

Report of the Head of Finance

Council Tax 2015-16

1 Purpose of report

To enable the Council to calculate and set the Council Tax for 2015-16

2 Executive summary

2.1 This report provides details of the Council Tax for the Borough Council of Wellingborough as recommended by the Resources Committee for approval and details of the Council Taxes for the County Council, Police and Parish Councils.

2.2 The Borough Council of Wellingborough is not recommending an increase in Council Tax.

2.3 Both the County Council and the Northamptonshire Police and Crime Commissioner are intending to increase their Council Tax for 2015-16. Any changes to these intentions will be reflected in amended calculations and the resolution updated accordingly.

3 Appendices

Appendix A 2015-16 Council Tax Resolution.

Appendix B 2015-16 Parish Council Precepts.

Appendix C Medium Term Financial Projections 2015-16 to 2018-19

4 Proposed action:

4.1 The Council is invited to APPROVE the resolution attached at Appendix A.

5 Background

5.1 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.

5.2 This report sets out the necessary calculations and resolution for the Council to set a Council Tax as recommended by the Resources Committee at its meeting on 4 February 2015.

6 Discussion

6.1 Borough Council

The Resources Committee have considered the budget proposals for 2015-16 as part of the medium term financial strategy and the revised recommendation is to freeze the Borough element of Council Tax at £95.71

A revised copy of the medium term financial plan is attached at Appendix C for information.

6.2 Wellingborough Town Special Expense Area

Wellingborough Council recovers an element of its Council Tax via a Special Expense Area. These charges are applicable in the area referred to as "Wellingborough Town". Special Expenses in the main are charges for the upkeep of parks and the maintenance of "open space assets"

The special expense charge applies in this area because Wellingborough Council owns and maintains open space assets in this area. In other areas of the Borough open space assets are owned and maintained by parish councils who will charge residents accordingly for these services, via their parish precept.

This means that only the actual expenses for costs incurred can be recovered and not just be an increase of a fixed percentage. After reviewing the budget for this area and comparing it with the tax base, the resultant band D charge will reduce in 2015-16 to £59.24 (£60.43 in 2014-15) which is a reduction of 1.97%.

6.3 Parish Councils

The Parish Council precepts for 2015-16 are detailed in Appendix B and total £458,625. Some parishes have increased their charge and some, like the special expense area, have reduced. The average council tax for the Borough including Parish Precepts and Special Expenses is £150.99 (£151.41 in 2014-15).

6.4 Northamptonshire County Council

Northamptonshire County Council cabinet met on 10 February 2015 and are recommending a tax increase of 1.95% which would result in a Band D Council Tax of £1,069.02 (£1,048.57 in 2014-15); this will be considered at their Council meeting on 19 February.

6.5 Northamptonshire Police and Crime Commissioner

The Northamptonshire Police and Crime Commissioner consulted on his proposed precept level with the Police and Crime Panel on 3 February 2015. The Panel resolved to support the Commissioner's proposal to increase the precept by 1.99%, which would result in a Band D Council Tax of £200.96 (£197.04 in 2014-15).

However, before the Commissioner can formally issue the precept he has to respond formally to the Panel's resolution; and that response must be published. We expect the Commissioner will approve his response and the precept prior to 24 February 2015.

7 Legal powers

Local Government Finance Act 1992 (as amended)

8 Financial and value for money implications

None arising specifically from the report

9 Risk analysis

Nature of risk	Consequences if realised	Likelihood of occurrence	Control measures
Failure to set the Council Tax fully in accordance with law	Council Tax bills may not be issued and could be unenforceable if issued	Low	Committee consideration and responsible professional officer supervision

10 Implications for resources

None arising specifically from the report

11 Implications for stronger and safer communities

None arising specifically from the report

12 Implications for equalities

None arising specifically from the report

13 Author and contact officer

Samantha Knowles, Principal Accountancy Manager.

14 Consultees

Liz Elliott, Head of Finance.

15 Background papers

Revenue Budget 2015-16 and the Medium Term Financial Strategy Projections

2015-16 Council Tax Resolution

Recommendation

1. That the recommendations of the Resources Committee relating to the Revenue Estimates 2015/16 be approved.

2. (a) That it be noted that at its meeting on the 20 January 2015, the Council calculated the amount of 23,190 as its council tax base for the year 2014/15, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, made under Section 33(5) of the Local Government Finance Act 1992.

