



**CALCULATION OF COUNCIL TAX FOR 2015/16 (PROVISIONAL)**  
**REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)**

**WARDS AFFECTED: ALL WARDS**

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1 PURPOSE OF REPORT

- 1.1 To obtain approval of Council Tax for 2015/16.
- 1.2 **Members should note that this is a provisional report. A supplementary report will be issued for the meeting held on 19<sup>th</sup> February 2015 following final approval of the Council Tax for all parish councils and the major preceptors.**

2 RECOMMENDATIONS

- 2.1 That the following be approved in accordance with the Local Government Finance Act (1992) for 2015/16:
- A Council budget requirement excluding Special Expenses and Parish Councils of £9,668,339.
  - A Council budget requirement including Special Expenses of £10,242,560.
  - A total net budget requirement including Special Expenses and Parish Councils of £11,777,999.
  - A contribution from Revenue Support Grant (including the element indicated for Local Council Tax Support) and Non Domestic Rates (indicated by the NNDR Baseline) of £3,959,742.
  - A forecast transfer of £86,971 surplus from the Collection Fund to the General Fund.
  - A Band D Council Tax for Borough wide services, excluding Special Expenses and Parish Council precepts, of £95.96 (the same level as the previous 5 years)
  - A Band D Council Tax for Borough wide services and an average of Special Expenses Services of £112.09
  - An average Band D Council Tax relating to Borough wide services and an average of Special Expenses and Parish Council services of £155.22
  - The total Council Tax, including amounts for the County Council, Police and Crime Commissioner, and Combined Fire Authority and for each area and valuation band as detailed in Appendix A.

3 BACKGROUND TO REPORT

**Background**

- 3.1 The General Fund revenue budget for 2015/16 has been drawn up in accordance with the principles set out in the Budget Strategy (the Strategy) and in accordance with the Medium Term Financial Strategy. The key objectives of the

Strategy are summarised in the General Fund revenue budget 2015/16 presented alongside this report.

- 3.2 The Council Tax Base for 2015/16 is 35,599.6 and was approved, as delegated by the Deputy Chief Executive (Corporate Direction) on 12<sup>th</sup> December 2014.
- 3.3 In addition to the Borough wide element, the Borough Council, as billing authority, has to collect Council Tax on behalf of the County Council, the Office of the Police and Crime Commissioner, the Fire and Rescue Service, Parish Councils and the Special Expenses Area. These other bodies issue precepts to the Borough Council specifying the amounts to be collected. These amounts are then paid over during the year in accordance with statutory timescales.
- 3.4 The full “Budget Book” detailing further details on all Council budgets is available for members in the Members’ room. Members are requested to raise any specific questions directly with the Deputy Chief Executive (Corporate Direction), Chief Officer (Finance, Customer Services and Compliance), or the relevant service manager.

### **Council Tax 2015/16**

- 3.5 The approved budgets for this Council result in an average increase in Council Tax both excluding and including the Special Expenses area of Hinckley, of 0%. This ensures this Council is eligible for receipt of a Council Tax Freeze Grant for 2015/16 equivalent to 1% (£42,300). This amount and eligibility will be confirmed following approval of the Council Tax for 2015/16.
- 3.6 At the time of writing this report, formal ratification of the Council Tax and precept for Leicestershire County Council, The Office of the Police and Crime Commissioner for Leicestershire, Leicester, Leicestershire and Rutland Combined Fire Authority and a number of Parish Councils was pending. The figures in this report have therefore been based on proposed levels. Any change following formal ratification will be tabled at this meeting.
- 3.7 The proposed levels of increases for each of the precepting bodies are as follows:
- Leicestershire County Council - 1.99%
  - The Office of the Police and Crime Commissioner for Leicestershire – 1.99%
  - Leicester, Leicestershire and Rutland Combined Fire Authority – 1.99%
- 3.8 Based on these levels the resulting Council Tax amount for each valuation band is as follows:

