

NORTH LINCOLNSHIRE COUNCIL

COUNCIL

CALCULATING THE COUNCIL TAX BASE FOR 2010/2011

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To consider and approve the Council Tax base to be used for each part of the Council's area for tax setting purposes.
- 1.2 The key points in this report are as follows:
 - The requirement of the Council to set and notify its tax base;
 - calculation of the tax base for Formula Grant purposes; and
 - calculation of the local tax base for each parish and the total tax base for the authority of 50,817.7, as shown in Appendix B.

2. BACKGROUND INFORMATION

- 2.1 North Lincolnshire Council is required to notify its tax base figures for the following financial year to the Humberside Police Authority, Humberside Fire Authority and its levying bodies (National Rivers Authority – Anglian, Severn Trent and the Port Health Authority) between 1 December and 31 January.
- 2.2 Parish and Town Councils also have a right to request in writing the tax base figure for their part of the area and for it to be provided by North Lincolnshire Council within ten working days.
- 2.3 North Lincolnshire Council will use the tax base to calculate its own council tax requirement for 2010/11. Humberside Police, Humberside Fire Authority and parish councils will use it to calculate the precept they require to fund their services.
- 2.4 North Lincolnshire is the billing authority for its area and therefore collects the precepts for Police, Fire and parishes. Council tax is pooled in a collection fund and then distributed to North Lincolnshire Council and the precepting bodies on the basis of their tax decisions.

3. OPTIONS FOR CONSIDERATION

Tax Base for Grant Purposes

- 3.1 The government uses tax base data when it determines the amount of formula grant to be paid to each local authority. Each billing authority is required to submit form CTB1 every October. For the Comprehensive Spending Review period 2008/11 government has decided to use the CTB1 figure for October 2007. This was calculated as 50,993.8.
- 3.2 It has used the October 2007 figure as a starting point and made a projection of the likely increase in tax base in 2009/10 and 2010/11 using the growth trend over recent years. For 2010/11 the projected figure is 52,646.0. Government assumes that the council will be able to collect 100% of the tax it levies on this base and uses the information to determine the council's share of formula grant.

Tax Base for setting Council Tax, Precepts and Levies

- 3.3 For setting the actual council tax in 2010/11 the council must start from a different point, the actual CTB1 figure for October 2009. The figure has been calculated as 51,694.2 see Appendix A. This is adjusted for each parish, or area to reflect estimated changes in the valuation list and levels of discounts/exemptions during the remainder of the year and in 2010/2011. The Council has taken into account legislation to reduce the discount level on second homes to a minimum 10% and remove completely the discount on long-term empty homes.
- 3.4 The resulting figures become the relevant amount for each band in each parish or area expressed as a Band D equivalent. The total Band D equivalent is 51,806.9.
- 3.5 An adjustment is then made for a non-collection allowance. An across the board percentage is required and for 2010/2011 collection levels are ultimately expected to be 98%. An amount is added, equivalent to a number of band D dwellings, in respect of which the Secretary of State for Defence makes contributions in lieu of council tax for class O exempt dwellings in its area.
- 3.6 The result of these calculations is the Local Tax Base for each parish. These figures are shown for each parish in Appendix B and add up to show the total tax base for the whole authority for 2010/2011 to be 50,817.7.
- 3.7 The tax base has fallen for several parishes. This is mainly due to the increase in exemptions and discounts rather than the reduction in the number of dwellings.

4. ANALYSIS OF OPTIONS

- 4.1 The Council, as a billing authority, must calculate a council tax base each year in accordance with council tax regulations.
- 4.2 There is discretion in the level of discount awarded to long term empty and second homes which affects the council tax base. The tax base of 50,817.7 is calculated on the current practice of awarding the minimum 10 per cent discount on second homes and nil per cent on long term empty dwellings. This practice helps achieve policy objectives in keeping homes in occupation.
- 4.3 Awarding the maximum discount of 50 per cent on long term empty properties will reduce the tax base to 50,524.4. Awarding 50 per cent discount on second homes in addition will further reduce the tax base to 50,359.2. Based on the 2009/10 council tax levels, taken together this is the equivalent of a loss in income of £567,394.

5. RESOURCE IMPLICATIONS (FINANCIAL,STAFFING,PROPERTY,IT)

- 5.1 Financial
The higher the local tax base, the more revenue is collected. At the same time a tax base growing faster than the national average reduces our relative share of formula grant.
- 5.2 Staffing
There are no implications on staffing levels.