- (b) That the following amounts are calculated by the Council, in accordance with regulation 6 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as the amounts of council tax base for the year 2014/15 for dwellings in those parts of its area to which one or more special items relate (*Tax base for parishes and Wellingborough special expenses*)

Parish of	Tax Base
Bozeat	730
Great Doddington	473
Earls Barton	1,836
Easton Maudit	39
Ecton	223
Finedon	1,388
Grendon	236
Hardwick	43
Great Harrowden	42
Little Harrowden	329
Irchester	1,453
Isham	306
Mears Ashby	216
Orlingbury	226
Strixton	15
Sywell	348
Wilby	214
Wollaston	1,172
Wellingborough	13,901
Total	23,190

- That the following amounts be now calculated by the Council for the year 2015/16 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:-
3.
 - (a) £46,590,115 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) £43,088,555 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £3,501,560 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 31B of the Act).
 - (d) £150.99 being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
 - (e) £1,282,120 being the aggregate amount of all special items referred to in Section 34(1) of the Act (as per the attached Appendix B).
 - (f) £95.71 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

(g) **Part of the Council's area**

Parish of	£
Bozeat	40.96
Great Doddington	46.51
Earls Barton	52.83
Easton Maudit	25.00
Ecton	53.40
Finedon	36.90
Grendon	59.32
Hardwick	37.21
Great Harrowden	28.10
Little Harrowden	61.99
Irchester	53.51
Isham	63.91
Mears Ashby	41.67
Orlingbury	32.95
Strixton	66.67
Sywell	51.72
Wilby	46.26
Wollaston	56.14
Wellingborough	59.24

The amounts stated in column 5 of the Schedule 1 (attached) given by adding to the amount at 3(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area specified in column 1 of Schedule 1 divided in each case by the amount at 1(a) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area set out in column 1 of Schedule 1 (attached) to which one or more special items relate. *(Council tax at Band D for those parishes that have issued a precept and Wellingborough special expenses added to this Council's council tax.)*

(h) Valuation Bands

being the amounts given by multiplying the amount at 3(f) and 3(g) above by the number, which in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that 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 into account for the year in respect of categories of dwellings listed in different valuation bands. *(This Council and each Parish Council's combined council tax for each Council Tax Band and which will appear on the council tax bill).*

	A £	B £	C £	D £	E £	F £	G £	H £
Bozeat	91.12	106.30	121.49	136.67	167.04	197.41	227.79	273.34
Gt Doddington	94.82	110.61	126.42	142.22	173.83	205.43	237.04	284.44
Earls Barton	99.03	115.53	132.04	148.54	181.55	214.56	247.57	297.08
Easton Maudit	80.48	93.88	107.30	120.71	147.54	174.36	201.19	241.42
Ecton	99.41	115.97	132.55	149.11	182.25	215.38	248.52	298.22
Finedon	88.41	103.14	117.88	132.61	162.08	191.55	221.02	265.22
Grendon	103.36	120.58	137.81	155.03	189.48	223.93	258.39	310.06
Hardwick	88.62	103.38	118.16	132.92	162.46	192.00	221.54	265.84
Gt Harrowden	82.54	96.30	110.06	123.81	151.32	178.84	206.35	247.62
Lt Harrowden	105.14	122.65	140.18	157.70	192.75	227.79	262.84	315.40
Irchester	99.48	116.06	132.64	149.22	182.38	215.54	248.70	298.44
Isham	106.42	124.15	141.89	159.62	195.09	230.56	266.04	319.24
Mears Ashby	91.59	106.85	122.12	137.38	167.91	198.44	228.97	274.76
Orlbury	85.78	100.07	114.37	128.66	157.25	185.84	214.44	257.32
Strixton	108.26	126.29	144.34	162.38	198.47	234.55	270.64	324.76
Sywell	98.29	114.67	131.05	147.43	180.19	212.96	245.72	294.86
Wilby	94.65	110.42	126.20	141.97	173.52	205.07	236.62	283.94
Wollaston	101.24	118.10	134.98	151.85	185.60	219.34	253.09	303.70
Wellingborough	103.30	120.52	137.74	154.95	189.38	223.82	258.25	309.90

4. That it be noted that for the year 2015/16 the major precepting authorities have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below :-

