

Cabinet Report



Listening Learning Leading

Report of Head of Finance

Author: Vicky Johnson

Telephone: 01235 422481

Textphone: 18001 01235 422481

E-mail: Vicky.johnson@southandvale.gov.uk

Wards affected: All

Cabinet member responsible: Leigh Rawlins

Tel: 01189 722565

E-mail: leigh.rawlins@southoxon.gov.uk

To: CABINET on 2 December 2021

To: Council on 9 December 2021

Council tax base 2022/23

Recommendations

That Cabinet recommends Council to:

1. Approve the report of the head of finance for the calculation of the council's tax base and the calculation of the tax base for each parish area for 2022/2023.
2. Agree that, in accordance with The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by South Oxfordshire District Council as its council tax base for the year 2022/23 be 60,343.7
3. Agree that, in accordance with The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by South Oxfordshire District Council as the council tax base for the year 2022/23 for each parish be the amount shown against the name of that parish in Appendix A of the report of the head of finance to Cabinet on 2 December 2021.

Purpose of Report

1. The purpose of this report is to ask Cabinet to recommend the council tax base for 2022/23 to Council for approval.

Corporate Objectives

2. The calculation of the tax base is a legal requirement and an essential part of the tax setting process which helps to achieve the council's corporate objectives.

Background

3. Before the council tax can be set by the council, a calculation has to be made of the council tax base, which is an estimate of the taxable resources for the district as a whole and for each parish area.
4. The council tax base for the district has to be notified to Oxfordshire County Council and the Police and Crime Commissioner by 31 January 2022. Each parish and town council is also notified of the figure for its area.
5. The legislation requires that the council tax base is approved by full council or a non-executive body with delegated powers. No such delegation exists, so cabinet is therefore asked to recommend to council the schedule set out in **Appendix A** as the council tax base for the district as a whole and for each parish area.

Options - Calculation of the tax base

6. The starting point for the calculation is the total number of dwellings and their council tax band.
7. The council then allows for the following information, for each band:
 - (a) dwellings which will be entirely exempt so no tax is payable (e.g. those occupied entirely by students)
 - (b) dwellings which will attract a 25 per cent reduction (e.g. those with a single adult occupier)
 - (c) dwellings which will attract a 50 per cent reduction (e.g. those where all of the adult residents qualify for a reduction)
 - (d) dwellings which will be treated as being in a lower band because they have been adapted for a severely disabled person. The regulations provide methodology to take account of the reduction available to those in band A dwellings
 - (e) dwellings which will be on the valuation list but which attract discounts or disablement relief or are exempt, for only part of the year
8. Each band is then converted into "band D equivalents" by applying the factor laid down by legislation. For example, a band A dwelling is equal to $\frac{2}{3}$ of a band D dwelling and is therefore multiplied by $\frac{2}{3}$ to arrive at the band D equivalent figure, whilst a band H dwelling is equal to twice a Band D dwelling and is therefore multiplied by two to arrive at the Band D equivalent figure. All these are then added together to give a total of band D equivalents.
9. A final adjustment is required to allow for non-collection. The council is required to decide what its collection rate is likely to be and apply this to its council tax base. For the 2021/22 tax the council assumed 98 per cent would eventually be collected and it is proposed to use 98 per cent again in 2022/23.

Taxbase for 2022/23

10. Based on the assumptions detailed above the council tax base for 2022/23 is 60,343.7.

11. Similar calculations are required for each parish in order to calculate the proportion of the district's tax base which relates to its area. A schedule of the tax base for each parish is set out in **Appendix A**.
12. To calculate the council tax amounts payable per property band for the council, its council tax requirement (i.e. the amount of council tax to be raised) is divided by the Band D equivalent (taxbase). This will be finalised during January and February, culminating in the council tax being set by council on 17 February 2022 (this date is subject to the council being notified of the major precepting authorities' council tax requirements).

Climate and ecological impact implications

13. There are no direct climate and ecological implications arising from this report

Financial Implications

14. Any council decision that has financial implications must be made with the knowledge of the council's overarching financial position. For South, the position reflected in the council's medium-term financial plan (MTFP) as reported to Full Council in February 2021 showed that the council is due to receive £4.3 million less in revenue funding than it plans to spend in 2021/22 (with the balance coming from reserves including unallocated New Homes Bonus).
15. This funding gap is predicted to increase to over £5 million by 2025/26. As there remains no certainty on future local government funding, following the announcement of a one-year spending review by government, and as the long-term financial consequences of the Coronavirus pandemic remain unknown, this gap could increase further. Every financial decision made needs to be cognisance of the need to eliminate this funding gap in future years.
16. The financial implications and calculations for the taxbase are set out in the body of the report.

Legal Implications

17. These are set out in the body of the report.

Risks

18. The council's methodology for calculating the taxbase involves basing the calculation on actual dwellings at a certain point in time, rather than forecasting on potential new dwellings that may be built in the future. Because of this the risk exposure is considered to be low.

Conclusion

19. As covered above, the calculation of the tax base is a legal requirement and it is asked that Cabinet recommends the council tax base for 2022/23 to Council for approval in accordance with Appendix A.

