

EAST LINDSEY DISTRICT COUNCIL EXECUTIVE DECISION NOTICE

1. Decision to be taken: To agree the Tax Base of £44,264 for 2019/20 as outlined in the attached report.
2. This is a: Decision of the Chief Executive under powers delegated by full council and as identified in the Council's Constitution.

PORTFOLIO HOLDER SUPPORTED OFFICER DECISION

Note: This form should not be used for Key Decisions

3. The following is the decision making body or person:

Robert Barlow, Chief Executive after

consultation with Councillor Fry Portfolio holder for Finance

4. Financial implications from this decision have been communicated to the Portfolio Holder for Finance and the Leader? Yes
5. The decision was taken on: 21st December 2018

Note: - the above date to be completed by Democratic Services upon publication

6. Contact Officer and details: Sharon Hammond,
Sharon.hammond@cpbs.com
7. List of documents submitted for consideration in relation to the matter in respect of which the decision is to be made :

2019/20 Tax Base report as attached
8. Where the documents are held and where they can be obtained from (except exempt items) when they become available: as attached
9. The reason for the decision and other alternative options considered and rejected:

Between 1 December and 31 January, the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 require the Council to calculate its next financial year Tax Base for Council Tax setting purposes. This is for the whole and each relevant part of its area and the figures have to be projected to the end of the next financial year. The Council is also required to notify its major precepting body/bodies (Lincolnshire County Council and Lincolnshire Police Authority) and its Parish/Town Councils of the Tax Base figures calculated.

Decision Notice Form (ExD2)

10. Declaration of any conflicts of interest of the decision making body or the individual: None
11. Provide a note of any subsequent dispensations granted by the Head of Paid service: None

12. Financial Implications of this Decision:-

Estimated cost:- Not Applicable

Funded from:- Not Applicable

N.B. Please enter names below, signatures will be retained as a hard copy and will not be published therefore should be provided on page 3 of this form:

13. This decision has been signed off by:

Head of Paid Service/S151 Officer or person presiding
(insert name – signatures should be provided overleaf on page 3)

