



<b>Council</b>
<b>Date 25 January 2016</b>

**Subject: Collection Fund – Council Tax Surplus & Council Tax Base  
2016/17**

<b>Report by:</b>	Director of Resources (S151)
<b>Contact Officer:</b>	Tracey Bircumshaw- Financial Services Manager 01427 676560
<b>Purpose / Summary:</b>	<p>The report sets out the declaration of the estimated surplus on the Council's Collection Fund relating to Council Tax at the end of March 2016 and how it is shared amongst the constituent precepting bodies.</p> <p>It also sets out the Council tax base calculation for 2016/17. The tax base is a key component in calculating both the budget requirement and the council tax charge</p>

**RECOMMENDATION(S):**

- 1) That Members note that the estimated surplus of £202,083 be declared as accruing in the Council's Collection Fund at 31 March 2016 relating to an estimated Council Tax surplus.**
- 2) That the Council uses its element of the Collection fund surplus in calculating the level of Council Tax in 2016/17.**
- 3) That the calculations of the Council's tax base for 2016/17 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 15 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 2015 and 31 January 2016.

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/101/16**

The estimated surplus in respect of the surplus in Council tax totals £1,254,000 to be shared as follows:-

Lincolnshire County Council £890,795

Lincolnshire Police Authority £ 162,122

West Lindsey District Council £ 202,083

West Lindsey District Council will include its surplus share within its budget 2016/17 and take into account for Council Tax setting. The surplus share of £202,083 represents an increase of £86,357 against the 2015/16 budgeted surplus of £115,726.

**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

### Key Decision:

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

Yes

No

## Collection Fund Surplus for 2016/17

### 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 elements will generate a surplus or a deficit which should be taken into account when determining the Council Tax and NNDR for the following year.
- 1.2 Any surplus or deficit generated through the Collection fund in relation to 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 2015/16.
- 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.
- 1.4 The estimated surplus or deficit in relation to NNDR is required to be calculated by the 31 January, and this is computed on completion of the NNDR1 form returned to Government by this date. The surplus/deficit of NNDR will therefore be presented to this Committee in February 2016.

### 2 Estimated Council Tax Surplus for 2015/16

- 2.1 The amount calculated as available from the Collection Fund for distribution during 2016/17 has been calculated as £1,255,000
- 2.2 This amount will be shared amongst the precepting authorities as follows:

	£
Lincolnshire County Council	890,795
Lincolnshire Police Authority	162,122
West Lindsey District Council	202,083
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	£1,255,000
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- 2.3 This Council must take the £202,083 into account when it sets its element of the Council Tax for 2016/17.

### **3 The Council's Tax base for 2016/17**

- 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 2015.
  - 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 2015 and updated by the Council tax department on 30 November 2015. A summary of the calculation and adjustments taken into account is shown at Appendix A. The overall tax base for 2016/17 is estimated to be 28,878.71 (total of parishes below) 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	15,800.00	7,908.00	7,539.00	5,650.00	3,355.00	1,396.00	511.00	64.00	42,223.00
Exempt properties	0.00	(332.00)	(133.00)	(91.00)	(32.00)	(11.00)	(13.00)	(3.00)	(6.00)	(621.00)
<b>No of Chargeable dwellings</b>	0.00	15,468.00	7,775.00	7,448.00	5,618.00	3,344.00	1,383.00	508.00	58.00	41,602.00
Disablement relief	15.00	22.00	16.00	(14.00)	(6.00)	(16.00)	(7.00)	1.00	(11.00)	0.00
<b>Adjusted Chargeable dwellings</b>	15.00	15,490.00	7,791.00	7,434.00	5,612.00	3,328.00	1,376.00	509.00	47.00	41,602.00
Discounts on relevant day	(1.25)	(1,821.95)	(663.65)	(527.90)	(283.55)	(127.25)	(51.20)	(26.80)	(5.35)	(3,508.90)
Premiums	0.00	67.50	14.00	11.50	4.00	3.50	1.50	2.00	0.50	104.50
<b>Total Discounts</b>	(1.25)	(1,754.45)	(649.65)	(516.40)	(279.55)	(123.75)	(49.70)	(24.80)	(4.85)	(3,404.40)
<b>Adjusted Total Dwellings</b>	13.75	13,735.55	7,141.35	6,917.60	5,332.45	3,204.25	1,326.30	484.20	42.15	38,197.60
<b>Reduction in tax base due to CTS</b>	4.07	3,759.73	733.61	401.64	126.45	74.22	14.24	4.77	0.00	<b>5,118.73</b>
<b>Equivalent after reduction due to CTS</b>	<b>9.68</b>	<b>9,975.82</b>	<b>6,407.74</b>	<b>6,515.96</b>	<b>5,206.00</b>	<b>3,130.03</b>	<b>1,312.06</b>	<b>479.43</b>	<b>42.15</b>	<b>33,078.87</b>
<b>Ratio to band D</b>	<b>5/9</b>	<b>6/9</b>	<b>7/9</b>	<b>8/9</b>	<b>9/9</b>	<b>11/9</b>	<b>13/9</b>	<b>15/9</b>	<b>18/9</b>	
<b>Total No of Band D equivalents</b>	<b>5.39</b>	<b>6,650.91</b>	<b>4,984.63</b>	<b>5,790.64</b>	<b>5,206.00</b>	<b>3,825.60</b>	<b>1,895.15</b>	<b>799.07</b>	<b>84.30</b>	<b>29,241.69</b>