6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION17 – CRIME AND DISORDER,RISK AND OTHER

- 6.1 Statutory
The Council must calculate the tax base each year in accordance with The Local Authorities (Calculation of Tax Base) Regulations 1992.

7. OUTCOMES OF CONSULTATION

- 7.1 No consultation is required.

8. RECOMMENDATIONS

- 8.1 That the resolution setting the tax base for 2010/2011 as set out in Appendix C is approved.

SERVICE DIRECTOR FINANCE

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Date: 21 December 2009

Background Papers used in the preparation of this report

Local Government Finance Act 1992

Local Government Finance Act 2003

The Local Authorities (Calculation of Council Tax Base Regulations 1992 and 1994)

Valuation Lists

APPENDIX A

**TAX BASE FOR REVENUE SUPPORT GRANT PURPOSES (CTB1
2010/2011)**

	Band A dis relief	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	TOTAL
PROPERTIES ON LIST AT 14.9.09		34969	14336	10747	7080	3404	1332	459	25	72352
VALUATION ADJ		-7	0	-1	0	0	0	0	0	-8
EXEMPT PROPERTIES		-1367	-315	-257	-114	-42	-16	-13	-3	-2127
LESS DISABLEDS		-81	-80	-93	-67	-53	-27	-31	-12	-444
PLUS DISABLEDS	81	80	93	67	53	27	31	12		444
SUB TOTAL	81	33594	14034	10463	6952	3336	1320	427	10	70217
25% SRD DISCOUNTS	-17	-14312	-4238	-2680	-1144	-473	-146	-41	-1	-23052
25% DISREGARD DISCOUNTS	-2	-235	-99	-53	-34	-17	-4	-1	0	-445
50% 2ND HOME DISCOUNTS		-205	-117	-93	-45	-28	-16	-7	0	-511
50% DISREGARD DISCOUNTS	-5	-22	-18	-13	-18	-20	-23	-14	0	-133
NO DISCOUNTS	57	18820	9562	7624	5711	2798	1131	364	9	46076
TOTAL ADJUSTED	73.75	29843.75	12882.25	9726.75	6626.00	3189.50	1263.00	406.00	9.75	64021
RATIO	5	6	7	8	9	11	13	15	18	
BAND D EQUIVALENT	41.0	19895.8	10019.5	8646.0	6626.0	3898.3	1824.3	676.7	19.5	51647.1

MINISTRY OF DEFENCE CONTRIBUTION	47.1
TOTAL TAXBASE FOR RSG PURPOSES	51694.2

TAX BASE(Whole/Part Areas)				APPENDIX B		
LOCAL TAX BASE						
Parish or Area	Band D	Reduction 2%	MOD	Local Tax Base	Last year	% change
	equivalent	non collection	Contribution			
Alkborough	165.2	3.3		161.9	163.7	-1.10
Amcotts	81.9	1.6		80.3	77.6	3.43
Appleby	238.0	4.8		233.2	232.5	0.32
Ashby Parkland	228.1	4.6		223.5	225.6	-0.91
Barnetby-le-Wold	560.2	11.2		549.0	545.0	0.73
Barrow-on-Humber	1029.1	20.6		1008.5	1007.4	0.11
Barton-upon-Humber	3466.9	69.3		3397.6	3365.2	0.96
Belton	1145.5	22.9		1122.6	1124.7	-0.19
Bonby	195.7	3.9		191.8	192.3	-0.27
Bottesford	3826.8	76.5		3750.3	3755.1	-0.13
Brigg	1788.8	35.8		1753.0	1708.6	2.60
Broughton	1791.3	35.8		1755.5	1765.4	-0.56
Burringham	236.2	4.7		231.5	232.5	-0.44
Burton-upon-Stather	1011.5	20.2		991.3	989.7	0.16
Cadney-cum-Howsham	159.1	3.2		155.9	157.5	-1.00
Crowle	1597.6	32.0		1565.6	1555.9	0.63
East Butterwick	49.5	1.0		48.5	48.3	0.43
East Halton	217.9	4.4		213.5	216.5	-1.37
Eastoft	152.9	3.1		149.8	147.8	1.38
Elsham	169.4	3.4		166.0	164.5	0.92
Epworth	1548.1	31.0		1517.1	1518.0	-0.06
Flixborough	540.3	10.8		529.5	531.4	-0.36
Garthorpe & Fockerby	148.4	3.0		145.4	145.3	0.09
Goxhill	816.4	16.3		800.1	790.6	1.20
Gunness	733.2	14.7		718.5	720.3	-0.24
Haxey	1728.4	34.6		1693.8	1700.2	-0.37
Hibaldstow	818.5	16.4		802.1	802.3	-0.02
Holme	40.5	0.8		39.7	40.6	-2.24
Horkstow	50.4	1.0		49.4	46.2	6.91
Keadby with Althorpe	548.4	11.0		537.4	541.4	-0.73
Kirmington & Croxton	141.1	2.8		138.3	137.0	0.93
Kirton-in-Lindsey	994.8	19.9	47.1	1022.0	1009.7	1.22
Luddington	128.6	2.6		126.0	122.6	2.80
Manton	40.5	0.8		39.7	41.0	-3.20
Melton Ross	72.1	1.4		70.7	71.8	-1.59
Messingham	1362.7	27.2		1335.5	1340.5	-0.37
New Holland	289.3	5.8		283.5	281.9	0.57
N Killingholme	92.5	1.9		90.6	91.3	-0.77
Owston Ferry	448.6	9.0		439.6	433.4	1.44
Redbourne	158.0	3.2		154.8	159.1	-2.68
Roxby-cum-Risby	163.3	3.3		160.0	156.5	2.26
Saxby-all-Saints	94.3	1.9		92.4	90.4	2.23
Scawby-cum-Sturton	840.6	16.8		823.8	818.3	0.67
Scunthorpe	17271.2	345.4		16925.8	16854.2	0.42
South Ferriby	221.0	4.4		216.6	223.1	-2.92
South Killingholme	326.7	6.5		320.2	316.8	1.06
Thornton Curtis	103.5	2.1		101.4	103.6	-2.09
Ulceby	573.3	11.5		561.8	554.6	1.30
West Butterwick	266.0	5.3		260.7	259.6	0.42
West Halton	122.3	2.4		119.9	116.5	2.88