<b>Valuation Band</b>	<b>A £</b>	<b>B £</b>	<b>C £</b>	<b>D £</b>	<b>E £</b>	<b>F £</b>	<b>G £</b>	<b>H £</b>
Leicestershire County Council	722.77	843.23	963.69	1,084.15	1,325.08	1,566.00	1,806.92	2,168.30
The Office of the Police and Crime Commissioner for Leicestershire	120.00	140.00	160.00	180.00	220.00	260.00	300.00	360.00
Leicester, Leicestershire and Rutland Combined Fire Authority	40.29	47.00	53.72	60.43	73.86	87.29	100.72	120.86

- 3.9 The 2015/16 Council Tax relating to the Hinckley Special Expense Area items of expenditure for Band D is £57.74, a decrease of 1.5% over 2014/15 due to the

movement in the tax base. For Council Tax freeze purposes however, the precept of the Special Expense Area is divided by the Council Tax base for Hinckley and Bosworth Borough Council. For this purpose the charge for this purpose has been frozen at £16.13.

3.10 The average 2015/16 Council Tax relating to Parish Council items of expenditure, including Special Expenses, for Band D is £59.26, an increase of 2.15% over 2014/15.

3.11 The average total amount of Council Tax due at Band D will be £1,479.80 for 2015/16, an increase of 1.87% over 2014/15. The actual percentage increase for each taxpayer will vary depending on the area in which they live.

3.12 In summary, the average band D Council Tax is made up as follows:

	<b>2015/16 Council Tax</b>	<b>2014/15 Council Tax</b>	<b>Increase</b>
Leicestershire County Council	£1,084.15	£1,063.00	1.99%
Leicester, Leicestershire and Rutland Combined Fire Authority	£60.43	£59.25	1.99%
The Office of the Police and Crime Commissioner for Leicestershire	£180.00	£176.48	1.99%
Hinckley & Bosworth Borough Council Including Special Expenses	£112.09	£112.09	0%
Parish Councils	£43.13	£41.88	2.98%
<b>Total Council Tax</b>	<b>£1,479.80</b>	<b>£1,452.70</b>	<b>1.87%</b>

## 5 FINANCIAL IMPLICATIONS (KP)

The Council Tax amounts above, when applied to the approved Council Tax Base, will provide sufficient income to meet the estimated Borough wide and Special Expenses area spending and Parish, County, Police and Fire precepts.

## 6 LEGAL IMPLICATIONS (EH)

The Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended) set out the requirement for the Council to confirm and formally approve its Council Tax Base and notify it to its precepting bodies.

Precept setting must be completed and submitted to the Council by the 31<sup>st</sup> March by precepting bodies. In the event this deadline is missed the Billing Authorities (Anticipation of Precepts) Regulations 1992 contain provisions for anticipating the precept, provided they have issued one in the last three years immediately previous.

## 7 CORPORATE PLAN IMPLICATIONS

Council Tax levels will have an indirect impact on all Corporate Plan targets

## 8 CONSULTATION

All budget holders, Corporate Operations Board and the Strategic Leadership Board have been consulted throughout the budget setting process.

## 9 RISK IMPLICATIONS

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision/project have been identified, assessed and that controls are in place to manage them effectively.

<b>Management of Significant (Net Red) Risks</b>		
<b>Risk Description</b>	<b>Mitigating Actions</b>	<b>Owner</b>
That the Council has insufficient resources to meet its aspirations and cannot set a balanced budget	<p>A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation.</p> <p>The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance.</p> <p>Sufficient levels of reserves and balances are maintained to ensure financial resilience</p>	S. Kohli

## 10 KNOWING YOUR COMMUNITY – EQUALITY & RURAL IMPLICATIONS

Precepts for parishes will fund expenditure on their services. Rural communities also benefit from services provided by other precepting authorities.

