<b>Sub-Totals</b>	<b>1,630,340</b>	<b>100,771</b>	<b>1,731,111</b>	<b>1,670,953</b>	<b>100,771</b>	<b>1,771,724</b>
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
<b>TOTAL</b>	<b>1,630,340</b>	<b>100,771</b>	<b>1,731,111</b>	<b>1,670,953</b>	<b>100,771</b>	<b>1,771,724</b>