

**REPORT TO:** Cabinet

**DATE:** 27 January 2010

**SUBJECT:** Setting the Council Tax Base for 2011-12

**WARDS AFFECTED:** All

**REPORT OF:** Interim Head of Corporate Finance and Information Services

**CONTACT OFFICER:** John Farrell Ext 4339

**EXEMPT/CONFIDENTIAL:** No

**PURPOSE/SUMMARY:**

To set the various Council Tax Bases for 2011-12

**REASON WHY DECISION REQUIRED:**

The Council is required to set its Council Tax Bases for 2011-12 by 31<sup>st</sup> January 2011.

**RECOMMENDATION(S):**

That, in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 1992 as amended, the amount calculated by Sefton Council as the council tax base for Sefton and for each Parish Area for 2011-12 shall be as follows:

In the Metropolitan Borough of Sefton	- 93,075.91
In the Parish of Aintree Village	- 2,287.05
" " " " Ince Blundell	- 194.56
" " " " Little Altcar	- 287.83
" " " " Lydiate	- 2,260.07
" " " " Maghull	- 7,148.48
" " " " Melling	- 1,092.33
" " " " Sefton	- 246.68
" " " " Thornton	- 819.14
" " " " Hightown	- 887.78
" " " " Formby	- 9,478.63

**KEY DECISION:** Yes

**FORWARD PLAN:** Yes

**IMPLEMENTATION DATE:** Following the expiry of the call-in for the minutes of this meeting

**ALTERNATIVE OPTIONS:** N/A

**IMPLICATIONS:****Budget/Policy Framework:**

The Council Tax Base is an essential component in the calculation of the Council Tax.

**Financial:** The Council Tax Base has increased by 25.66 properties. This is due in part to a reduction in the number of exempt properties offset by an increase in expected demolitions.

<b><u>CAPITAL EXPENDITURE</u></b>	<b>2010/ 2011 £</b>	<b>2011/ 2012 £</b>	<b>2012/ 2013 £</b>	<b>2013/ 2014 £</b>
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<b><u>REVENUE IMPLICATIONS</u></b>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? N	When?			
How will the service be funded post expiry?				

**Legal:** None

**Risk Assessment:** N/A

**Asset Management:** None

**CONSULTATION UNDERTAKEN/VIEWS**

None

**CORPORATE OBJECTIVE MONITORING:**

<b><u>Corporate Objective</u></b>		<b><u>Positive Impact</u></b>	<b><u>Neutral Impact</u></b>	<b><u>Negative Impact</u></b>
1	Creating a Learning Community		√	
2	Creating Safe Communities		√	
3	Jobs and Prosperity		√	
4	Improving Health and Well-Being		√	
5	Environmental Sustainability		√	
6	Creating Inclusive Communities		√	
7	Improving the Quality of Council Services and Strengthening local Democracy	√		
8	Children and Young People		√	

**LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT**

Local Government Finance Act 1992  
AMA Finance Circular 94/92  
AMA Finance Circular 109/92  
DOE Practice Note 7

## **BACKGROUND:**

### **1. Setting the Council Tax Base**

- 1.1 The Council Tax Base is the link between the Council's budget and the level of Council Tax. The tax base will be used to calculate the Council Tax in Sefton, once the Council's budget has been agreed. The Council is required to calculate the various Council Tax Bases and have them approved by Cabinet by the 31<sup>st</sup> January 2011.
- 1.2 The calculation of the Council Tax Base takes into account many factors such as the rate of new building and the trends in people living on their own. (Sole Occupier Discount).
- 1.3 The tax base calculation assumes a collection rate of 98.25%, which is the same as that used in 2010/11, and which reflects that collection will remain challenging in the current economic climate.

### **2. Council Tax Base 2011-12**

- 2.1 The new tax base for 2011-12 is 93,075.91 Band D equivalent units for Sefton, an increase of 0.028% over the main tax base for 2010-11 that was 93050.25. There are also new figures for parish areas. Full details are set out in the recommendations.

