

# Cabinet Report



Listening Learning Leading

Report of Head of Finance

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To: CABINET on 1 December 2022

To: Council on 8 December 2022

## Council tax base 2023/24

### Recommendations

That Cabinet recommends Council to:

- (a) 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 2023/2024.
- (b) 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 2023/24 be 61,349.5
- (c) 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 2023/24 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 1 December 2022.

### Purpose of Report

1. The purpose of this report is to ask Cabinet to recommend the council tax base for 2023/24 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 for Thames Valley by 31 January 2023. 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 2/3 of a band D dwelling and is therefore multiplied by 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 2022/23 tax the council assumed 98 per cent would eventually be collected and it is proposed to use 98 per cent again in 2023/24.

## Taxbase for 2023/24

10. Based on the assumptions detailed above the council tax base for 2023/24 is 61,349.5.
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 (tax base). This will be finalised during January and February, culminating in the council tax being set by council on 16 February 2023 (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 2022 showed that the council is due to receive £2.1 million less in revenue funding than it plans to spend in 2022/23 (with the balance coming from reserves).

15. This funding gap is predicted to increase to over £3 million by 2026/27. 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 cognisant of the need to address this funding gap in future years.

16. The financial implications and calculations for the tax base 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 tax base 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.

### **Other Implications**

19. None

### **Conclusion**

20. 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 2023/24 to Council for approval in accordance with Appendix A.

