

**Subject: Collection Fund – Council Tax Surplus & Council Tax Base  
2017/18**

Report by:	Director of Resources (S151)
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Purpose / Summary:	<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 2017 and how it is shared amongst the constituent precepting bodies.</p> <p>It also sets out the Council tax base calculation for 2017/18. The tax base is a key component in calculating both the budget requirement and the council tax charge</p>

**RECOMMENDATION(S):**

- 1) That Members recommend to Council that the estimated surplus of £218,896 be declared as accruing in the Council's Collection Fund at 31 March 2017 relating to an estimated Council Tax surplus.**
- 2) That the Council uses its element of the Collection Fund surplus/deficit in calculating the level of Council Tax in 2017/18.**
- 3) That the calculations of the Council's tax base for 2017/18 as set out in Appendix A be recommended to Council, 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 2016 and 31 January 2017.

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/104/17**

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

Lincolnshire County Council £979,960

Lincolnshire Police Authority £ 175,026

West Lindsey District Council £ 218,896

West Lindsey District Council will include its surplus and deficit shares within its budget 2017/18 and take into account for Council Tax setting. The surplus share of £218,896 represents an increase of £16,813 against the 2016/17 budgeted surplus of £202,083.

**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 2017/18

### 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 in 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 2016/17.
- 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 Council Tax Surplus for 2017/18

- 2.1 The amount calculated as available from the Collection Fund for distribution during 2017/18 has been calculated as £1,373,882
- 2.2 This amount will be shared amongst the precepting authorities as follows:

	£
Lincolnshire County Council	979,960
Lincolnshire Police Authority	175,026
West Lindsey District Council	218,896
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	£1,373,882
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- 2.3 This Council must take the £218,896 into account when it sets its element of the Council Tax for 2017/18.

### 3 The Council's Tax base for 2017/18

- 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 2016.
- 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 2016 and updated by the Council tax department on 30 November 2016. A summary of the calculation and adjustments taken into account is shown at Appendix A. The overall tax base for 2017/18 is estimated to be 28,959.46 (28,878.71 2016/17) (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	15,943.00	7,971.00	7,570.00	5,679.00	3,382.00	1,413.00	511.00	66.00	42,535.00
Exempt properties	0.00	(362.00)	(136.00)	(92.00)	(39.00)	(11.00)	(10.00)	0.00	(6.00)	(656.00)
<b>No of Chargeable dwellings</b>	<b>0.00</b>	<b>15,581.00</b>	<b>7,835.00</b>	<b>7,478.00</b>	<b>5,640.00</b>	<b>3,371.00</b>	<b>1,403.00</b>	<b>511.00</b>	<b>60.00</b>	<b>41,879.00</b>
Disablement relief	20.00	15.00	23.00	(16.00)	(11.00)	(15.00)	(8.00)	3.00	(11.00)	0.00
<b>Adjusted Chargeable dwellings</b>	<b>20.00</b>	<b>15,596.00</b>	<b>7,858.00</b>	<b>7,462.00</b>	<b>5,629.00</b>	<b>3,356.00</b>	<b>1,395.00</b>	<b>514.00</b>	<b>49.00</b>	<b>41,879.00</b>
Discounts on relevant day	(1.75)	(1,894.90)	(683.55)	(511.70)	(283.50)	(133.65)	(56.30)	(25.80)	(4.60)	(3,595.75)
Premiums	0.00	67.00	11.00	11.50	4.50	4.00	0.50	2.00	0.50	101.00
<b>Total Discounts</b>	<b>(1.75)</b>	<b>(1,827.90)</b>	<b>(672.55)</b>	<b>(500.20)</b>	<b>(279.00)</b>	<b>(129.65)</b>	<b>(55.80)</b>	<b>(23.80)</b>	<b>(4.10)</b>	<b>(3,494.75)</b>
<b>Adjusted Total Dwellings</b>	<b>18.25</b>	<b>13,768.10</b>	<b>7,185.45</b>	<b>6,961.80</b>	<b>5,350.00</b>	<b>3,226.35</b>	<b>1,339.20</b>	<b>490.20</b>	<b>44.90</b>	<b>38,384.25</b>
<b>Reduction in tax base due to CTS</b>	<b>5.63</b>	<b>3,908.56</b>	<b>722.36</b>	<b>399.05</b>	<b>131.70</b>	<b>67.06</b>	<b>17.72</b>	<b>4.63</b>	<b>0.00</b>	<b>5,256.71</b>
<b>Equivalent after reduction due to CTS</b>	<b>12.62</b>	<b>9,859.54</b>	<b>6,463.09</b>	<b>6,562.75</b>	<b>5,218.30</b>	<b>3,159.29</b>	<b>1,321.48</b>	<b>485.57</b>	<b>44.90</b>	<b>33,127.54</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>5.00</b>	<b>6.00</b>	<b>7.00</b>	<b>8.00</b>	<b>9.00</b>	<b>11.00</b>	<b>13.00</b>	<b>15.00</b>	<b>18.00</b>	
<b>Total No of Band D equivalents</b>	<b>7.03</b>	<b>6,575.00</b>	<b>5,028.00</b>	<b>5,834.00</b>	<b>5,218.80</b>	<b>3,861.93</b>	<b>1,909.49</b>	<b>809.33</b>	<b>89.80</b>	<b>29,333.38</b>
<b>Band D contributions in lieu (MOD)</b>	<b>0</b>	<b>46</b>	<b>36.96</b>	<b>32.89</b>	<b>5.5</b>	<b>0</b>	<b>1.4</b>	<b>0</b>	<b>2</b>	<b>124.75</b>
	<b>7.03</b>	<b>6,621.00</b>	<b>5,064.96</b>	<b>5,866.89</b>	<b>5,224.30</b>	<b>3,861.93</b>	<b>1,910.89</b>	<b>809.33</b>	<b>91.80</b>	<b>29,458.13</b>
<b>Adjusted for Collection rate 98.3%**</b>	<b>6.91</b>	<b>6,509.23</b>	<b>4,979.48</b>	<b>5,767.71</b>	<b>5,135.58</b>	<b>3,796.28</b>	<b>1,878.43</b>	<b>795.57</b>	<b>90.27</b>	<b>28,959.46</b>

