



Council

27 January 2013

Subject: Collection Fund Surplus & Council Tax Base 2014/15

Report by:

Head of Financial Services
Russell Stone

Contact Officer:

Peter Askew
Accounting Technician
01427 676579
peter.askew@-west-lindsey.gov.uk

Purpose / Summary:

The report sets out the declaration of the estimated surplus on the Council's Collection Fund at the end of March 2014 and how it is shared amongst the constituent precepting bodies.

It also sets out the tax base calculation for 2014/15. The tax base is a key component in calculating both the budget requirement and the council tax charge

RECOMMENDATION(S):

- 1) That Members note that the estimated surplus of £779,000 be declared as accruing in the Council's Collection Fund at 31 March 2014 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 2014/15, and
- 3) That the calculations of the Council's tax base for 2014/15 as set out in Appendix A be approved, and that in accordance with the Local Authorities' (Calculation of Council Tax Base) Regulations 1993 (as amended), the tax base for each part of the Authority's area shall be as set out in Appendix B.

IMPLICATIONS

Legal: It is a requirement under the Local Government Finance Act 1992 that the Council calculates the tax base for council tax purposes. This must be done before 31 January prior to the financial year to which the tax base relates. It is also a requirement that the resolution determining the calculation be notified to the County Council between 1 December 2013 and 31 January 2014.

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 : FIN/70/14

The estimated surplus in respect of the surplus in Council tax totals £779,000 to be shared as follows:-

Lincolnshire County Council £554,330
Lincolnshire Police Authority £ 98,847
West Lindsey District Council £ 125,823

Staffing : None directly arising as a result of this report

Equality and Diversity including Human Rights :None directly arising as a result of this report.

Risk Assessment : The Council is bound by legislation undertake the necessary work to determine the Council Tax Base and 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 and Opportunities : None arising as a result of this report.

Title and Location of any Background Papers used in the preparation of this report:

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

x

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

x

No

Collection Fund Surplus for 2014/15

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. These two items will generate a surplus or a deficit which should be taken into account when determining the Council Tax for the following year.
- 1.2 Any surplus or deficit generated through the Collection fund is shared between the County Council, the Lincolnshire Police Authority and this Council in the same proportion as the amount of their precepts for 2013/14.
- 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 2013/14

- 2.1 The amount calculated as available from the Collection Fund for distribution during 2014/15 has been calculated at £779,000
- 2.2 This amount will be shared amongst the precepting authorities as follows:

	£
Lincolnshire County Council	554,330
Lincolnshire Police Authority	98,847
West Lindsey District Council	125,823

	779,000

- 2.3 This Council must take the £125,823 into account when it sets its element of the Council Tax for 2014/15.

3 The Council's Tax base for 2014/15

- 3.1 The tax base is an important factor in determining the level of Council Tax for the next year. It is expressed as the equivalent of the number of dwellings in Band D.
- 3.2 The calculation takes into account the following factors:-
 - 3.2.1 The number of chargeable dwellings in each valuation band in each Parish on 30 November 2013.
 - 3.2.2 The number of discounts available to single and other eligible persons and for vacant dwellings.

- 3.2.3 The number of premiums effective at the relevant date.
- 3.2.4 The number of valuation band reductions for dwellings adapted for the disabled.
- 3.2.5 The number of dwellings exempt from liability.
- 3.2.6 The total amount estimated to be applied for the Council Tax Support Scheme.
- 3.2.7 The estimated amount of Council Tax collection in the financial year.
- 3.2.7 The proportion which dwellings in each band bear to Band D, on a full year basis.
- 3.3 The Council Tax Support scheme was introduced in April 2013 enabling actual information to be used as a basis for the estimation in calculating the impact of the reductions on the tax base. These are detailed within Appendix A.
- 3.4 The number of chargeable dwellings in each valuation band has been taken from the valuation list supplied by the Valuation Office on 31 October 2013 and updated by the Council tax department on 30th November 2013. A summary of the calculation and adjustments taken into account is shown at Appendix A. The overall tax base for 2014/15 is estimated to be 27,607.95 Band D properties.
- 3.5 The number of properties exempt from Council Tax, including Ministry of Defence buildings, has been deducted from the initial tax base. Direct payments in lieu are received from the Ministry of Defence and these are included later in the tax base calculation.
- 3.6 A loss of collection from Council Tax equal to 98.3% has been taken into account, reflecting current levels of collection and assumed collection rates for the changes proposed.
- 3.7 The Council levies additional amounts for the precepts of Local Councils, and separate tax bases are required for those areas. These are shown at Appendix B.