### **Background Papers**

None

APPENDIX A

PARISH COUNCIL TAX BASES - 2023-24

PARISH/TOWN COUNCIL	NUMBER OF DWELLINGS 2023-24	NUMBER OF DWELLINGS 2022-23	PARISH TAX BASE 2023-24	PARISH TAX BASE 2022-23	% CHANGE ON YEAR	PARISH/TOWN COUNCIL	NUMBER OF DWELLINGS 2023-24	NUMBER OF DWELLINGS 2022-23	PARISH TAX BASE 2023-24	PARISH TAX BASE 2022-23	% CHANGE ON YEAR
Adwell	16	14	15.1	15.1	0.0%	Sandford on Thames	581	580	497.9	491.6	1.3%
Aston Rowant	352	351	436.0	438.8	-0.6%	Shiplake	744	732	1,020.8	1,006.9	1.4%
Aston Tirrold & Upthorpe	231	227	277.0	271.4	2.1%	Shirburn	55	55	62.1	59.9	3.7%
Beckley & Stowood	257	254	288.3	282.8	1.9%	Sonning Common	1,783	1752	1,763.5	1,742.9	1.2%
Benson	2,065	1979	2,039.0	1,963.5	3.8%	South Moreton	133	132	129.5	126.1	2.7%
Berinsfield	1,111	1109	673.9	668.6	0.8%	South Stoke	222	222	230.4	230.1	0.1%
Berrick Salome	131	129	176.1	172.9	1.9%	Stadhampton	396	388	402.0	393.0	2.3%
Binfield Heath	288	288	325.8	327.7	-0.6%	Stanton St John	189	189	226.0	224.0	0.9%
Bix & Assendon	265	262	340.1	338.6	0.4%	Stoke Row	282	282	343.1	344.2	-0.3%
Brightwell Baldwin	83	83	110.1	108.8	1.2%	Stoke Talmage	27	27	34.4	32.0	7.5%
Brightwell cum Sotwell	657	650	701.1	685.7	2.2%	Swyncombe	118	118	145.0	145.5	-0.3%
Britwell Salome	87	87	104.4	101.8	2.6%	Sydenham	151	141	167.4	155.3	7.8%
Chalgrove	1,245	1183	1,158.8	1,114.5	4.0%	Tetsworth	336	334	340.5	346.0	-1.6%
Checkendon	219	220	254.4	252.5	0.8%	Thame	5,775	5741	5,030.5	4,978.9	1.0%
Chinnor	3,171	3158	2,949.4	2,936.2	0.4%	Tiddington with Albury	281	280	268.9	272.2	-1.2%
Cholsey	1,893	1869	1,678.5	1,649.0	1.8%	Toot Baldon	62	59	75.0	73.4	2.2%
Clifton Hampden	256	255	293.1	288.8	1.5%	Towersey	186	185	197.6	193.5	2.1%
Crowell	47	47	57.9	58.1	-0.3%	Wallingford	3,885	3845	3,167.5	3,137.5	1.0%
Crowmarsh	856	774	832.0	759.2	9.6%	Warborough	460	433	515.1	485.8	6.0%
Cuddesdon & Denton	210	205	187.9	180.5	4.1%	Waterperry with Thomley	83	83	95.9	97.2	-1.3%
Culham	175	175	184.6	181.7	1.6%	Waterstock	44	44	51.6	51.3	0.6%
Cuxham with Easington	60	60	65.6	63.0	4.1%	Watlington	1,295	1242	1,224.7	1,177.9	4.0%
Didcot	13,676	13394	10,767.8	10,499.4	2.6%	West Hagbourne	120	120	127.0	130.4	-2.6%
Dorchester	482	482	556.6	551.6	0.9%	Wheatfield	11	11	15.8	14.9	6.0%
Drayton St Leonard	117	117	133.3	132.1	0.9%	Wheatley	1,941	1938	1,788.5	1,784.1	0.2%
East Hagbourne	504	503	516.4	509.9	1.3%	Whitchurch on Thames	336	337	410.0	411.4	-0.3%
Elsfield	47	47	53.2	54.1	-1.7%	Woodcote	1,059	1057	1,064.5	1,056.9	0.7%
Ewelme	431	427	392.3	377.3	4.0%	Woodeaton	29	29	37.4	37.3	0.3%
Eye & Dunsden	156	156	190.4	192.6	-1.1%	<b>TOTAL</b>	<b>64,880</b>	<b>63,940</b>	<b>61,349.5</b>	<b>60,343.7</b>	<b>1.7%</b>
Forest Hill with Shotover	421	418	381.5	376.2	1.4%	(% Change on year)	1.5%		1.7%		
Garsington	792	780	715.9	698.2	2.5%						
Goring	1,572	1568	1,753.7	1,756.1	-0.1%						
Goring Heath	506	502	592.4	596.9	-0.8%						
Great Haseley	252	252	267.0	267.5	-0.2%						
Great Milton	353	347	328.0	319.9	2.5%						
Harpsden	160	160	225.6	221.1	2.0%						
Henley on Thames	6,146	6084	6,102.7	5,999.2	1.7%						
Highmoor	143	140	177.2	172.7	2.6%						
Holton	165	164	188.8	191.7	-1.5%						
Horspath	620	622	626.2	628.1	-0.3%						
Ipsden	157	156	166.2	166.0	0.1%						
Kidmore End	542	535	706.4	693.2	1.9%						
Lewknor	308	305	328.9	325.8	1.0%						
Little Milton	206	206	215.1	213.7	0.7%						
Little Wittenham	28	28	34.3	35.3	-2.8%						
Long Wittenham	363	363	346.8	347.3	-0.1%						
Mapledurham	130	130	130.3	128.6	1.3%						
Marsh Baldon	118	118	128.1	126.5	1.3%						
Moulsford	218	218	255.3	255.4	0.0%						
Nettlebed	346	345	372.1	367.7	1.2%						
Newington	46	44	59.0	56.8	3.9%						
North Moreton	161	159	194.2	191.2	1.6%						
Nuffield	226	225	245.8	243.8	0.8%						
Nuneham Courtenay	105	103	106.7	105.7	0.9%						
Pishill with Stonor	145	144	191.5	187.6	2.1%						
Pyrton	92	92	117.5	117.8	-0.3%						
Rotherfield Greys	189	172	253.2	232.4	9.0%						
Rotherfield Peppard	698	699	947.4	944.9	0.3%						