Whitton	85.5	1.7		83.8	85.1	-1.54
Winteringham	344.8	6.9		337.9	330.8	2.15
Winterton	1488.3	29.8		1458.5	1468.2	-0.66
Wootton	181.7	3.6		178.1	180.5	-1.35
Worlaby	207.2	4.1		203.1	200.0	1.53
Wrawby	526.1	10.5		515.6	511.0	0.90
Wroot	178.7	3.6		175.1	171.7	2.00
Whole Area	51806.9	1036.3	47.1	50817.7	50641.3	0.35

Appendix C

RESOLUTION FOR CALCULATING THE COUNCIL TAX BASE

Resolved

1. That the report of the Service Director Finance for the calculation of the Council's tax base for the year 2010/2011 be approved.
2. That pursuant to the Service Director Finances' report and in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the amount calculated by North Lincolnshire Council as its tax base for the whole area for the year 2010/11 shall be 50,817.7 and for the parts of the area listed below for the year 2010/2011 shall be for the

Parish or area of:

Alkborough	161.9
Amcotts	80.3
Appleby	233.2
Ashby Parkland	223.5
Barnetby-le-Wold	549.0
Barrow-on-Humber	1008.5
Barton-upon-Humber	3397.6
Belton	1122.6
Bonby	191.8
Bottesford	3750.3
Brigg	1753.0
Broughton	1755.5
Burringham	231.5
Burton-upon-Stather	991.3
Cadney-cum-Howsham	155.9
Crowle	1565.6
East Butterwick	48.5
East Halton	213.5
Eastoft	149.8
Elsham	166.0
Epworth	1517.1
Flixborough	529.5
Garthorpe & Fockerby	145.4
Goxhill	800.1
Gunness	718.5
Haxey	1693.8
Hibaldstow	802.1
Holme	39.7
Horkstow	49.4
Keadby with Althorpe	537.4
Kirmington & Croxton	138.3
Kirton-in-Lindsey	1022.0
Luddington	126.0

Manton	39.7
Melton Ross	70.7
Messingham	1335.5
New Holland	283.5
N Killingholme	90.6
Owston Ferry	439.6
Redbourne	154.8
Roxby-cum-Risby	160.0
Saxby-all-Saints	92.4
Scawby-cum-Sturton	823.8
Scunthorpe	16925.8
South Ferriby	216.6
South Killingholme	320.2
Thornton Curtis	101.4
Ulceby	561.8
West Butterwick	260.7
West Halton	119.9
Whitton	83.8
Winteringham	337.9
Winterton	1458.5
Wootton	178.1
Worlaby	203.1
Wrawby	515.6
Wroot	175.1