

For Publication

Collection fund revised estimates 2016/17 (FG000)

Meeting:	Cabinet
Date:	24 January 2017
Cabinet portfolio:	Finance & Governance
Report by:	Director of Finance & Resources

For publication

1.0 Purpose of report

- 1.1 To agree the revised estimate of the surplus or deficit on the Collection Fund for 2016/17 so that it can be shared amongst the major precepting authorities in 2017/18.

2.0 Recommendations

- 2.1 That the estimated surplus on the Council Tax of £367,981 be agreed and allocated to the major precepting authorities as detailed in Appendix A.

3.0 Background

- 3.1 The Local Government Finance Act 1992 requires Billing Authorities to calculate the estimated surplus or deficit on the Council Tax elements of the Collection Fund each year.
- 3.2 The Act prescribes that the estimated surplus or deficit should be allocated to the major precepting authorities in proportion to their

precepts and that the major preceptors should then take it into account when calculating their Council Taxes for the following financial year.

4.0 **Considerations**

4.1 Council Tax Transactions

4.1.1 The estimate of Council Tax income for the year 2016/17 is £45.3m.

4.1.2 The accumulated bad debt provision has been estimated at £2,247,690.

4.1.3 In setting the Council Tax for 2016/17 it was originally estimated that there would be a surplus from the previous year of £658,115 to allocate. However, at the end of 2015/16 the surplus was £761,594. The increase in surplus of £103,479 will be allocated in 2017/18.

4.1.4 The precepts on the fund in 2016/17 total £45.3m.

4.1.5 The net result of all of the above items is to produce an estimated surplus of £367,981 on the Fund at 31st March 2017. Appendix A shows how the surplus is to be shared between the major precepting authorities in 2017/18. The majority (73.86%) goes to the County Council. The Borough Council receives 10.41% of the surplus i.e. £38,296.

5.0 **Legal and data protection implications**

5.1 The Local Government Finance Act 1992 requires Billing Authorities to calculate the estimated surplus or deficit on the Council Tax elements of the Collection Fund each year.

6.0 **Alternative options**

6.1 None.

7.0 Recommendations

7.1 That the estimated surplus on the Council Tax of £367,981 be agreed and allocated to the major precepting authorities as detailed in Appendix A.

8.0 Reasons for recommendations

8.1 To fulfil a statutory requirement and to feed into the budget setting process for 2017/18.

Decision information

Key decision number	688
Wards affected	All
Links to Council Plan priorities	To become financially self-sufficient by 2020, so we can continue to deliver the services our Communities need.

Document information

Report author	Contact number/email
Richard Staniforth	01246 345456 richard.staniforth@chesterfield.gov.uk
Background documents These are unpublished works which have been relied on to a material extent when the report was prepared. Budget working papers, Accountancy Section.	
Appendices to the report	
Appendix A	Revised Collection Fund Estimates 2016/17