Background Papers

None

Appendix A

PARISH COUNCIL TAX BASES - 2022-2023

PARISH/TOWN COUNCIL	NUMBER OF DWELLINGS 2022-23	NUMBER OF DWELLINGS 2021-22	PARISH TAX BASE 2022-23	PARISH TAX BASE 2021-22	% CHANGE ON YEAR	PARISH/TOWN COUNCIL	NUMBER OF DWELLINGS 2022-23	NUMBER OF DWELLINGS 2021-22	PARISH TAX BASE 2022-23	PARISH TAX BASE 2021-22	% CHANGE ON YEAR
Adwell	14	14	15.1	13.2	14.4%	Sandford on Thames	580	582	491.6	488.8	0.6%
Aston Rowant	351	351	438.8	434.4	1.0%	Shiplake	732	717	1,006.9	984.2	2.3%
Aston Tirrold & Upthorpe	227	227	271.4	267.3	1.5%	Shirburn	55	55	59.9	59.8	0.2%
Beckley & Stowood	254	254	282.8	281.5	0.5%	Sonning Common	1,752	1705	1,742.9	1,696.1	2.8%
Benson	1,979	1919	1,963.5	1,875.2	4.7%	South Moreton	132	132	126.1	129.4	-2.6%
Berinsfield	1,109	1107	668.6	670.5	-0.3%	South Stoke	222	222	230.1	225.7	1.9%
Berrick Salome	129	129	172.9	170.0	1.7%	Stadhampton	388	364	393.0	359.8	9.2%
Binfield Heath	288	288	327.7	329.9	-0.7%	Stanton St John	189	189	224.0	223.1	0.4%
Bix & Assendon	262	262	338.6	336.3	0.7%	Stoke Row	282	277	344.2	332.9	3.4%
Brightwell Baldwin	83	83	108.8	106.4	2.3%	Stoke Talmage	27	27	32.0	33.3	-3.9%
Brightwell cum Sotwell	650	632	685.7	664.3	3.2%	Swyncombe	118	117	145.5	141.2	3.0%
Britwell Salome	87	87	101.8	102.9	-1.1%	Sydenham	141	141	155.3	156.9	-1.0%
Chalgrove	1,183	1133	1,114.5	1,061.6	5.0%	Tetsworth	334	318	346.0	327.0	5.8%
Checkendon	220	217	252.5	247.7	1.9%	Thame	5,741	5697	4,978.9	4,924.8	1.1%
Chinnor	3,158	3088	2,936.2	2,848.5	3.1%	Tiddington with Albury	280	280	272.2	267.2	1.9%
Cholsey	1,869	1826	1,649.0	1,604.7	2.8%	Toot Baldon	59	59	73.4	71.3	2.9%
Clifton Hampden	255	254	288.8	286.2	0.9%	Towersey	185	183	193.5	189.5	2.1%
Crowell	47	47	58.1	58.2	-0.2%	Wallingford	3,845	3786	3,137.5	3,094.1	1.4%
Crowmarsh	774	730	759.2	706.6	7.4%	Warborough	433	441	485.8	502.7	-3.4%
Cuddesdon & Denton	205	204	180.5	175.0	3.1%	Waterperry with Thomley	83	83	97.2	94.8	2.5%
Culham	175	175	181.7	185.8	-2.2%	Waterstock	44	40	51.3	46.9	9.4%
Cuxham with Easington	60	60	63.0	61.6	2.3%	Watlington	1,242	1238	1,177.9	1,177.7	0.0%
Didcot	13,394	12959	10,499.4	10,115.8	3.8%	West Hagbourne	120	115	130.4	122.9	6.1%
Dorchester	482	480	551.6	554.1	-0.5%	Wheatfield	11	11	14.9	14.3	4.2%
Drayton St Leonard	117	118	132.1	134.6	-1.9%	Wheatley	1,938	1933	1,784.1	1,784.9	0.0%
East Hagbourne	503	498	509.9	511.2	-0.3%	Whitchurch on Thames	337	338	411.4	407.2	1.0%
Elsfield	47	48	54.1	56.0	-3.4%	Woodcote	1,057	1055	1,056.9	1,049.8	0.7%
Ewelme	427	427	377.3	374.8	0.7%	Woodeaton	29	29	37.3	38.0	-1.8%
Eye & Dunsden	156	149	192.6	188.2	2.3%						
Forest Hill with Shotover	418	417	376.2	374.7	0.4%	TOTAL	63,940	62,857	60,343.7	59,171.2	2.0%
Garsington	780	778	698.2	697.9	0.0%	(% Change on year)	1.7%		2.0%		
Goring	1,568	1556	1,756.1	1,736.8	1.1%						
Goring Heath	502	503	596.9	602.4	-0.9%						
Great Haseley	252	249	267.5	262.7	1.8%						
Great Milton	347	341	319.9	308.8	3.6%						
Harpsden	160	159	221.1	224.0	-1.3%						
Henley on Thames	6,084	6019	5,999.2	5,909.6	1.5%						
Highmoor	140	139	172.7	171.4	0.8%						
Holton	164	163	191.7	192.0	-0.2%						
Horspath	622	621	628.1	624.8	0.5%						
Ipsden	156	157	166.0	169.4	-2.0%						
Kidmore End	535	535	693.2	691.6	0.2%						
Lewknor	305	294	325.8	310.5	4.9%						
Little Milton	206	206	213.7	214.0	-0.1%						
Little Wittenham	28	28	35.3	33.9	4.1%						
Long Wittenham	363	362	347.3	344.8	0.7%						
Mapledurham	130	130	128.6	132.3	-2.8%						
Marsh Baldon	118	118	126.5	128.3	-1.4%						
Moulsford	218	218	255.4	258.6	-1.2%						
Nettlebed	345	342	367.7	357.3	2.9%						
Newington	44	44	56.8	56.3	0.9%						
North Moreton	159	160	191.2	194.4	-1.6%						
Nuffield	225	221	243.8	239.4	1.8%						
Nuneham Courtenay	103	103	105.7	106.8	-1.0%						
Pishill with Stonor	144	145	187.6	193.8	-3.2%						
Pyrton	92	92	117.8	115.7	1.8%						
Rotherfield Greys	172	158	232.4	206.9	12.3%						
Rotherfield Peppard	699	699	944.9	945.3	0.0%						