

# **Cherwell District Council**

## **Executive**

**8 January 2024**

## **Council Tax Base 2024-2025**

### **Report of Assistant Director of Finance and S151 Officer**

This report is public

### **Purpose of report**

To provide Council Tax Base for 2024-2025

### **1.0 Recommendations**

The meeting is recommended to:

- 1.1 approve the report of the Assistant Director of Finance for the calculation of the Council's Tax Base for 2024-2025.
- 1.2 agree that, in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by Cherwell District Council as its Council Tax Base for the year 2024-2025 shall be **59,027.2**.
- 1.3 agree for the parishes which form part of its area shown in Appendix 1, the amount calculated as the Council Tax Base for the year 2024-2025 in respect of special items shall be as indicated in the column titled Tax Base 2024-2025.
- 1.4 agree for the Flood Defence Areas which form part of its area, the amount calculated as the Council Tax Base for the year 2024-2025 for the purposes of levies on Oxfordshire County Council by River Authorities, shall be:

Thames Flood Defence Area	56,667.7
Anglian (Great Ouse) Flood Defence Area	1,913.9
Severn Region Flood Defence Area	445.6
<b>TOTAL</b>	<b>59,027.2</b>

## **2.0 Introduction**

2.1 For the purposes of Section 31B of the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012,

(a) the whole of its area and

(b) for any parts of its area for the purposes of:

- (i) Apportioning precepts and levies and
- (ii) Calculating the tax base for each area subject to a special item

## **3.0 Report Details**

3.1 In respect of the 1 (a) 'the whole of its area':

3.1.1 The tax base has to be notified by Cherwell District Council to major precepting bodies (i.e., Oxfordshire County Council and the Police and Crime Commissioner for Thames Valley) and levy authorities (i.e., Thames Flood Defence Area, Anglian (Great Ouse) Flood Defence Area and Severn Region Flood Defence Area) by 31 January 2024 to enable their precepts to be calculated as a tax per band D equivalent properties.

3.2 In respect of 1 (b) 'parts of its area'

3.2.1 Major precepting and levying authorities have to notify Cherwell District Council (the billing authority) by 31 December 2023 of the area(s) subject to a special item (expense) and for which an apportionment of the tax base is required. No such notification has been received.

3.2.2 Parishes who levy a precept are automatically treated as a special item and there has to be a tax base calculated for each of the parishes in the area. They are not required to calculate a precept as a tax per band D equivalent property but can request the tax base figure to be supplied to them within ten days of making a request. Each parish and town council are notified of the figure for their area.

### **Calculation of the tax base**

3.3 The starting point of the calculation, as shown in Appendix 3, is the total number of council tax dwellings and their council tax band.

3.4 The council then allows for the following information and estimates for each band:

- (a) Dwellings which are exempt, so no council tax is payable (e.g., those where all occupiers are students)
- (b) Dwellings which attract a 25 per cent reduction (e.g., those with a single adult occupier)

- (c) Dwellings which attract a 50 per cent reduction (e.g., those properties where all adult residents are disregarded or ‘don’t count’ for council tax purposes)
- (d) Dwellings which are treated as paying a lower band because they have been adapted for a disabled person. The regulations specify how to adjust the tax base in respect of band A dwellings.
- (e) Dwellings which attract a reduction through the Council Tax Reduction Scheme.
- (f) Dwellings which are exempt from council tax

3.5 Each band is then converted into “band D equivalents” by applying the factor required by legislation. A band H, for example, is multiplied by two. All of these are added together to give a total number of band D equivalents.

3.6 A further adjustment is made for Class O exempt properties (Armed forces’ accommodation) as the Ministry of Defence makes a payment roughly equal to the council tax that it would have had to pay for each property if they were not exempt.

3.7 We also estimate the number of properties which will be either added to or removed from the Valuation List in the new financial year and make an adjustment to reflect that they won’t all be subject to full council tax for 12 months.

3.8 A final adjustment is made to allow for non-collection. The council is required to decide what its collection rate is likely to be and applies this to its council tax base. For 2023-2024 this was 98% and it is proposed it should be 98% in 2024-2025.

## **4.0 Conclusion and Reasons for Recommendations**

4.1 The Council must legally set a tax base for the following year by 31 January. This will allow the Council to notify its preceptors of the taxbase in order for them (and the Council) to set their budgets for 2024/25.

## **5.0 Consultation**

Councillor Adam Nell, Portfolio Holder for Finance

## **6.0 Alternative Options and Reasons for Rejection**

There are no alternative options. The Council has to set a tax base in order to set its council tax for 2024-2025.

## 7.0 Implications

### Financial and Resource Implications

- 7.1 There are no direct financial implications within this report. However, when the Council determines its Council Tax Requirement when setting the budget, the Council Tax Base is used for calculating the amount of Council Tax set by Cherwell District Council. The tax base of 59,027.2 will be reflected in the budget papers taken to Executive and Council in February 2024.

Comments checked by:

Joanne Kaye, Strategic Finance Business Partner

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### Legal Implications

- 7.2 For each financial year and each category of dwellings in its area, the council must set an amount of council tax (section 30, Local Government Finance Act 1992). Section 31B of the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 demand that the council calculates a tax base by 31 January 2024. This will be used for Council Tax setting purposes in February 2024.

Comments checked by:

Shiraz Sheikh, Assistant Director Law & Governance

[Shiraz.Sheikh@cherwell-dc.gov.uk](mailto:Shiraz.Sheikh@cherwell-dc.gov.uk)

### Risk Implications

- 7.3 If the Council does not set a tax base in accordance with statutory deadlines, then it will not be able to set its Council Tax for the 2024-2025 financial year. This is managed as an operational risk and escalated to the leadership risk register as and when necessary.

Comments checked by:

Celia Prado-Teeling, Performance Team Leader

[Celia.prado-teeling@cherwell-dc.gov.uk](mailto:Celia.prado-teeling@cherwell-dc.gov.uk)

### Equality and Inclusion Implications

- 7.4 All proposals are developed in line with the commitments set in our Equalities and Inclusion Framework. Any equalities and inclusion implications will be reflected with mitigating actions where possible in the Equalities Impact Assessment (Appendix 4).

Comments checked by:

Celia Prado-Teeling, Performance Team Leader

[Celia.prado-teeling@cherwell-dc.gov.uk](mailto:Celia.prado-teeling@cherwell-dc.gov.uk)

### Sustainability Implications

7.5 There are no sustainability implications.

Comments checked by:

Ed Potter, Assistant Director Environmental Services

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## 8.0 Decision Information

### Key Decision

**Financial Threshold Met:** Yes

**Community Impact Threshold Met:** Yes

### Wards Affected:

All

### Links to Corporate Plan and Policy Framework:

All

### Lead Councillor:

Councillor Adam Nell, Portfolio Holder for Finance

### Document Information

- Appendix 1 - Council tax base by parish
- Appendix 2 - Council tax base by Flood Defence Area
- Appendix 3 - Council tax base calculation
- Appendix 4 – Equalities Impact Assessment

### Background papers

None

### Report Author and contact details

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