

This report is public	
Calculating the amounts of Council Tax for 2024/25 and setting the Council Tax for 2024/25	
Committee	Council
Date of Committee	26 February 2024
Portfolio Holder presenting the report	Councillor Adam Nell, Portfolio Holder for Finance
Date Portfolio Holder agreed report	8 February 2024
Report of	Assistant Director of Finance – Michael Furness

Purpose of report

To detail the calculations for the amounts of Council Tax for 2024/25 and the setting of Council Tax for 2024/25.

1. Recommendations

The Council resolves:

- (1) To approve the Council Tax Base 2024/25 that was determined at the Executive meeting held on 8 January 2024:
 - a) for the whole Council area as 59,027.2 [item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (“the 1992 Act”)]; and
 - b) For dwellings in those parts of its area to which a Parish Precept relates as in the attached Appendix 1.
- (2) That the Council Tax requirement for the Council’s own purposes for 2024/25 (excluding Parish Precepts and Special Expenses) is £9,060,675.
- (3) That the following amounts be calculated for the year 2024/25 in accordance with Sections 31 to 36 of the 1992 Act:
 - a) £137,496,126 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the 1992 Act, taking into account all precepts issued to it by Parish Councils and any additional special expenses.
 - b) £122,083,104 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the 1992 Act.

- c) £15,413,022 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 31A (4) of the 1992 Act, as its Council Tax requirement for the year (Item R in the formula in Section 31B of the 1992 Act).
- d) £261.12 being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the 1992 Act, as the basic amount of its Council Tax for the year (including Parish Precepts and Special Expenses).
- e) £6,352,346 being the aggregate amount of all special items (Parish Precepts and Special Expenses) referred to in Section 34(1) of the 1992 Act as per the attached Appendix 2.
- f) £153.50 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T(1(a) above), calculated by the Council, in accordance with Section 34(2) of the 1992 Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish Precept or special item relates.
- (4) It be noted that for the year 2024/25 the Oxfordshire County Council and the Police and Crime Commissioner for Thames Valley have issued precepts to the Council, in accordance with Section 40 of the 1992 Act, for each category of dwellings in the Council's area as indicated below: -

Valuation Band	Oxfordshire County Council	Police and Crime Commissioner for Thames Valley
	£	£
A	1,213.71	179.52
B	1,415.99	209.44
C	1,618.28	239.36
D	1,820.56	269.28
E	2,225.13	329.12
F	2,629.70	388.96
G	3,034.27	448.80
H	3,641.12	538.56

- (5) The Council, in accordance with Sections 30 and 36 of the 1992 Act, hereby sets the amounts shown in Appendix 2 as the amounts of Council Tax for the year 2024/25 for each part of its area and for each of the categories of dwellings.
- (6) The Council has determined that its relevant basic amount of Council Tax for 2024/25 is not excessive in accordance with principles approved under Section 52ZB of the 1992 Act.

2. Executive Summary

- 2.1 Sections 31 to 36 of the 1992 Local Government Finance Act require each billing authority to calculate its own amount of tax for each category of dwellings in its area.
- 2.2 Section 30 of the 1992 Act requires each billing authority to set the amounts of tax for its area, including the amounts levied on it by way of precept from major precepting authorities.
- 2.3 It is proposed that Members consider the contents of this report and associated Appendices when making their decisions on the Council Tax setting at this meeting.

Implications & Impact Assessments

Implications	Commentary
Finance	<p>Through setting tax levels in accordance with the recommendations, the tax set should raise the amount required to be met from the Collection Fund to pay the precepts to Oxfordshire County Council and Police and Crime Commissioner for Thames Valley as well as to meet this Council's demand, which includes local precepting authority precepts. Members should be aware that Section 106 of the 1992 Act applies to decisions made in accordance with this report. Accordingly, any member who is two months in arrears with Council Tax must declare the fact and may speak but not vote on any decision which involves budget setting, extending, or agreeing contracts or incurring expenditure not provided for in the agreed budget for a given year and could affect calculations on the level of Council Tax.</p> <p>Michael Furness, Assistant Director of Finance (S151), 13 February 2024</p>
Legal	<p>Under the Local Government Finance Act 1992 (as amended by the Localism Act 2011), local authorities must set a council tax that takes into account its budget requirement, and any authority proposing an excessive increase in council tax must hold a local referendum and obtain a 'yes' vote before implementing the increase. An authority proposing an excessive increase must also make substitute calculations, based on a non-excessive council tax level. This takes effect if the excessive increase is rejected in the referendum. Accordingly, authorities can raise up to and including the threshold to avoid a referendum. Council tax setting legally requires a recorded vote.</p> <p>Shahin Ismail, Interim head of Legal Services, 13 February 2024</p>
Risk Management	<p>Risk assessment – this report assumes that the estimates recommended for approval by the Executive, at its meeting held on 3 February 2020, are adopted by the Council. This risk will be managed as part of the services operational risk and escalated to the Leadership risk register as and when necessary</p> <p>Celia Prado-Teeling, Performance Team Leader, 16 February 2024</p>