Appendix A

COUNCIL TAX BASE

Band	Z	A	B	C	D	E	F	G	H	TOTAL
Number of dwellings	0.00	15,496.00	7,762.00	7,377.00	5,559.00	3,304.00	1,366.00	509.00	61.00	41,434.00
Exempt properties	0.00	(371.00)	(141.00)	(111.00)	(37.00)	(8.00)	(10.00)	(3.00)	(6.00)	(687.00)
No of Chargeable dwellings	0.00	15,125.00	7,621.00	7,266.00	5,522.00	3,296.00	1,356.00	506.00	55.00	40,747.00
Disablement relief	24.00	16.00	5.00	(1.00)	(4.00)	(24.00)	(4.00)	(2.00)	(10.00)	0.00
Adjusted Chargeable dwellings	24.00	15,141.00	7,626.00	7,265.00	5,518.00	3,272.00	1,352.00	504.00	45.00	40,747.00
Discounts on relevant day	(1.75)	(1,978.00)	(715.75)	(542.75)	(310.25)	(141.75)	(66.75)	(28.25)	(6.00)	(3,791.25)
Premiums	0.00	81.50	21.00	17.00	7.50	2.50	3.00	1.50	0.50	134.50
Adjusted Total Dwellings	22.25	13,244.50	6,931.25	6,739.25	5,215.25	3,132.75	1,288.25	477.25	39.50	37,090.25
Reduction due to Council Tax Support Band D equivalent after reduction	6.11 16.14	4,033.62 9,210.88	858.70 6,072.55	442.17 6,297.08	165.48 5,049.77	83.03 3,049.72	15.01 1,273.24	5.27 471.98	0.00 39.50	5,609.39 31,480.86
Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Total No of Band D equivalents	9.00	6,140.60	4,723.10	5,597.40	5,049.80	3,727.40	1,839.10	786.60	79.00	27,952.00
Band D contributions in lieu (MOD)		51.31	39.88	34.55	7.66					133.40
	9.00	6,191.91	4,762.98	5,631.95	5,057.46	3,727.40	1,839.10	786.60	79.00	28,085.40
Adjusted for Collection rate 98.3%	8.85	6,086.65	4,682.01	5,536.21	4,971.48	3,664.03	1,807.84	773.23	77.66	27,607.95

Parish Tax Base

Parish	2014/15 Taxbase
Aisthorpe	37.93
Bardney - Apley - Stainfield	625.10
Bigby	127.42
Bishop Norton	118.95
Blyborough	30.12
Blyton	360.00
Brampton	29.44
Brattleby	49.93
Broadholme	35.68
Brocklesby	35.15
Brookenby	139.01
Broxholme	30.58
Bullington	10.82
Burton	323.39
Buslingthorpe	20.81
Cabourne	26.81
Caenby	23.51
Caistor	852.22
Cammeringham	45.63
Cherry Willingham	1,194.96
Claxby	67.11
Corringham	161.40
Dunholme	670.62
East Ferry	36.50
East Stockwith	68.87
Faldingworth	150.60
Fenton	121.55
Fillingham	78.77
Fiskerton	351.53
Friesthorpe	9.80
Fulnetby	4.81
Gainsborough	4,162.44
Glentham	161.12
Glentworth	107.76
Golto	26.13
Grange De Lings	11.39
Grasby	184.14
Grayingham	54.99
Great Limber	83.41
Greetwell	285.26
Hackthorn - Cold Hanworth	78.35

Parish	2014/15 Taxbase
Hardwick	15.86
Harpwell	21.58
Heapham	37.57
Hemswell	110.24
Hemswell Cliff	155.77
Holton Beckering	36.96
Holton Le Moor	60.54
Ingham	307.24
Keelby	653.76
Kettlethorpe	156.54
Kexby	116.94
Kirmond Le Mire	11.29
Knaith	112.51
Langworth - Barlings - Newball	192.95
Laughton	145.90
Lea	368.21
Legsby	71.33
Linwood	35.25
Lissington	52.19
Market Rasen	1,094.30
Marton - Gate Burton	230.27
Middle Rasen	690.67
Morton	398.49
Nettleham	1,255.06
Nettleton	220.27
Newton-On-Trent	134.25
Normanby Le Wold	20.24
Normanby-By-Spital	138.10
North Carlton	56.48
North Kelsey	326.59
North Willingham	47.32
Northorpe	44.92
Osgodby	202.35
Owersby	88.71
Owmbly-By-Spital	97.15
Pilham	26.39
Rand	17.64
Reepham	329.87
Riby	42.34
Riseholme	100.47
Rothwell	58.97

Parish	2014/15 Taxbase
Saxby	16.93
Saxilby - Ingleby	1,273.44
Scampton	353.73
Scothern	307.17
Scotter	1,113.75
Scotton	211.92
Searby Cum Owmbly	76.88
Sixhills	14.71
Snarford	17.36
Snelland	28.06
Snitterby	88.93
Somerby	23.19
South Carlton	35.78
South Kelsey	202.11
Spridlington	86.16
Springthorpe	55.71
Stainton Le Vale	32.69
Stow	115.30
Sturton-By-Stow	457.86
Sudbrooke	688.29
Swallow	90.56
Swinhope	47.86
Tealby	253.14
Thonock	9.42
Thoresway	35.68
Thorganby	11.54
Thorpe Le Fallows	5.39
Toft Newton	119.46
Torksey	251.72
Upton	154.87
Waddingham	196.07
Walesby	99.51
Walkerith	24.02
Welton	1,392.20
West Firsby	11.75
West Rasen	30.99
Wickenby	78.45
Wildsworth	26.73
Willingham	189.86
Willoughton	101.27
Total	27,607.95