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**Report to:** Cabinet

**Date of Meeting:** 19 January 2012

**Subject:** Setting the Council Tax Base for 2012-13

**Report of:** Head of Corporate Finance & ICT    **Wards Affected:** All

**Is this a Key Decision?** Yes

**Is it included in the Forward Plan?** Yes

**Exempt/Confidential**    No

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### **Purpose/Summary**

To set the various Council Tax Bases for 2012/13 to allow the Council and the various precepting bodies set their requirements from the overall Council Tax for that year.

### **Recommendation(s)**

That, in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 1992 (as amended), the amount calculated as the council tax base for Sefton and for each Parish Area for 2012/13 shall be as follows:

<b>Area/Parish</b>	<b>Band D Dwellings</b>
In the Metropolitan Borough of Sefton	93,119.58
In the Parish of Aintree Village	2,281.68
" " " " Formby	9,422.50
" " " " Hightown	890.21
" " " " Ince Blundell	193.31
" " " " Little Altcar	288.46
" " " " Lydiate	2,251.14
" " " " Maghull	7,130.09
" " " " Melling	1,092.57
" " " " Sefton	277.93
" " " " Thornton	816.97

### **How does the decision contribute to the Council's Corporate Objectives?**

	<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	Jobs and Prosperity		✓	
3	Environmental Sustainability		✓	
4	Health and Well-Being		✓	
5	Children and Young People		✓	

6	Creating Safe Communities		✓	
7	Creating Inclusive Communities		✓	
8	Improving the Quality of Council Services and Strengthening Local Democracy	✓		

**Reasons for the Recommendation:**

The Council is required to set its Council Tax Bases for 2012/13 by 31 January 2012.

**What will it cost and how will it be financed?**

**(A) Revenue Costs**

None

**(B) Capital Costs**

None

**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 43.67 Band D equivalent properties. This will result in a marginal increase in the yield from the Council Tax which will finally determined when the 2012/13 budget is agreed in March 2012 (FD 1260).

<b>Legal</b> In accordance with the Local Authorities [Calculation of Tax Base] [England] Regulations 1992 [As Amended], the Council is required to agree its Council Tax Base for 2012/13 before 31st January 2012.	
<b>Human Resources</b> None	
<b>Equality</b>	
1. No Equality Implication	<input checked="" type="checkbox"/>
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>

**Impact on Service Delivery:**

None

**What consultations have taken place on the proposals and when?**

The Head of Corporate Legal Services (LD622/11) has been consulted and the comments have been incorporated in to the report.

**Are there any other options available for consideration?**

None

**Implementation Date for the Decision**

Immediately following the call-in period for the minutes of the Cabinet meeting.

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**Background Papers:**

Local Government Finance Act 1992

AMA Finance Circular 94/92

AMA Finance Circular 109/92

DOE Practice Note 7

## 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 January 2012.
- 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%, which reflects that collection is proving challenging in the current economic climate.

## 2. Council Tax Base 2012/13

- 2.1 The new tax base for 2012/13 is 93,119.58 Band D equivalent dwellings for Sefton, a small increase over tax base for 2011/12 that was 93,075.91. The detailed calculation of the tax base is shown in Annex A to this report. There are also new figures for parish areas, the details of which are set out in the recommendation.

## 3. Recommendation

- 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 2012/13 shall be as follows:

