

SUBJECT: COUNCIL TAX 2019/20

REPORT BY: CHIEF EXECUTIVE & TOWN CLERK

LEAD OFFICER: JACLYN GIBSON, CHIEF FINANCE OFFICER

1. Purpose of Report

1.1 In light of the report on the Medium Term Financial Strategy, which appears elsewhere on this agenda, this report will set out the City Council's council tax requirement and, together with the requirements of the County Council and the Police & Crime Commissioner Lincolnshire, and will allow Members to make a formal recommendation to Council for the overall levels of council tax for 2019/20.

2. City Council Requirement 2019/20

2.1 The net General Fund Budget requirement as set out in the Medium Term Financial Strategy report totals £13,654,870 which includes a contribution to balances of £554,410.

2.2 For 2019/20 a council tax increase of 2.93% has been applied.

2.3 The council tax requirement for 2019/20 is £6,678,820

2.4 By reference to the Band D level, the 2019/20 council tax would rise by £7.83 to £274.86 per annum. The range of council taxes will be:

Band	2018/19 Council Tax £	2019/20 Council Tax £
A	178.02	183.24
B	207.69	213.78
C	237.36	244.32
D	267.03	274.86
E	326.37	335.94
F	385.71	397.02
G	445.05	458.10
H	534.06	549.72

3. Requirements of the Police & Crime Commissioner and the County Council

3.1 The County Council and the Police & Crime Commissioner Lincolnshire are due to agree their 2019/20 council tax requirements on the 22nd and 27th February 2019 respectively. The County Council have provisionally agreed to a 4.95% increase, whereas the Police & Crime Commissioner have proposed an increase of 11.01%.

At Band D council tax level these are as follows: -

	£
Police & Crime Commissioner	241.38
Lincolnshire County Council	1,292.40

Should any final amendments be made to either the County Council or the Police and Crime Commissioner's Band D equivalents, these will be reported to Full Council at its meeting on the 4th March 2019 when it will formally approve the overall council tax levels for 2019/20.

4. Total Council Tax 2019/20

4.1 The council tax requirements for all the authorities for 2019/20 is summarised as follows:

	£	% share
City of Lincoln Council	274.86	15.2%
Police & Crime Commissioner Lincolnshire	241.38	13.3%
Lincolnshire County Council	1,292.40	71.5%
Total Band D Charge	1,808.64	100.0%

This represents an overall increase of 5.40% for 2019/20.

5. Strategic Priorities

5.1 There are no direct impacts on the Council's strategic priorities. Council Tax income is a key source of revenue funding by which the Council is able to fund the services it delivers in support of its Vision 2020.

6. Organisational Impacts

6.1 Finance – The council tax requirement is in accordance with the Council's 2019/20 budget requirement and MTFS 2019-2024 which appear elsewhere on this agenda for approval.

6.2 Legal including Procurement Rules - Local authorities must decide, prior to the 11th March, each year how much they are going to raise from Council Tax.

6.3 The Local Government Finance Act 1992 sets out the legislative powers for each billing authority to levy and collect Council Tax which shall be payable in respect of dwellings situated in its area.

7. Risk Implications

7.1 There are no direct risk implications arising as a result of this report.

8. Formal Council Tax Recommendation 2019/20

8.1 The Executive is requested to recommend to Council:

1. Acceptance of the 7th January 2019 Executive Committee recommendation that the Council Tax Base for 2019/20, as calculated in accordance with The Local Authorities (Calculation of Council tax Base) (England) Regulations 2012, to be 24,299.
2. That the following amounts be calculated for the year 2019/20 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:
 - a) £105,017,630 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
 - b) £98,338,810 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - c) £6,678,820 being the amount by which the aggregate at 2(a) above exceeds the aggregate at 2(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31A (4) of the Act).
 - d) £274.86 being the amount at 2(c) above (Item R), all divided by Item T (1 above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
 - e) £0 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act
 - f) £274.86 being the amount at 2c) above less the amount at 2e) above, all divided by the amount at 1 above, calculated by the Council in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year

g) **City of Lincoln Council**

A	B	C	D
£183.24	£213.78	£244.32	£274.86
E	F	G	H
£335.94	£397.02	£458.10	£549.72

being the amounts given by multiplying the amount at 2f) above by the number which, in proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular band divided by the number which in proportion is applicable to dwellings listed in Valuation Band D, calculated by the Council,

in accordance with Section 36(1) of the Act, as the amounts to be taken for the year in respect of categories of dwellings listed in different bands.

3. That it be noted that for the year 2019/20 Lincolnshire County Council have stated the following amounts in precepts issued to the Council, in accordance with the dwelling bandings shown below:

Lincolnshire County Council

A	B	C	D
£861.60	£1,005.20	£1,148.80	£1,292.40
E	F	G	H
£1,579.60	£1,866.80	£2,154.00	£2,584.80

4. That it be noted that for the year 2019/20 Police & Crime Commissioner Lincolnshire have stated the following amounts in precepts issued to the Council, in accordance with the dwelling bandings shown below:

Police & Crime Commissioner Lincolnshire

A	B	C	D
£160.92	£187.74	£214.56	£241.38
E	F	G	H
£295.02	£348.66	£402.30	£482.76

5. That having calculated the aggregate in each case of the amounts at 2g, 3 and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following as the amounts of Council Tax for the year 2019/20 in accordance with the dwelling bandings shown below:

Total Council Tax Charge 2019/20

A	B	C	D
£1,205.76	£1,406.72	£1,607.68	£1,808.64
E	F	G	H
£2,210.56	£2,612.48	£3,014.40	£3,617.28

Is this a key decision? No – referral to Full Council

Do the exempt information categories apply? No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply? No

How many appendices does the report contain? None

List of Background Papers: None

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