Valuation Bands

	A £	B £	C £	D £	E £	F £	G £	H £
Northants County Council	712.68	831.46	950.24	1,069.02	1,306.58	1,544.14	1,781.70	2,138.04
Northants PCC	133.97	156.30	178.63	200.96	245.62	290.28	334.93	401.92

5. That, having calculated the aggregate in each case of the amounts at 3(h) and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2015/16 for each of the categories of dwellings shown below:- *Total Council Tax in each band for each parish*)

Valuation Bands

	A £	B £	C £	D £	E £	F £	G £	H £
Bozeat	937.77	1,094.06	1,250.36	1,406.65	1,719.24	2,031.83	2,344.42	2,813.30
Gt Doddington	941.47	1,098.37	1,255.29	1,412.20	1,726.03	2,039.85	2,353.67	2,824.40
Earls Barton	945.68	1,103.29	1,260.91	1,418.52	1,733.75	2,048.98	2,364.20	2,837.04
Easton Maudit	927.13	1,081.64	1,236.17	1,390.69	1,699.74	2,008.78	2,317.82	2,781.38
Ecton	946.06	1,103.73	1,261.42	1,419.09	1,734.45	2,049.80	2,365.15	2,838.18
Finedon	935.06	1,090.90	1,246.75	1,402.59	1,714.28	2,025.97	2,337.65	2,805.18
Grendon	950.01	1,108.34	1,266.68	1,425.01	1,741.68	2,058.35	2,375.02	2,850.02
Hardwick	935.27	1,091.14	1,247.03	1,402.90	1,714.66	2,026.42	2,338.17	2,805.80
Gt Harrowden	929.19	1,084.06	1,238.93	1,393.79	1,703.52	2,013.26	2,322.98	2,787.58
Lt Harrowden	951.79	1,110.41	1,269.05	1,427.68	1,744.95	2,062.21	2,379.47	2,855.36
Irchester	946.13	1,103.82	1,261.51	1,419.20	1,734.58	2,049.96	2,365.33	2,838.40
Isham	953.07	1,111.91	1,270.76	1,429.60	1,747.29	2,064.98	2,382.67	2,859.20
Mears Ashby	938.24	1,094.61	1,250.99	1,407.36	1,720.11	2,032.86	2,345.60	2,814.72
Orlingbury	932.43	1,087.83	1,243.24	1,398.64	1,709.45	2,020.26	2,331.07	2,797.28
Strixton	954.91	1,114.05	1,273.21	1,432.36	1,750.67	2,068.97	2,387.27	2,864.72
Sywell	944.94	1,102.43	1,259.92	1,417.41	1,732.39	2,047.38	2,362.35	2,834.82
Wilby	941.30	1,098.18	1,255.07	1,411.95	1,725.72	2,039.49	2,353.25	2,823.90
Wollaston	947.89	1,105.86	1,263.85	1,421.83	1,737.80	2,053.76	2,369.72	2,843.66
Wellingborough	949.95	1,108.28	1,266.61	1,424.93	1,741.58	2,058.24	2,374.88	2,849.86

6. The Council has determined that its relevant basic amount of Council Tax for 2015/16 is **not** excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

As the billing authority, the Council has **not** been notified by a major precepting authority that its relevant basic amount of Council Tax for 2015/16 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.

2015-16 Parish Council Precepts

Appendix B

Parish/Town Council	2014-15			2015-16			Council Tax Change
	Tax Base	Precepts £	Council Tax Band D £	Tax Base	Precepts £	Council Tax Band D £	
Bozeat	719	29,112	40.49	730	29,900	40.96	1.16%
Great Doddington	465	22,000	47.31	473	22,000	46.51	-1.69%
Earls Barton	1,734	90,831	52.38	1,836	96,995	52.83	0.86%
Easton Maudit	37	975	26.35	39	975	25.00	-5.12%
Ecton	206	11,000	53.40	223	11,908	53.40	0.00%
Finedon	1,308	47,263	36.13	1,388	51,218	36.90	2.13%
Grendon	235	14,000	59.57	236	14,000	59.32	-0.42%
Hardwick	43	1,500	34.88	43	1,600	37.21	6.68%
Great Harrowden	41	1,180	28.78	42	1,180	28.10	-2.36%
Little Harrowden	303	20,394	67.31	329	20,394	61.99	-7.90%
Irchester	1,447	75,491	52.17	1,453	77,755	53.51	2.57%
Isham	305	19,173	62.86	306	19,557	63.91	1.67%
Mears Ashby	213	7,500	35.21	216	9,000	41.67	18.35%
Orlingbury	226	7,300	32.30	226	7,446	32.95	2.01%
Strixton	15	900	60.00	15	1,000	66.67	11.12%
Sywell	345	17,500	50.72	348	18,000	51.72	1.97%
Wilby	214	11,500	53.74	214	9,900	46.26	-13.92%
Wollaston	1,148	63,190	55.04	1,172	65,797	56.14	2.00%
Total Parishes	9,004	440,809	48.96	9,289	458,625	49.37	0.84%
Wellingborough Town	12,830	775,317	60.43	13,901	823,495	59.24	-1.97%
TOTAL	21,834	1,216,126		23,190	1,282,120		