Impact Assessments	Positive	Neutral	Negative	Commentary
Equality Impact		x		Celia Prado-Teeling, Performance & Insight Team Leader, 13 February 2024 The Equality Act 2010 imposes a duty on local authorities that, when making decisions of a strategic nature, decision makers must exercise 'due regard to the need to eliminate unlawful discrimination... advance equality of opportunity... and foster good relations. In developing budget and business planning proposals, all services have considered the potential impact of change with respect to equality, diversity, and inclusion, in line with our new framework: Including Everyone. Where a potential material service impact has been identified, an initial Equality Impact Assessment has been completed and these are available as background papers to this report. There are no Equality and Inclusion implications associated directly with this report; it is simply carrying out the legally required calculations in order to agree the required council tax levels for each property band.
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		x		N/A
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		x		N/A
Climate & Environmental Impact				N/A
ICT & Digital Impact				N/A
Data Impact				N/A
Procurement & subsidy				N/A
Council Priorities	All			
Human Resources	N/A			

Property	N/A
Consultation & Engagement	The council's budget consultation on the 2024/25 budget included the proposal to increase the Band D level of council tax by £5 to £153.50 with 65% of respondents (131) supporting the increase.

Supporting Information

3. Background

- 3.1 Under section 52ZB of the Local Government Finance Act 1992 each billing authority and precepting authority must determine whether its relevant basic amount of council tax for a financial year is excessive. In essence, the relevant basic amount of council tax is that authority's average band D council tax but, in the case of a billing authority, excluding parish precepts. If an authority's relevant basic amount of council tax is excessive a referendum must be held in relation to that amount.

4. Details

- 4.1 The Council Tax Requirement for the Council is £9,060,675 and the taxbase has been set at 59,127.20. This results in a £5 increase (3.37%) in the Band D, basic amount of Council Tax from £148.50 to £153.50. This is the maximum increase the Council can propose without the need to hold a referendum. This level of Council Tax increase is not considered to be excessive.
- 4.2 The Council is required to make resolutions in respect of the tax base (Appendix 1) and aggregate levels of Council Tax. The aggregate levels of Council Tax comprise the "basic amount" i.e., parish and district levy and inclusion of Oxfordshire County Council and Police and Crime Commissioner for Thames Valley (Appendix 1), amounts for each band (Appendix 2). The recommendations to give effect to the legal resolution of these items are necessarily framed.
- 4.3 The average parish council tax levy is £107.62. This compares to £103.84 in 2023/24, an increase of 3.64%.
- 4.4 The precept figures included for Police and Crime Commissioner for Thames Valley were approved on 26 January 2024 and the precept figures included for Oxfordshire County Council were considered on 20 February 2024. At the time of publishing this report, the Oxfordshire County Council precept figures were proposed but not agreed. Should the figures contained in this report be required to change and updated report will be circulated.

5. Alternative Options and Reasons for Rejection

- 5.1 It is the legal responsibility for the Council to set an agreed Council Tax by 11 March under section 31A of the 1992 Act.

The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: To fail to consider this report and fail to meet the deadline prescribed in the 1992 Act as detailed above. This was rejected as the Council is required to meet its statutory requirements.

6 Conclusion and Reasons for Recommendations

- 6.1 This is a statutory report calculating and setting the Council Tax for Cherwell District Council for 2024/25.

Decision Information

Key Decision	N/A
Subject to Call in	N/A
If not, why not subject to call in	N/A
Ward(s) Affected	All

Document Information

Appendices	
Appendix 1	Calculations Required by Sections 31 to 36 of the 1992 Act
Appendix 2	Council Tax Setting required by Section 30 of the 1992 Act
Background Papers	None
Reference Papers	Executive 8 January 2024 - Council Tax Base 2024-25
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