



Council

Date 16 January 2012

Subject: Collection Fund Surplus 2012/13

Report by:

Financial Services Manager

Contact Officer:

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Purpose / Summary:

The report sets out the declaration of the estimated surplus on the Council's Collection Fund at the end of March 2012 and how it is shared amongst the constituent precepting bodies

RECOMMENDATION(S):

- 1) That Members note that the estimated surplus of £552,000 be declared as accruing in the Council's Collection Fund at 31 March 2012 relating to Council Tax transactions, and**
- 2) That the Council uses its element of the Council Tax surplus in calculating the level of Council Tax in 2012/13.**

IMPLICATIONS

Legal: It is a requirement under the Local Government Finance Act 1992 that any estimated surplus on the previous year's Collection Fund shall be shared amongst the major precepting bodies.

Financial : The sum of £552,000 estimated surplus in respect of Council Tax is shared as follows:-

Lincolnshire County Council £396,497

Lincolnshire Police Authority £ 66,702

West Lindsey District Council £ 88,801

Staffing : None directly arising as a result of this report

Equality and Diversity: None arising as a result of this report.

Risk Assessment: The Council is bound by legislation to distribute the estimated surplus on the Collection Fund. Failure to do so would mean that the Council would be acting illegally and would be prone to appropriate sanctions.

Climate Related Risks: None arising as a result of this report.

Call in and Urgency: Is the decision one which Rule 14 of the Scrutiny Procedure Rules apply?

Yes

No

Key Decision:

Yes

No

Collection Fund Surplus for 2012/13

1 Introduction

- 1.1 The Council is required to declare an estimate of the surplus or deficit that will occur on the Collection Fund at the end of each year. The Collection Fund records the amount of income collected from Council Tax, together with precept payments to principal authorities. This amount is then taken into account when the Council Tax is determined for the following year.
- 1.2 Any surplus or deficit relating to the Council Tax is shared between the County Council, the Lincolnshire Police Authority and this Council in the same proportion as the amount of their precepts for 2011/12.
- 1.3 A surplus or deficit may occur in the Collection Fund if the Council tax base is larger or smaller than originally anticipated or collection rates are higher or lower than expected.

2 Estimated Surplus for 2012/13

- 2.1 The amount calculated as available from the Collection Fund for distribution during 2012/13 has been calculated at £552,000.
- 2.2 This amount will be shared amongst the precepting authorities as follows:

	£
Lincolnshire County Council	396,497
Lincolnshire Police Authority	66,702
West Lindsey District Council	88,801

	552,000

- 2.3 This Council must take the £ 88,801 into account when it sets its element of the Council Tax for 2012/13.