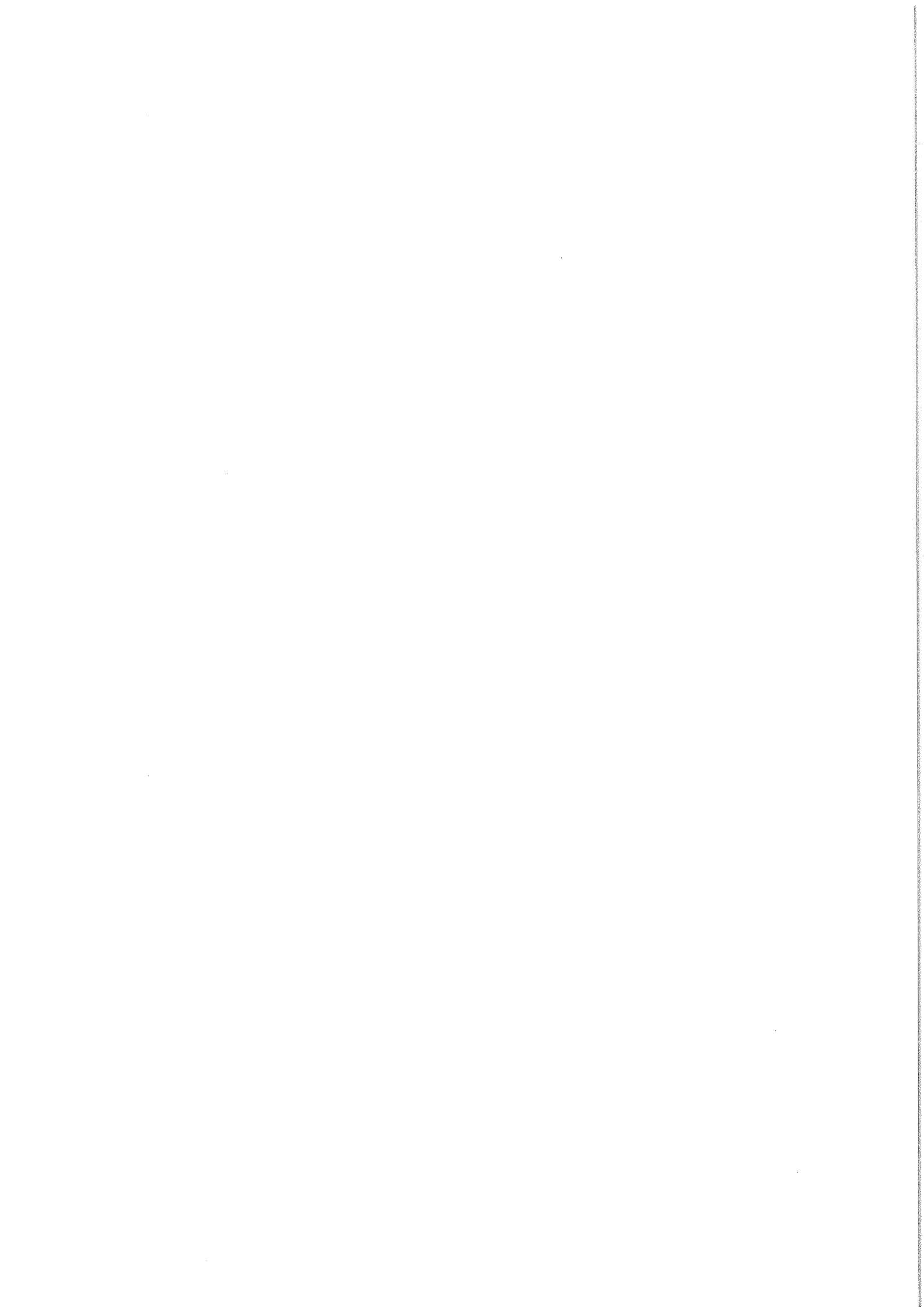
Robert Barlow

Leader/Officer **(insert name):**

Sharon Hammond

Portfolio Holder **(insert name):**

Councillor Fry





TO: CHIEF EXECUTIVE, ELDC

COPY TO: S151 OFFICER, ELDC

DATE: 14 DECEMBER 2018

SUBJECT: APPROVING THE 2019/20 TAX BASE FOR COUNCIL TAX SETTING PURPOSES

Brief description of report content and the decision being asked for:

Summary:

This report covers the calculation of the 2019/20 Tax Base for Council Tax setting purposes for East Lindsey as a whole and the various parts of its area.

Recommendations:

The amount calculated by East Lindsey District Council as its 2019/20 Tax Base for the whole area, expressed as full band D equivalent homes, shall be **44,264** and for the parts of its area the amounts are detailed in **Appendix A**.

This report has been prepared by:

Mark Woolerton (Revenues and Recovery Team Leader, CPBS)
Tel: 01775 764631 - e-mail: mark.woolerton@cpbs.com

This report was prepared after consultation with:

Rob Barlow (s151 Officer, ELDC)
Sharon Hammond (Head of Service - Revenues and Benefits, CPBS)
Jayne Crosby (Head of Service - Finance, CPBS)

This report is number 1 in a series of 1.

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(papers relied on to write the report but which are not published and do not contain exempt information)

1. Not applicable

OTHER HELPFUL PAPERS

(papers which the report author considers might be helpful – this might include published material)

1. Not applicable

Local Government (Access to Information Act) 1985

Is the report Exempt? No

Please contact the person who has written this report if you want more information about this report or the background papers.

1.0. INTRODUCTION

- 1.1. Between 1 December and 31 January, the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 require the Council to calculate its next financial year Tax Base for Council Tax setting purposes. This is for the whole and each relevant part of its area and the figures have to be projected to the end of the next financial year. The Council is also required to notify its major precepting body / bodies (Lincolnshire County Council and Lincolnshire Police Authority) and its Parish / Town Councils of the Tax Base figures calculated.
- 1.2. Responsibility for deciding this matter each year has been delegated to the Chief Executive until further notice by the Executive Board and this is in accordance with the Local Government Act 2003. It is intended that the Council will go on to set the actual amount of next year's Council Tax at its meeting on 6 March 2019.
- 1.3. The Tax Base is a projected figure, expressed in terms of 'full band D equivalent homes' for the area concerned. It represents all the differently banded homes, on average, that we will have in that area for the coming year. These are adjusted to take into account discounts, exemptions, disabled band reductions, empty homes premiums and the likely cost of the Local Council Tax Support scheme.
- 1.4. The Band D Council Tax charge is worked out by taking the spending that we want to be met from Council Tax and dividing it by the Tax Base. The Tax Base, in turn, is the exact amount in £'s that would be raised for each £1 of Band D Council Tax set by the Council.
- 1.5. A number of factors are considered in reaching the Tax Base, including anticipated new building developments, changes in discounts, exemptions, premiums, Council Tax Support take up and our likely Council Tax collection rates. Further details of these are provided in Sections 2 and 3 of this report.

