Report of the
Service Director Finance

Agenda item No:
Meeting: 21 January 2009

NORTH LINCOLNSHIRE COUNCIL

COUNCIL

CALCULATING THE COUNCIL TAX BASE FOR 2009/2010

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 50,641.3, 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 2009/10. 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. ISSUES 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 2009/10 the projected figure is a notional 52.085.0. 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 2009/10 the council must start from a different point, the actual CTB1 figure for October 2008. The figure has been calculated as 51,385.1 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 2009/2010. The Council has taken into account recent legislation to reduce the discount level on second homes to a minimum 10% and remove completely the discount on long-term empty homes from 2004/2005.

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 51,628.4.

3.5 An adjustment is then made for a non-collection allowance. An across the board percentage is required and for 2009/2010 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 2009/2010 to be 50,641.3.

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. RESOURCE AND OTHER IMPLICATIONS

4.1 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.

4.2 Staffing
There are no implications on staffing levels.

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

4.4 Environmental and other
There are no environmental implications

5. OUTCOMES OF CONSULTATION

5.1 No consultation is required.

6. RECOMMENDATIONS

6.1 That the resolution setting the tax base for 2009/2010 as set out in Appendix C is approved.

SERVICE DIRECTOR FINANCE

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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 2009/2010)

	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 15.9.08		34808	14200	10662	7020	3373	1304	456	24	71847
VALUATION ADJ		-2	0	0	-1	-1	0	0	0	-4
EXEMPT PROPERTIES		-1187	-364	-278	-111	-38	-24	-11	-3	-2016
LESS DISABLEDS		-87	-73	-102	-67	-49	-29	-30	-12	-449
PLUS DISABLEDS	87	73	102	67	49	29	30	12		449
SUB TOTAL	**87**	**33605**	**13865**	**10349**	**6890**	**3314**	**1281**	**427**	**9**	**69827**
25% SRD DISCOUNTS	-20	-14572	-4192	-2563	-1092	-428	-142	-43	0	-23052
25% DISREGARD DISCOUNTS	-2	-202	-89	-51	-40	-14	-4	-1	0	-403
50% 2ND HOME DISCOUNTS		-208	-92	-67	-40	-29	-8	-5	0	-449
50% DISREGARD DISCOUNTS	-5	-16	-18	-10	-17	-19	-22	-13	0	-120
NO DISCOUNTS	60	18607	9474	7658	5701	2824	1105	365	9	45803
TOTAL ADJUSTED	**79.00**	**29799.50**	**12739.75**	**9657.00**	**6578.50**	**3179.50**	**1229.50**	**407.00**	**9.00**	**63679**
RATIO	5	6	7	8	9	11	13	15	18	
BAND D EQUIVALENT	**43.9**	**19866.3**	**9908.7**	**8584.0**	**6578.5**	**3886.1**	**1775.9**	**678.3**	**18.0**	**51339.7**