### **3. Recommendations**

- 3.1 That, in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992 (as amended), the amount calculated as the council tax base for Sefton and for each parish area for the year 2011-12 shall be as follows:

In the Metropolitan Borough of Sefton	- 93,075.91
In the Parish of Aintree Village	- 2,287.05
" " " " Ince Blundell	- 194.56
" " " " Little Altcar	- 287.83
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**Chargeable Dwellings (2011-12)**

(a) No. of dwellings shown on Banding List by The Valuation Officer on 21st November 2010

	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
(b) LESS Estimated Exempt Dwellings	2102	833	714	308	160	80	50	6	4253
(c) Estimate of dwellings subject to DPR + Estimate of dwellings subject to DPR -	83	148	234	115	70	90	45	0	931
	0	83	148	146	115	70	90	45	931
(d) Estimated no. of "H" chargeable Dwellings	36683	25608	29091	14457	7844	3778	2660	185	120389

"R" second homes where discount reduced to 10%

"S" relevant percentage

"Q" total number of dwellings adjusted

Adjusted no. of chargeable dwellings

(a) Estimated no. dwellings subject to 25% discount

(b) PLUS Estimated no. of dwellings subject to 50% discount (x2)

(c) Total no. of 25% discounts "I"

(e) x 25% - no. of properties "I" x "E"

**3. (a) Estimated no. of "H" chargeable Dwellings**

(b) LESS no. of properties discounted ("I" x "E")

**Sub-Total "H" - ("I" x "E")**

	118	84	100	57	38	18	19	5	439
	10%	10%	10%	10%	10%	10%	10%	10%	10%
	11.8	8.4	10	5.7	3.8	1.8	1.9	0.5	43.9
	83	36671.2	25599.6	29081	14451.3	7840.2	2658.1	184.5	120345.1
	21	21107	10453	9425	4036	670	443	21	47854
	88	112	88	90	62	132	106	10	688
	21	21195.00	10565.00	9513.00	4126.00	802.00	549.00	31.00	48542.00
	5.25	5298.75	2641.25	2378.25	1031.50	200.50	137.25	7.75	12135.50
	83	36671.2	25599.6	29081	14451.3	7840.2	2658.1	184.5	120345.1
	5.25	5298.75	2641.25	2378.25	1031.50	200.50	137.25	7.75	12135.50
	77.75	31372.45	22958.35	26702.75	13419.80	3575.70	2520.85	176.75	108209.60

**4. Calculation of Item "J"**

**Adjustments to List**

(a) Estimated additions to List

21st November 2010 to 31st March 2012

105      44      53      28      7      2      0      0      239

(b) Estimated deletions from List

21st November 2010 to 31st March 2012

-174      -37      -29      -13      -10      -5      0      -1      -269

(c) Total adjustment in respect of changes to Banding List during the year "J"

-69      7      24      15      -3      -3      0      -1      -30

Total No. of properties ("H" - ("I" x "E") + "J")

77.75    31303.45    22965.35    26726.75    13434.80    7402.20    3572.70    2520.85    175.75    108179.60

**5. Apply Ratio (F/G)**

5/9      6/9      7/9      8/9      9/9      11/9      13/9      15/9      18/9

**6. Relevant Amount (A)**

43.19    20868.97    17861.94    23757.11    13434.80    9047.13    5160.57    4201.42    351.50    94726.63

<b>7. RELEVANT AMOUNT (A) =</b>	<b>94726.63</b>
x 98.25% EST. COLLECTION RATE	<b>98.25%</b>
<b>- COUNCIL TAX BASE</b>	<b>93068.91</b>
<b>8. Add estimate of No. of Band D equivalent prop where M.O.D. to pay contributions in lieu.</b>	<b>7.00</b>
<b>9. TAX BASE FOR SEFTON</b>	<b>93075.91</b>