2.0. BACKGROUND

- 2.1. Each year we have to estimate our Tax Base for the coming year's council tax setting process. The calculation comprises several main stages to convert all the homes in our area to a number of full band D equivalents.
- 2.2. Gross Tax Base: this is derived using the same methodology as used for the CTB form required from us by the Ministry of Housing, Communities and Local Government each October, except the regulations require us to update the information to show a starting point as at 30 November. This stage analyses the Valuation List to show the number of properties in the various council tax bands and it provides further details of properties subject to a full charge, disabled band reduction, discount and exemption.
- 2.3. Adjustments: relevant adjustments for factors such as valuation band changes, movements on / off the valuation list and discount / exemption / disabled band reduction / empty homes premium / Council Tax Support changes are then estimated to the end of the following financial year. The resulting adjusted totals are then converted to full band D equivalent homes for each of the valuation bands. The totals are known as 'relevant amounts'. Adding together the relevant amounts for each valuation band gives the total full band D equivalent homes that we anticipate having on average throughout the following financial year.
- 2.4. Collection rate: inevitably, there will be some losses on collection in respect of council taxes that prove to be irrecoverable at the end of the day despite our best endeavours. Therefore, we have to reduce the Tax Base to allow for this.
- 2.5. Contributions for armed forces accommodation: this type of accommodation is exempt from council tax but we receive contributions from the Government in lieu of council tax. Therefore, this contribution is converted to a number of full band D equivalent homes and added to our Tax Base. The result is the Tax Base for the whole of our area for council tax setting purposes later in the year.
- 2.6. Parished and Unparished Areas: the equivalent Band D Tax Base is then derived for each constituent parish and any unparished areas using the same methodology as described above. The calculated Tax Bases for the parts of our area are shown in **Appendix A**.

3.0. SUBJECT INFORMATION AND ISSUES/FACTS AND FIGURES

- 3.1. The calculation of the Tax Base for each financial year is to some extent uncertain and so it is necessary to make assumptions for some of the factors referred to earlier. Valuation List changes will impact at parish level, whereas assumptions about collection have to be made across the whole area.
- 3.2. A list of possible amendments to the amount of Council Tax collectable during the year is set out here:
 - new housing developments completed during the year – subject to part year and possible exemption periods

- properties not yet banded or removed from the Valuation List
- disabled band reduction applications – a reduction by one band in approved cases
- valuation and liability appeals
- discount and exemption variations – changes will occur as awareness of these reliefs is promoted through the annual billing exercise
- empty homes becoming reoccupied – the Council's decision to charge a 100% charge for homes empty between 2 months and 2 years and a 200% charge for those empty over 2 years should continue to encourage more homes to be brought back into use and that could result in a lower council tax charge of 75% for a single adult occupier or even less if the new household is eligible for Council Tax Support
- changes in the amount of Council Tax Support paid out – this, like council tax benefit before it, is demand led and prone to unpredictable variation according to local economic prosperity but prior to 1 April 2013 the Council would have received full subsidy from the Government to cover the cost whereas now funding is rolled into the Revenues Support Grant
- provision for bad/doubtful debts – although high levels of collection continue to be achieved.

3.3. We have factored in amendments to reflect an estimate of how the number of homes will increase in the next financial year. Our estimates are based on information provided by Planning and Building Control staff.

3.4. Based on previous year collection performance, and in recognition of the impact of the current economic climate, we have once again set a starting point that 99.5% of the council tax charged will be successfully collected. However, in recognition of the number of low income households that will have to continue paying at least 25% of their Council Tax bill, we have had to factor in our estimate of the additional losses we anticipate. A lower than 99.5% collection rate has also been assumed for the additional charges arising as a consequence of local decisions in respect of empty homes. The net effect of all these adjustments is to assume an overall collection rate of 98.64% for next year.

3.5. The tables below show the summary and significant calculations. They also include the effect of the additional income we anticipate collecting from the Council using its discretion to reduce the council tax discount on second homes from 50% to 0%.