Medium Term Financial Projections 2015-16 to 2018-19

	2014/15	2015/16	2016/17	2017/18	2018/19
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Current spending levels B/F	10,962	10,922	10,046	9,959	9,748
Net Changes - Standstill Budget		- 50			
Revised spending levels	10,962	10,872	10,046	9,959	9,748
Inescapable pressures - Operational:					
Pay Inflation		-	100	100	100
Additional Contributions to offset Pension Strain	100	70	70	70	70
Insurance premiums	60	-30			
NI pressures from national contracting out changes			90		
Local Plan pressures		87	126	-213	
Borough Elections		100	-100		
Partnership/Contract Savings:					
Norse Partnership fee changes	-100	-205	-40	-40	-40
Castle Contact Savings - 15% Annual		-38	-33	-28	-24
Contract & Procurement savings	-100	-300	-		
Service Transformation					
Shared Services		-175			
Asset Management & Service Review:					
Glamis Hall		-185			
Statutory/National Changes:					
Changes in welfare reform demand pressures		-150	-100		
Invest to Save:					
Crematorium Operating net income			-100	-100	
Investment property income			-100		
Total Changes to Base spending levels	-40	-826	-87	-211	106
Revised spending levels C/F	10,922	10,046	9,959	9,748	9,854
Financed by:					
Previous use of reserves or savings to be identified:	-1,007	-564	-575	-1,136	-1,260
Central Government Funding	-2,437	-1,663	-1,135	-742	-496
Efficiency Support Grant (one off)	-	-74	-	-	-
Council Tax Freeze Grant	-	-32	-	-	-
Business Rates Retention Scheme - Baseline	-2,156	-2,197	-2,239	-2,281	-2,325
Business Rates Retention Scheme - Growth	-570	-786	-400	-400	-400
Business Rates Retention Scheme - Pooling Benefit	-	-190	-190	-190	-190
Section 31 Grant	-	-501	-	-	-
Business Rates Collection Fund (-surplus/deficit)	170	699	-	-	-
Total Business Rates Income	-2,556	-2,975	-2,829	-2,871	-2,915
Council Tax - Baseline	-3,287	-3,371	-3,384	-3,455	-3,527
Council Tax - Growth (1.5%)	-	-130	-163	-200	-241
Council Tax - Band D Increase (1.99%)	-	-	-61	-64	-66
Council Tax Collection Fund (-surplus/deficit)	-40	-130	-	-	-
Total Council Tax Income	-3,327	-3,631	-3,608	-3,719	-3,834
New Homes Bonus additional income above current budget	-848	-1,001	-1,251	-1,156	-1,090
Planned use of Ear Marked Reserves	-120	-95	-	-	-
Total On going Funding available	-9,288	-9,471	-8,823	-8,488	-8,335
Total Funding including the one off use of reserves from previous years	-10,295	-10,035	-9,398	-9,624	-9,595
Additional savings needed to balance budget/additional use of reserves (+) or reduced need for reserves (-)	627	11	561	124	259
Original Cumulative Total Savings needed:	1,580	575	1,136	1,260	1,519
Changes as a result of in year Budget Monitoring	-1,016	-	-	-	-
Revised Cumulative Total Savings needed:	564	575	1,136	1,260	1,519
General Fund Reserves as at 1st April	-3,984	-3,984	-4,378	-3,242	-1,982
Less used to fund annual base shortfalls	564	575	1,136	1,260	1,519
Use of Budget Implementation reserve	-564	-429			
Business Rates Equalisation Reserve					
Contribution -to/from GF Reserves		-540			
Total revised General Fund Balance	-3,984	-4,378	-3,242	-1,982	-463
Minimum Level of Reserves £1.75m					