## 11 CORPORATE IMPLICATIONS

By submitting this report, the report author has taken the following into account:

- Community Safety Implications
- Environmental Implications
- ICT Implications
- Asset Management implications
- Human Resources Implications

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Background Papers: DCLG notifications  
Notification of precepts

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Executive Member Cllr. K.W.P. Lynch

## APPENDIX A

### COUNCIL TAX 2015/16

VALUATION BAND PROPORTION OF BAND D	A 6/9	B 7/9	C 8/9	D 9/9	E 11/9	F 13/9	G 15/9	H 18/9
Parish	£p	£p	£p	£p	£p	£p	£p	£p
HINCKLEY	985.52	1,149.77	1,314.03	1,478.28	1,806.79	2,135.29	2,463.80	2,956.56
BAGWORTH	1,009.03	1,177.21	1,345.38	1,513.55	1,849.89	2,186.24	2,522.58	3,027.10
BARLESTONE	992.42	1,157.82	1,323.23	1,488.63	1,819.44	2,150.24	2,481.05	2,977.26
BARWELL	991.75	1,157.05	1,322.34	1,487.63	1,818.21	2,148.80	2,479.38	2,975.26
BURBAGE	983.43	1,147.33	1,311.24	1,475.14	1,802.95	2,130.76	2,458.57	2,950.28
CADEBY	969.56	1,131.15	1,292.75	1,454.34	1,777.53	2,100.71	2,423.90	2,908.68
CARLTON	970.03	1,131.70	1,293.37	1,455.04	1,778.38	2,101.72	2,425.07	2,910.08
DESFORD	994.37	1,160.10	1,325.83	1,491.56	1,823.02	2,154.48	2,485.93	2,983.12
EARL SHILTON	990.18	1,155.21	1,320.24	1,485.27	1,815.33	2,145.39	2,475.45	2,970.54
GROBY	992.51	1,157.93	1,323.35	1,488.77	1,819.61	2,150.45	2,481.28	2,977.54
HIGHAM	973.53	1,135.78	1,298.04	1,460.29	1,784.80	2,109.31	2,433.82	2,920.58
MARKET BOSWORTH	979.29	1,142.51	1,305.72	1,468.94	1,795.37	2,121.80	2,448.23	2,937.88
MARKFIELD	989.75	1,154.70	1,319.66	1,484.62	1,814.54	2,144.45	2,474.37	2,969.24
NAILSTONE	974.92	1,137.41	1,299.89	1,462.38	1,787.35	2,112.33	2,437.30	2,924.76
NEWBOLD VERDON	988.28	1,152.99	1,317.71	1,482.42	1,811.85	2,141.27	2,470.70	2,964.84
OSBASTON	967.79	1,129.09	1,290.39	1,451.69	1,774.29	2,096.89	2,419.48	2,903.38
PECKLETON	980.76	1,144.22	1,307.68	1,471.14	1,798.06	2,124.98	2,451.90	2,942.28
RATBY	987.94	1,152.60	1,317.25	1,481.91	1,811.22	2,140.54	2,469.85	2,963.82
SHACKERSTONE	974.43	1,136.84	1,299.24	1,461.65	1,786.46	2,111.27	2,436.08	2,923.30
SHEEPY	973.93	1,136.26	1,298.58	1,460.90	1,785.54	2,110.19	2,434.83	2,921.80
STANTON-U-BARDON	976.94	1,139.76	1,302.59	1,465.41	1,791.06	2,116.70	2,442.35	2,930.82
STOKE GOLDING	975.25	1,137.80	1,300.34	1,462.88	1,787.96	2,113.05	2,438.13	2,925.76
SUTTON CHENEY	974.07	1,136.42	1,298.76	1,461.11	1,785.80	2,110.49	2,435.18	2,922.22
TWYCROSS	969.40	1,130.97	1,292.53	1,454.10	1,777.23	2,100.37	2,423.50	2,908.20
WITHERLEY	974.02	1,136.36	1,298.69	1,461.03	1,785.70	2,110.38	2,435.05	2,922.06