

Special Expenses Appendix

The “Draft General Fund Medium Term Financial Plan 2018/19 – 2022/23 and Draft Budget 2018/19” report that went to Cabinet on 20th December 2017 contained an Appendix 6 on special expenses. That appendix included an illustrative example of what the 2018/19 special expenses might be. Now that the costs of the new Environmental Services contract have been built in to the final budget it is possible to set out what the actual 2018/19 special expenses will be.

2018/19 Special Expenses

Table 1 below sets out the 2018/19 special expenses.

Table 1: 2018/19 Special Expenses

Area within the Borough	Basic amount of NBC council tax before special expense redistribution	Total special expense amount in NBC budget to be redistributed	Redistributed special expense amount by parish area	Net special expenses adjustment	Total NBC tax payable
	(a)	(b)	(c)	(d)	(e)
Billing	219.28	-10.07	10.20	0.13	219.40
Collingtree	219.28	-10.07	0.00	-10.07	209.21
Duston	219.28	-10.07	4.25	-5.83	213.45
Great Houghton	219.28	-10.07	0.00	-10.07	209.21
Hardingstone	219.28	-10.07	2.39	-7.68	211.60
Upton	219.28	-10.07	0.00	-10.07	209.21
Wootton	219.28	-10.07	3.46	-6.62	212.66
East Hunsbury	219.28	-10.07	15.76	5.69	224.97
Hunsbury Meadows	219.28	-10.07	0.00	-10.07	209.21
West Hunsbury	219.28	-10.07	6.34	-3.73	215.55
Unparished	219.28	-10.07	12.01	1.93	221.21
Average	219.28	-10.07	10.07	0.00	219.28

In the table above:

- Column (a) is the total amount of council tax to be raised by NBC divided by the total tax base. If there was no special expense adjustment, this would be the band D tax for NBC across all areas.
- Column (b) relates to the cost of parks and open spaces to be redistributed by special expenses. This amount is taken off all areas, before being redistributed in column (c).
- Column (c) is the redistribution of special expenses. This redistribution is based on the acreage of parks and open spaces whose costs are being redistributed.
- Column (d) is the net adjustment, ie, (b) + (c). This shows that some areas pay more due to special expenses and some pay less. However, note that overall this produces a net nil adjustment across all areas. Special expenses do not affect the overall amount raised by Council Tax and do not affect the average council tax for the Borough as a whole.
- Column (e) is then the total NBC council tax payable by each area. Again, note that the average amount has not changed from column (a).

The methodology for calculating special expenses is the same as has been used in previous years.

Increase in Special Expenses

The amount to be redistributed as special expenses has increased from £9.45 in 2017/18 to £10.07 in 2018/19 – this is an increase of £0.63. This increase is mainly due to the level of central government grant decreasing, which increases the amount of these costs to be recovered through council tax and special expenses.

Increase in Council Tax for Northampton Borough Council

Local authorities are required to hold a referendum if they wish to increase their council tax by 3% or more. This calculation is based on the basic amount of special expense, before the adjustment for special expenses: ie, column (a) in Table 1 above. In 2017/18 the basic amount of council tax for Northampton Borough Council was £212.91. This has increased by £6.37 to £219.28 in 2018/19. This is an increase of 2.99%.

Parish line on Council Tax Demands

If you live in a parished area, then on the Council tax demand that you receive, the special expenses charges are combined with the parish precepts to give an overall council tax that is specific to that area. Table 2 below shows these two element separately:

Table 2: Parish line on Council Tax Demands

Area within the Borough	2018/19			% change compared to 2017/18		
	NBC special expense	Parish Precept	Total specific to parished area	NBC special expense	Parish Precept	Total specific to parished area
Billing	10.20	56.82	67.01	5.5%	-0.1%	0.7%
Collingtree	0.00	38.63	38.63	n/a	-1.7%	-1.7%
Duston	4.25	84.61	88.85	7.8%	2.5%	2.7%
Great Houghton	0.00	71.45	71.45	n/a	-0.6%	-0.6%
Hardingstone	2.39	49.69	52.08	7.5%	-1.2%	-0.8%
Upton	0.00	14.61	14.61	n/a	35.0%	35.0%
Wootton	3.46	62.98	66.44	2.0%	8.2%	7.9%
East Hunsbury	15.76	46.60	62.37	7.1%	0.6%	2.2%
Hunsbury Meadows	0.00	29.07	29.07	n/a	-0.8%	-0.8%
West Hunsbury	6.34	10.91	17.25	8.4%	19.7%	15.3%