Area Tax Base

Item	No. of full band D equivalent homes
Gross Tax Base at present	49,055
Estimated net growth in year	209
Net addition arising from discretion to charge more on homes empty for less than 2 years	845
Addition for Empty Homes Premiums (those empty for 2 years or more)	459
Loss due to Council Tax Support	(6,495)
Addition for 2 nd homes	512
Band D equivalent homes	44,585
Less 1.36% loss on collection	(608)
Sub-total	43,977
Armed forces contribution	287
Tax Base for 2019/20	44,264

Relevant Amounts (statutory requirement to show these figures)

Valuation Band	Relevant Amounts (No. of full band D equivalent homes before collection rate adjustment and MoD Contributions)
Band A (with DBR)	26
Band A	11,731
Band B	8,910
Band C	11,783
Band D	5,935
Band E	3,714
Band F	1,606
Band G	817
Band H	63
Relevant Amounts for 2017/18	44,585

4.0. SUPPLEMENTARY FACTS

4.1. The area Tax Base for 2017/18 was 43,468 and so the figure for 2018/19 of 44,264 represents a 1.83% increase.

5.0. COUNCILLOR COMMENTS – If no comments are received from one or more of the Ward Members consulted state which Councillor(s) did not respond

5.1. Not applicable

6.0. DISCUSSION / CONSIDERATION – ISSUES / CONCLUSION – including reasons for recommendation(s)

6.1. This Tax Base calculation is required under the regulations and timescales mentioned in paragraph 1.1 and it represents our best estimates based on all relevant information currently available.

7.0. OTHER OPTIONS FOR CONSIDERATION (drawn from previous sections)

7.1. There is an option to vary the projections set out above for likely changes to the Tax Base and the overall collection rate. However, the figures presented are the best we can estimate according to the information currently available to us.

8.0. PERFORMANCE MONITORING

8.1. The actual Tax Base will be monitored periodically throughout the coming year although there are very few aspects that can be influenced through performance management since most elements are completely outside the Council's control.

9.0. RISK ASSESSMENT

9.1. The process of calculating the Tax Base is considered to be low risk even given the uncertainties associated with it this year since any margin of error will feed into the calculation of the Council's Collection Fund surplus or deficit which will be made good the following year and shared with the County and Police.

10.0. FINANCIAL CONSIDERATIONS/IMPLICATIONS. PLEASE ALSO INCLUDE NAME OF OFFICER RESPONDING

10.1. The Tax Base has no financial implication on its own. However, it does feed into the calculation and setting of the council tax for next year.

11.0. LEGAL CONSIDERATIONS/IMPLICATIONS. PLEASE ALSO INCLUDE NAME OF OFFICER RESPONDING

11.1. The process of calculating the Tax Base ensures compliance with statutory requirements.

12.0. INCLUDE IF APPROPRIATE AND ONLY BRIEF EXPLANATION OF ISSUE. PLEASE ALSO INCLUDE NAME OF OFFICER RESPONDING

12.1. **Environmental issues** – not applicable

12.2. **Human Resources** – not applicable

12.3. **Section 17** – not applicable

12.4. **FOI/Human Rights/Data Protection** – not applicable

12.5. **Equality and Diversity** – not applicable

13.0. RECOMMENDATIONS

- 13.1. That the Chief Executive on behalf of Council, in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, confirms that the amount calculated as its Tax Base for the whole area for the year 2019/20 shall be **44,264**
- 13.2. That the Chief Executive on behalf of Council, in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, confirms that the amounts calculated as its Tax Base for each part of its area will be as detailed in **Appendix A**.

(The Tax Base is the amount in £'s that would be raised for every £1 of council tax set.)

REASON: The calculation of the Tax Base follows statutory requirements. Where estimates are involved, these are based on information currently available, previous experience and professional judgement.

14.0. HOW DO THE ACTIONS/RECOMMENDATIONS CONTAINED IN THIS REPORT DELIVER OUR COMMUNITY AND CORPORATE STRATEGIES?

- 14.1. The calculation of the Tax Base for Council Tax setting purposes is a statutory requirement. It supports our aim to promote good practice on equality and governance.