MINISTRY OF DEFENCE CONTRIBUTION	45.4
TOTAL TAXBASE FOR RSG PURPOSES	**51385.1**

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	167.0	3.3		163.7	163.3	0.22
Amcotts	79.2	1.6		77.6	79.3	-2.12
Appleby	237.2	4.7		232.5	231.0	0.63
Ashby Parkland	230.2	4.6		225.6	231.1	-2.38
Barnetby-le-Wold	556.1	11.1		545.0	539.2	1.07
Barrow-on-Humber	1028.0	20.6		1007.4	996.7	1.08
Barton-upon-Humber	3433.9	68.7		3365.2	3300.1	1.97
Belton	1147.7	23.0		1124.7	1125.6	-0.08
Bonby	196.2	3.9		192.3	191.0	0.67
Bottesford	3831.7	76.6		3755.1	3780.9	-0.68
Brigg	1743.5	34.9		1708.6	1703.1	0.32
Broughton	1801.4	36.0		1765.4	1766.7	-0.08
Burringham	237.2	4.7		232.5	236.5	-1.71
Burton-upon-Stather	1009.9	20.2		989.7	991.7	-0.20
Cadney-cum-Howsham	160.7	3.2		157.5	155.1	1.54
Crowle	1587.7	31.8		1555.9	1547.4	0.55
East Butterwick	49.3	1.0		48.3	47.6	1.50
East Halton	220.9	4.4		216.5	208.5	3.83
Eastoft	150.8	3.0		147.8	149.8	-1.35
Elsham	167.9	3.4		164.5	164.8	-0.16
Epworth	1549.0	31.0		1518.0	1496.1	1.47
Flixborough	542.2	10.8		531.4	532.0	-0.12
Garthorpe & Fockerby	148.3	3.0		145.3	142.2	2.20
Goxhill	806.7	16.1		790.6	782.3	1.06
Gunness	735.0	14.7		720.3	721.3	-0.14
Haxey	1734.9	34.7		1700.2	1700.0	0.01
Hibaldstow	818.7	16.4		802.3	794.3	1.01
Holme	41.4	0.8		40.6	42.2	-3.86
Horkstow	47.1	0.9		46.2	46.3	-0.31
Keadby with Althorpe	552.4	11.0		541.4	550.0	-1.57
Kirmington & Croxton	139.8	2.8		137.0	138.6	-1.15
Kirton-in-Lindsey	984.0	19.7	45.4	1009.7	992.5	1.74
Luddington	125.1	2.5		122.6	121.3	1.07
Manton	41.8	0.8		41.0	41.5	-1.29
Melton Ross	73.3	1.5		71.8	74.6	-3.71
Messingham	1367.9	27.4		1340.5	1343.1	-0.19
New Holland	287.7	5.8		281.9	282.6	-0.23
N Killingholme	93.2	1.9		91.3	87.1	4.86
Owston Ferry	442.2	8.8		433.4	432.4	0.22
Redbourne	162.3	3.2		159.1	156.8	1.44
Roxby-cum-Risby	159.7	3.2		156.5	157.0	-0.31
Saxby-all-Saints	92.2	1.8		90.4	85.8	5.31
Scawby-cum-Sturton	835.0	16.7		818.3	815.8	0.31
Scunthorpe	17198.2	344.0		16854.2	16662.2	1.15
South Ferriby	227.7	4.6		223.1	224.8	-0.74

South Killingholme	323.3	6.5		316.8	311.7	1.65
Thornton Curtis	105.7	2.1		103.6	107.0	-3.19
Ulceby	565.9	11.3		554.6	533.0	4.05
West Butterwick	264.9	5.3		259.6	263.9	-1.63
West Halton	118.9	2.4		116.5	116.9	-0.32
Whitton	86.8	1.7		85.1	86.2	-1.32
Winteringham	337.5	6.8		330.8	336.6	-1.74
Winterton	1498.2	30.0		1468.2	1455.9	0.85
Wootton	184.2	3.7		180.5	182.6	-1.14
Worlaby	204.1	4.1		200.0	200.7	-0.34
Wrawby	521.4	10.4		511.0	499.8	2.24
Wroot	175.2	3.5		171.7	171.6	0.06
Whole Area	51628.4	1032.6	45.4	50641.3	50298.1	0.68

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 2009/2010 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 2009/10 shall be 50,641.3 and for the parts of the area listed below for the year 2009/2010 shall be for the

Parish or area of:

Alkborough	163.7
Amcotts	77.6
Appleby	232.5
Ashby Parkland	225.6
Barnetby-le-Wold	545.0
Barrow-on-Humber	1007.4
Barton-upon-Humber	3365.2
Belton	1124.7
Bonby	192.3
Bottesford	3755.1
Brigg	1708.6
Broughton	1765.4
Burringham	232.5
Burton-upon-Stather	989.7
Cadney-cum-Howsham	157.5
Crowle	1555.9
East Butterwick	48.3
East Halton	216.5
Eastoft	147.8
Elsham	164.5
Epworth	1518.0
Flixborough	531.4
Garthorpe & Fockerby	145.3
Goxhill	790.6
Gunness	720.3
Haxey	1700.2
Hibaldstow	802.3
Holme	40.6
Horkstow	46.2
Keadby with Althorpe	541.4
Kirmington & Croxton	137.0
Kirton-in-Lindsey	1009.7
Luddington	122.6

Manton	41.0
Melton Ross	71.8
Messingham	1340.5
New Holland	281.9
N Killingholme	91.3
Owston Ferry	433.4
Redbourne	159.1
Roxby-cum-Risby	156.5
Saxby-all-Saints	90.4
Scawby-cum-Sturton	818.3
Scunthorpe	16854.2
South Ferriby	223.1
South Killingholme	316.8
Thornton Curtis	103.6
Ulceby	554.6
West Butterwick	259.6
West Halton	116.5
Whitton	85.1
Winteringham	330.8
Winterton	1468.2
Wootton	180.5
Worlaby	200.0
Wrawby	511.0
Wroot	171.7