<b>Band D contributions in lieu (MOD)</b>	<b>0</b>	<b>49.67</b>	<b>39.34</b>	<b>34.68</b>	<b>7</b>	<b>0</b>	<b>1.44</b>	<b>0</b>	<b>2</b>	<b>134.13</b>
	<b>5.39</b>	<b>6,700.58</b>	<b>5,023.97</b>	<b>5,825.32</b>	<b>5,213.00</b>	<b>3,825.60</b>	<b>1,896.59</b>	<b>799.07</b>	<b>86.30</b>	<b>29,375.82</b>
<b>Adjusted for Collection rate 98.3%</b>	<b>5.30</b>	<b>6,587.51</b>	<b>4,939.23</b>	<b>5,726.88</b>	<b>5,124.50</b>	<b>3,760.56</b>	<b>1,864.37</b>	<b>785.49</b>	<b>84.87</b>	<b>28,878.71</b>

\* The total number of Band D equivalents has been calculated at a parish level.

## Parish Tax Base

Parish	2016/17 Tax Base
Aisthorpe	38.65
Bardney - Apley - Stainfield	686.61
Bigby	131.80
Bishop Norton	122.66
Blyborough	31.91
Blyton	370.72
Brampton	30.50
Brattleby	51.06
Broadholme	38.02
Brocklesby	36.62
Brookenby	156.35
Broxholme	30.62
Bullington	11.33
Burton	376.41
Buslingthorpe	19.87
Cabourne	27.31
Caenby	25.59
Caistor	911.00
Cammeringham	47.75
Cherry Willingham	1,292.92
Claxby	65.74
Corringham	164.64
Dunholme	682.42
East Ferry	40.51
East Stockwith	68.45
Faldingworth	149.30
Fenton	134.25
Fillingham	81.15
Fiskerton	363.26
Friesthorpe	10.65
Fulnetby	4.81
Gainsborough	4,507.08
Glentham	163.99
Glentworth	109.96
Goltho	26.79
Grange de Lings	9.66
Grasby	189.78
Grayingham	56.38
Great Limber	81.71
Greetwell	289.94
Hackthorn - Cold Hanworth	79.88
Hardwick	15.44
Harpwell	22.20
Heapham	41.26
Hemswell	116.47

## Appendix B

Parish	2016/17 Tax Base
Hemswell Cliff	161.53
Holton Beckering	37.05
Holton le Moor	63.44
Ingham	312.99
Keelby	667.67
Kettlethorpe	163.23
Kexby	117.27
Kirmond le Mire	13.44
Knaith	117.46
Langworth - Barlings - Newball	200.47
Laughton	149.87
Lea	378.45
Legsby	75.58
Linwood	38.64
Lissington	52.56
Market Rasen	1,174.12
Marton - Gate Burton	237.78
Middle Rasen	706.69
Morton	410.73
Nettleham	1,328.43
Nettleton	224.94
Newton-On-Trent	134.45
Normanby-By-Spital	19.49
Normanby le Wold	139.52
North Carlton	58.49
North Kelsey	334.68
North Willingham	49.00
Northorpe	44.75
Osgodby	209.68
Owersby	90.69
Owmbly-By-Spital	105.05
Pilham	27.46
Rand	17.18
Reepham	336.97
Riby	45.17
Riseholme	109.19
Rothwell	60.33
Saxby	15.98
Saxilby - Ingleby	1,328.14
Scampton	362.21
Scothern	311.57
Scotter	1,122.89
Scotton	217.35
Searby cum Owmbly	79.27
Sixhills	14.72

<b>Parish</b>	<b>2016/17 Tax Base</b>
Snarford	17.60
Snelland	32.81
Snitterby	93.22
Somerby	23.15
South Carlton	36.39
South Kelsey	207.15
Spidlington	86.20
Springthorpe	56.68
Stainton le Vale	35.15
Stow	116.38
Sturton-By-Stow	485.42
Sudbrooke	689.55
Swallow	93.93
Swinhope	51.67
Tealby	259.89
Thonock	9.22
Thoresway	37.34
Thorganby	12.62
Thorpe le Fallows	6.11
Toft Newton	126.28
Torksey	275.76
Upton	156.91
Waddingham	205.02
Walesby	101.19
Walkerith	24.98
Welton	1,407.66
West Firsby	11.69
West Rasen	32.89
Wickenby	81.36
Wildsworth	26.42
Willingham	192.83
Willoughton	105.25
<b>Total</b>	<b>28,878.71</b>