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

\*\* Total No Band D Equivalent x Collection Rate + Band D contributions in Lieu.

## Parish Tax Base

Parish	2017/18 Tax Base
Aisthorpe	37.34
Bardney - Apley - Stainfield	684.70
Bigby	133.71
Bishop Norton	124.71
Blyborough	31.92
Blyton	365.46
Brampton	33.11
Brattleby	51.57
Broadholme	38.20
Brocklesby	34.03
Brookenby	158.52
Broxholme	30.49
Bullington	11.20
Burton	393.63
Buslingthorpe	21.02
Cabourne	26.97
Caenby	26.69
Caistor	907.84
Cammeringham	48.02
Cherry Willingham	1,296.20
Claxby	66.67
Corringham	164.32
Dunholme	684.46
East Ferry	39.41
East Stockwith	68.20
Faldingworth	162.15
Fenton	134.55
Fillingham	82.70
Fiskerton	362.43
Friesthorpe	10.81
Fulnetby	4.81
Gainsborough	4,472.31
Glentham	164.62
Glentworth	112.29
Golto	25.20
Grange de Lings	10.56
Grasby	188.22
Grayingham	57.62
Great Limber	83.37
Greetwell	292.81
Hackthorn - Cold Hanworth	80.04
Hardwick	16.33
Harpwell	21.89
Heapham	42.12
Hemswell	111.51

Parish	2017/18 Tax Base
Hemswell Cliff	159.71
Holton Beckering	40.25
Holton le Moor	63.37
Ingham	312.55
Keelby	669.09
Kettlethorpe	162.48
Kexby	117.26
Kirmond le Mire	12.92
Knaith	119.15
Langworth - Barlings - Newball	201.45
Laughton	150.07
Lea	377.40
Legsby	77.57
Linwood	36.97
Lissington	50.27
Market Rasen	1,201.37
Marton - Gate Burton	240.25
Middle Rasen	702.88
Morton	422.47
Nettleham	1,352.59
Nettleton	226.75
Newton-On-Trent	136.89
Normanby-By-Spital	139.89
Normanby le Wold	19.56
North Carlton	71.25
North Kelsey	341.47
North Willingham	48.39
Northorpe	46.95
Osgodby	202.34
Owersby	89.67
Owmbly-By-Spital	104.67
Pilham	27.47
Rand	16.78
Reepham	338.43
Riby	44.76
Riseholme	109.90
Rothwell	62.11
Saxby	16.14
Saxilby - Ingleby	1,326.34
Scampton	354.06
Scothern	311.76
Scotter	1,131.97
Scotton	213.92
Searby cum Owmbly	78.86
Sixhills	15.73

<b>Parish</b>	<b>2017/18 Tax Base</b>
Snarford	17.30
Snelland	32.82
Snitterby	91.65
Somerby	23.15
South Carlton	37.42
South Kelsey	205.40
Spridlington	85.37
Springthorpe	54.64
Stainton le Vale	33.81
Stow	116.13
Sturton-By-Stow	482.11
Sudbrooke	695.73
Swallow	94.90
Swinhope	47.13
Tealby	263.98
Thonock	9.76
Thoresway	36.44
Thorganby	12.88
Thorpe le Fallows	6.11
Toft Newton	125.12
Torksey	279.42
Upton	159.63
Waddingham	204.98
Walesby	106.90
Walkerith	26.71
Welton	1,400.27
West Firsby	11.50
West Rasen	33.04
Wickenby	80.09
Wildsworth	27.13
Willingham	192.85
Willoughton	104.23
<b>Total</b>	<b>28,959.46</b>