**EAST LINDSEY DISTRICT COUNCIL
TAX BASES 2019/2020**

Parish	Properties on Valuation List at 30/11/18	Net Band D Equivalents	Collection Adjustment 2019-20	Armed Forces Contribution 2019-20	Final Tax Base 2019-20 (Rounded)
Aby & Greenfield	90	62.1	-0.8	0	61
Addlethorpe	162	120.3	-1.6	0	119
Alford	1,762	1,023.5	-13.9	0	1,009
Alvingham	117	99.0	-1.3	0	97
Anderby	258	168.1	-2.3	0	166
Ashby & Scremby	75	58.6	-0.8	0	58
Asterby Group	127	120.2	-1.6	0	119
Aswardby	19	19.5	-0.3	0	19
Authorpe	54	43.8	-0.6	0	43
Baumber	89	64.8	-0.9	0	64
Beesby & Saleby	100	76.1	-1.0	0	75
Belchford Group	171	145.2	-1.9	0	143
Belleau	12	10.1	-0.1	0	10
Benniworth	89	81.5	-1.1	0	80
Bilsby Group	213	166.8	-2.3	0	164
Binbrook	464	317.1	-4.3	0	313
Bolingbroke	162	138.6	-1.9	0	137
Brackenborough Group	36	32.4	-0.4	0	32
Brinkhill	48	46.8	-0.6	0	46
Bucknall Group	163	129.0	-1.8	0	127
Burgh le Marsh	1,238	812.9	-11.1	0	802
Burgh on Bain	55	46.3	-0.6	0	46
Burwell	33	26.3	-0.4	0	26
Calcethorpe Group	27	21.4	-0.3	0	21
Candlesby & Gunby	74	50.3	-0.7	0	50

Carrington	242	166.3	-2.3	0	164
Chapel St Leonards	2,163	1,196.0	-16.3	0	1,180
Claxby & Moorby	24	21.1	-0.3	0	21
Claythorpe	12	8.6	-0.1	0	9
Coningsby	1,885	1,027.8	-14.0	159	1,173
Conisholme	31	24.5	-0.3	0	24
Covenham Group	146	138.9	-1.9	0	137
Croft	404	307.6	-4.2	0	303
Cumberworth	57	40.2	-0.5	0	40
Donington on Bain	168	125.1	-1.7	0	123
E & W Barkwith	191	165.3	-2.3	0	163
East Keal	175	143.3	-2.0	0	141
East Kirkby	127	96.3	-1.3	0	95
Eastville, Midville & New Leake	312	183.7	-2.5	0	181
Edlington Group	60	56.2	-0.8	0	55
Elkington (N & S)	123	107.3	-1.5	0	106
Firsby Group	517	385.0	-5.2	0	380
Fotherby	204	149.9	-2.0	0	148
Friskney	689	458.4	-6.2	0	452
Frithville Group	280	221.4	-3.0	0	218
Fulstow	232	204.0	-2.8	0	201
Gayton le Marsh	64	48.3	-0.7	0	48
Gayton le Wold	23	16.5	-0.2	0	16
Grainthorpe	296	225.0	-3.1	0	222
Grt & Ltl Carlton	118	100.1	-1.4	0	99
Great Sturton	20	16.1	-0.2	0	16
Greetham Group	79	72.1	-1.0	0	71
Grimoldby & Manby	825	594.3	-8.1	0	586
Hagworthingham	159	143.5	-2.0	0	142
Hainton	47	35.5	-0.5	0	35
Hallington	18	14.5	-0.2	0	14
Haltham	60	47.6	-0.6	0	47
Halton Hologate	222	153.4	-2.1	0	151
Hameringham	31	32.4	-0.4	0	32

Hannah cum Hagnaby	24	19.8	-0.3	0	20
Harrington	21	22.6	-0.3	0	22
Hatton	53	44.6	-0.6	0	44
Hemingby	108	91.7	-1.2	0	91
High Toynton	33	25.9	-0.4	0	26
Hogsthorpe	477	290.9	-4.0	0	287
Holton le Clay	1,704	1,267.9	-17.3	0	1,251
Horncastle	3,520	2,244.2	-30.6	4	2,217
Horsington	115	89.0	-1.2	0	88
Hundleby	235	179.9	-2.5	0	177
Huttoft	280	189.1	-2.6	0	186
Ingoldmells	1,089	541.4	-7.4	0	534
Keddington	47	41.9	-0.6	0	41
Kirkby on Bain	137	119.0	-1.6	0	117
Langrville	179	130.3	-1.8	0	128
Langton by Horncastle	13	14.5	-0.2	0	14
Langton by Wragby	46	36.1	-0.5	0	36
Langton/Sutterby	24	16.8	-0.2	0	17
Legbourne	304	256.5	-3.5	0	253
Little Cawthorpe	74	77.0	-1.0	0	76
Louth	8,273	5,062.5	-69.0	0	4,993
Low Toynton	15	14.1	-0.2	0	14
Ludborough	90	92.3	-1.3	0	91
Ludford	212	156.9	-2.1	0	155
Lusby & Winceby	45	36.2	-0.5	0	36
Mablethorpe Group	7,092	3,913.1	-53.3	0	3,860
Maidenwell	28	23.8	-0.3	0	24
Maltby le Marsh	174	138.3	-1.9	0	136
Mareham le Fen	469	323.1	-4.4	0	319
Mareham on the Hill	38	36.6	-0.5	0	36
Markby	31	21.4	-0.3	0	21
Market Stainton	19	15.4	-0.2	0	15
Marshchapel	345	250.3	-3.4	0	247
Mavis Enderby	34	31.7	-0.4	0	31

