

**SUBJECT: COUNCIL TAX 2015-2016**

**REPORT BY: DIRECTOR OF RESOURCES**

**LEAD OFFICER: LOUISE ALLISON – FINANCIAL SERVICES MANAGER**

## 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, will allow members to make a formal recommendation to Council for the overall levels of Council Tax for 2015/16.

## 2. City Council Requirement 2015/16

2.1 The net General Fund Budget requirement as set out in the Medium Term Financial Strategy report totals £12,122,941 which includes a contribution from balances of £233,319.

2.2 For 2015/16 a Council Tax increase of 1.91% has been applied.

2.3 The Localism Act 2011 has made significant changes to the Local Government Finance Act 1992, and now requires the billing authority to calculate a council tax requirement for the year, not its budget requirement as previously.

2.4 The Council Tax requirement for 2015/16 is £5,636,661.

2.5 By reference to the Band D level, the 2015/16 Council Tax would rise by £4.67 to £249.74 per annum. The range of Council Taxes will be:

<b>Band</b>	<b>2014/15 Council Tax £</b>	<b>2015/16 Council Tax £</b>
A	163.38	166.50
B	190.61	194.25
C	217.84	222.00
<b>D</b>	<b>245.07</b>	<b>249.75</b>
E	299.53	305.25
F	353.99	360.75
G	408.45	416.25
H	490.14	499.50

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

3.1 The County Council and the Police & Crime Commissioner for Lincolnshire will agree their 2015/16 Council Tax requirements on the 20th and 24th of February 2015 respectively. The County Council are expected to agree to a 1.9% increase, whereas the Police & Crime Commissioner is expected to agree to an increase of 1.95%.

At Band D Council Tax level these are as follows: -

	£	
Police & Crime Commissioner	197.64	
Lincolnshire County Council	1,085.94	

#### 4. Total Council Tax 2015/16

4.1 The council tax requirements for all the authorities for 2015/16 is summarised as follows:

	£	% share
City of Lincoln Council	249.75	16.29
Police & Crime Commissioner Lincolnshire	197.64	12.89
Lincolnshire County Council	1,085.94	70.82
<b>Total Band D Charge</b>	<b>1,533.33</b>	<b>100.00</b>

This represents an overall increase of 1.91% for 2015/16.

#### 5. Organisational Impacts

- 5.1 Local authorities must decide, prior to 11 March, each year how much they are going to raise from Council Tax.
- 5.2 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.

#### 6. Formal Council Tax Recommendation 2015/16

6.1 The Executive is requested to recommend to Council:

1. That the following, as submitted, be approved:
  - a) the revenue estimates for the year 2015/16
  - b) the capital programme for the year 2015/16
2. Acceptance of the 15<sup>th</sup> December 2014 Executive Committee recommendation that the Council Tax Base for 2015/16, as calculated in accordance with The Local Authorities (Calculation of Council tax Base) (England) Regulations 2012, to be 22,569.
3. That the following amounts be calculated for the year 2015/16 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:
  - a) £102,432,900 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) £96,796,239 being the aggregate of the amounts which the

Council estimates for the items set out in Section 31A(3) of the Act.

- c) £5,636,661 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(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) £249.75 being the amount at 3(c) above (Item R), all divided by Item T (2 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) £249.75 being the amount at 3c) above less the amount at 3d) above, all divided by the amount at 2 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** being the amounts given by multiplying the amount at 3f) 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.

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
£166.50	£194.25	£222.00	£249.75
<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
£305.25	£360.75	£416.25	£499.50

3. That it be noted that for the year 2015/16 Lincolnshire County Council have stated the following amounts in precepts issued to the Council, in accordance with the dwelling bandings shown below:

<b>Lincolnshire County Council</b>			
<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
£723.96	£844.62	£965.28	£1,085.94
<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
£1,327.26	£1,568.58	£1,809.90	£2,171.88

4. That it be noted that for the year 2015/16 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**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
£131.76	£153.72	£175.68	£197.64
<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
£241.56	£285.48	£329.40	£395.28

5. That having calculated the aggregate in each case of the amounts at 3f, 4 and 5 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 2015/16 in accordance with the dwelling bandings shown below:

**Total Council Tax Charge 2015/16**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
£1,022.22	£1,192.59	£1,362.96	£1,533.33
<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
£1,874.07	£2,214.81	£2,555.55	£3,066.66

**Key Decision** No

**Do the Exempt Information Categories Apply** No

**Call In and Urgency:** Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply? No

**Does the report contain Appendices?** No

**List of Background Papers:** None.

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