<b>Area/Parish</b>	<b>Band D Dwellings</b>
In the Metropolitan Borough of Sefton	93,119.58
In the Parish of Aintree Village	2,281.68
" " " " Formby	9,422.50
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Chargeable Dwellings										ANNEX A
	Band A(-)	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
1. (a) Number of dwellings shown on Banding List by Valuation Office on 20/11/11		38,825	26,504	29,984	14,749	8,073	3,836	2,740	235	124,946
1.(b) LESS Estimated Exempt Dwellings		-2,061	-968	-725	-357	-165	-85	-60	-9	-4,430
1.(c) Disabled Persons Relief adjustments										
Reduction from Band owing to DPR	-0	-85	-145	-233	-148	-110	-78	-94	-42	-935
Increase in Band owing to DPR	+85	+145	+233	+148	+110	+78	+94	+42	0	+935
<b>1.(d) Estimated number of chargeable dwellings</b>	<b>85</b>	<b>36,824</b>	<b>25,624</b>	<b>29,174</b>	<b>14,354</b>	<b>7,876</b>	<b>3,767</b>	<b>2,628</b>	<b>184</b>	<b>120,516</b>
<b>2. Second Homes:</b>										
2. (a) dwellings eligible to a discount		88	78	86	57	35	18	19	6	387
2. (b) relevant percentage discount		10%	10%	10%	10%	10%	10%	10%	10%	10%
2. (c) effective reduction in chargeable dwellings		-8.8	-7.8	-8.6	-5.7	-3.5	-1.8	-1.9	-0.6	-38.7
<b>3. Adjusted no. of chargeable dwellings 1(d) – 2(c)</b>	<b>85</b>	<b>36,815.2</b>	<b>25,616.2</b>	<b>29,165.4</b>	<b>14348.3</b>	<b>7872.5</b>	<b>3765.2</b>	<b>2626.1</b>	<b>183.4</b>	<b>120,477.3</b>
<b>4. Discounts:</b>										
4.(a) Dwellings subject to 25% discount	22	20,900	10,254	9,298	3,908	1682	679	430	18	47,191
4.(b) PLUS Dwellings subject to 50% discount (x2)		114	132	114	102	70	132	104	10	778
4.(c) Total dwellings with 25% discounts	22	21,014.00	10,386.00	9,412.00	4,010.00	1,752.00	811.00	534.00	28.00	47,969.00
4.(d) effective reduction in dwellings 4(c) x 25%	-5.50	-5,253.50	-2,596.50	-2,353.00	-1,002.50	-438.00	-202.75	-133.50	-7.00	-11,992.25

Chargeable Dwellings	Band A(-)	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
<b>5. Net Chargeable Dwellings after discounts 3 – 4(d)</b>	<b>79.5</b>	<b>31,561.7</b>	<b>23,019.7</b>	<b>26,812.4</b>	<b>13,345.8</b>	<b>7,434.5</b>	<b>3,562.5</b>	<b>2,492.6</b>	<b>176.4</b>	<b>108,485.05</b>
<b>6. Estimated adjustments to dwellings until 31/3/13:</b>										
6.(a) Estimated additional dwellings		140	37	7	10	2	0	0	0	196
6.(b) Estimated demolition of dwellings		-21	-3	-7	-4	-1	-2	-2	-1	-41
6.(c) Net estimated additional dwellings to 31/3/13		119	34	0	6	1	-2	-2	-1	155
<b>7. Estimated chargeable dwellings to 31/3/13</b>	<b>79.50</b>	<b>31,680.70</b>	<b>23,053.70</b>	<b>26,812.40</b>	<b>13,351.80</b>	<b>7,435.50</b>	<b>3,560.45</b>	<b>2,490.60</b>	<b>175.40</b>	<b>108,640.05</b>
8. Council Tax Charging Ratio	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
<b>9. Band D Equivalent Dwellings</b>	<b>44.17</b>	<b>21,120.47</b>	<b>17,930.66</b>	<b>23,833.24</b>	<b>13,351.80</b>	<b>9,087.83</b>	<b>5,142.87</b>	<b>4,151.00</b>	<b>350.80</b>	<b>95,012.84</b>
<b>10. Total Band D Equivalent Dwellings</b>		<b>95,012.84</b>								
<b>x 98% Estimated Collection Rate</b>										
<b>= Council Tax Base</b>		<b>93,112.58</b>								
<b>11. Add M.O.D. properties paid in lieu</b>		<b>7.00</b>								
<b>12. 2012/13 COUNCIL TAX BASE FOR SEFTON</b>		<b>93,119.58</b>								