Minting & Gautby	132	121.1	-1.6	0	120
Muckton	15	12.4	-0.2	0	12
Mumby	223	151.4	-2.1	0	149
North Cockerington	87	66.4	-0.9	0	65
North Cotes	288	191.1	-2.5	0	189
North Ormsby	20	18.4	-0.3	0	18
North Somercotes	805	560.3	-7.6	0	553
North Thoresby	602	467.3	-6.4	0	461
Orby	163	114.6	-1.6	0	113
Partney & Dalby	134	97.3	-1.3	0	96
Raithby	69	58.3	-0.8	0	58
Raithby Cum Maltby	36	28.4	-0.4	0	28
Reston (N & S)	91	67.5	-0.9	0	67
Revesby	107	83.6	-1.1	0	83
Rigsby & Ailby	8	7.6	-0.1	0	7
Roughton	327	250.3	-3.4	0	247
Saltfleetby Group	254	196.5	-2.7	0	194
Sausthorpe	43	34.8	-0.5	0	34
Scamblesby	119	103.8	-1.4	0	102
Scrivelsby	18	16.8	-0.2	0	17
Sibsey	933	705.9	-9.6	0	696
Skegness	10,607	5,726.8	-78.0	0	5,649
Skendleby	73	57.0	-0.8	0	56
Skidbrooke Group	275	184.9	-2.5	0	182
Sotby	25	24.0	-0.3	0	24
South Cockerington	104	88.5	-1.2	0	87
South Ormsby	39	31.5	-0.4	0	31
South Somercotes	103	74.1	-1.0	0	73
South Willingham	77	64.7	-0.9	0	64
Spilsby	1,557	909.2	-12.4	0	897
Stenigot	20	14.6	-0.2	0	14
Stewton	28	22.4	-0.3	0	22
Stickford	220	170.5	-2.3	0	168
Stickney	467	320.8	-4.4	0	316

Strubby Group	95	57.9	-0.8	0	57
Swaby Group	154	111.1	-1.5	0	110
Tathwell/Haugham	120	99.4	-1.4	0	98
Tattershall Group	1,333	732.6	-10.0	124	847
Tetford	242	202.0	-2.8	0	199
Tetney	771	635.8	-8.7	0	627
Theddlethorpe	323	229.3	-3.1	0	226
Thimbleby	117	93.1	-1.3	0	92
Thornton le Fen	144	111.6	-1.5	0	110
Thorpe St Peter	154	101.1	-1.4	0	100
Toynton All Saints	172	137.4	-1.9	0	136
Toynton St Peter	112	78.0	-1.1	0	77
Tumby	92	64.7	-0.9	0	64
Ulceby & Fordington	61	44.1	-0.6	0	44
Utterby	155	122.9	-1.7	0	121
Wainfleet All Saints	807	465.1	-6.3	0	459
Wainfleet St Mary	474	284.2	-3.9	0	280
Walmgate	14	5.7	-0.1	0	6
Well	44	35.5	-0.5	0	35
Welton le Marsh	113	84.2	-1.1	0	83
Welton le Wold	57	58.2	-0.8	0	57
West Ashby	118	95.1	-1.3	0	94
West Fen	49	38.6	-0.5	0	38
West Keal	160	115.3	-1.6	0	114
West Torington	36	28.7	-0.4	0	28
Wildmore	239	179.0	-2.4	0	176
Willoughby & District	298	213.2	-2.9	0	210
Withcall	30	26.1	-0.4	0	26
Withern & Stain	192	134.0	-1.8	0	132
Wood Enderby	72	58.8	-0.8	0	58
Woodhall Spa	2,051	1,675.0	-22.8	0	1,652
Woodhall/Stixwold	104	95.1	-1.3	0	94
Wragby	898	614.4	-8.4	0	606
Wyham cum Cadeby	15	13.3	-0.2	0	13

Yarburgh	71	54.5	-0.7	0	54
Ranby	27	25.9	-0.4	0	26
ELDC Area	68,973	44,585	-608	287	44,264

NOTE: Net Band D Equivalents includes addition for second homes, estimated growth in year, consequences of technical changes & empty homes premium and council tax reduction scheme)