

REPORT TO: Cabinet

DATE: 14 January 2010

SUBJECT: Setting the Council Tax Base for 2010/11

WARDS AFFECTED: All

REPORT OF: Finance and Information Services Director

CONTACT OFFICER: John Farrell
Asst. Finance & Information Services Director
Ext 4339

EXEMPT/CONFIDENTIAL: No

PURPOSE/SUMMARY:

To set the various Council Tax Bases for 2010/11

REASON WHY DECISION REQUIRED:

The Council is required to set its Council Tax Bases for 2010/11 by 31st January 2010.

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 2009/10 shall be as follows:

| | | |
|---------------------------------------|---|-----------|
| In the Metropolitan Borough of Sefton | - | 93,050.25 |
| In the Parish of Aintree Village | - | 2,277.05 |
| " " " " Ince Blundell | - | 191.26 |
| " " " " Little Altcar | - | 286.52 |
| " " " " Lydiate | - | 2,249.07 |
| " " " " Maghull | - | 7,138.85 |
| " " " " Melling | - | 1,093.54 |
| " " " " Sefton | - | 232.79 |
| " " " " Thornton | - | 817.97 |
| " " " " Hightown | - | 892.27 |
| " " " " Formby | - | 9,528.00 |

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 103.57 properties. This is mainly due to new build completions with a higher emphasis on property conversions into flats.

| <u>CAPITAL EXPENDITURE</u> | 2010/ 2011 £ | 2011/ 2012 £ | 2012/ 2013 £ | 2013/ 2014 £ |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Gross Increase in Capital Expenditure | | | | |
| Funded by: | | | | |
| Sefton Capital Resources | | | | |
| Specific Capital Resources | | | | |
| <u>REVENUE IMPLICATIONS</u> | | | | |
| 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:

| <u>Corporate Objective</u> | | <u>Positive Impact</u> | <u>Neutral Impact</u> | <u>Negative Impact</u> |
|-----------------------------------|---|-------------------------------|------------------------------|-------------------------------|
| 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 31st January 2010.
- 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 for 2010/2011 assumes a collection rate of 98.25%, which is the same as that used for 2009/2010 and which reflects that collection will remain challenging in the current economic climate. A prudent view has been taken in estimating the number of new properties that will be completed in 2009/2010.

2. Council Tax Base 2010/11

- 2.1 The new tax base for 2010/11 is 93,050.25 Band D equivalent units for Sefton, an increase of 0.11% over the main tax base for 2009/10, which was 92,946.68 Band D equivalent units. 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 2010/11 shall be as follows:

| | | |
|---------------------------------------|---|-----------|
| In the Metropolitan Borough of Sefton | - | 93,050.25 |
| In the Parish of Aintree Village | - | 2,277.05 |
| " " " " Ince Blundell | - | 191.26 |
| " " " " Little Altcar | - | 286.52 |
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| " " " " Formby | - | 9,528.00 |

| Chargeable Dwellings | Band A | Band B | Band C | Band D | Band E | Band F | Band G | Band H | Total |
|--|---------------|-----------------|----------------|----------------|----------------|---------------|---------------|---------------|-----------------|
| (a) No. of dwellings shown on Banding List by The Valuation Officer on 23rd November 2009 | 38808 | 26238 | 29862 | 14838 | 8056 | 3833 | 2778 | 233 | 124646 |
| (b) LESS Estimated Exempt Dwellings | 2358 | 848 | 731 | 314 | 149 | 84 | 65 | 5 | 4554 |
| (c) Estimate of dwellings subject to DPR + | 77 | 141 | 236 | 154 | 111 | 93 | 44 | 0 | 923 |
| Estimate of dwellings subject to DPR - | 0 | 77 | 141 | 236 | 154 | 67 | 93 | 44 | 923 |
| (d) Estimated no. of "H" chargeable Dwellings | 77 | 36514 | 25485 | 29049 | 14481 | 7863 | 3775 | 2664 | 120092 |
| "R" second homes where discount reduced to 10% | 165 | 134 | 151 | 73 | 46 | 20 | 26 | 5 | 620 |
| "S" relevant percentage | 10% | 10% | 10% | 10% | 10% | 10% | 10% | 10% | 10% |
| "Q" total number of dwellings adjusted | 16.5 | 13.4 | 15.1 | 7.3 | 4.6 | 2 | 2.6 | 0.5 | 62 |
| Adjusted no. of chargeable dwellings | 77 | 36497.5 | 25471.6 | 29033.9 | 14473.7 | 7858.4 | 3773 | 2661.4 | 120030 |
| (a) Estimated no. dwellings subject to 25% discount | 24 | 20920 | 10426 | 9314 | 4002 | 1680 | 670 | 424 | 47482 |
| (b) PLUS Estimated no. of dwellings subject to 50% discount (x2) | 92 | 130 | 98 | 102 | 66 | 134 | 112 | 10 | 744 |
| (d) Total no. of 25% discounts "I" | 24 | 21012.00 | 10556.00 | 9412.00 | 4104.00 | 1746.00 | 804.00 | 536.00 | 48226.00 |
| (e) x 25% - no. of properties "I" x "E" | 6.00 | 5253.00 | 2639.00 | 2353.00 | 1026.00 | 436.50 | 201.00 | 134.00 | 12056.50 |
| 3. (a) Estimated no. of "H" chargeable Dwellings | 77 | 36497.5 | 25471.6 | 29033.9 | 14473.7 | 7858.4 | 3773 | 2661.4 | 120030 |
| (b) LESS no. of properties discounted ("I" x "E") | 6.00 | 5253.00 | 2639.00 | 2353.00 | 1026.00 | 436.50 | 201.00 | 134.00 | 12056.50 |
| Sub-Total "H" - ("I" x "E") | 71 | 31244.50 | 22832.6 | 26680.9 | 13447.7 | 7421.9 | 3572 | 2527.4 | 107973.5 |

4. Calculation of Item "J"

Adjustments to List

(a) Estimated additions to List

23rd November 2009 to 31st March 2011 109 57 11 46 6 3 3 2 237

(b) Estimated deletions from List

23rd November 2009 to 31st March 2011 -75 -8 -6 -4 -3 -3 -2 -1 -102

(c) Total adjustment in respect of changes to

Banding List during the year "J" 34 49 5 42 3 0 1 1 135

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

71.00 31278.50 22881.60 26685.90 13489.70 7424.90 3572.00 2528.40 176.50 108108.50

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)

39.44 20852.33 17796.80 23720.80 13489.70 9074.88 5159.56 4214.00 353.00 94700.51

7. RELEVANT AMOUNT (A) =

94700.51

x 98.25% EST. COLLECTION RATE

- COUNCIL TAX BASE

93043.25

8. Add estimate of No. of Band D

equivalent prop where M.O.D.

to pay contributions in lieu.

7.00

9. TAX BASE FOR SEFTON

93050.25