

Council Report



Report of Head of Finance

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Wards affected: All

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To: COUNCIL

DATE: 20 February 2013

Council Tax 2013/14

Recommendations

1. To **note** that at its meeting on 12 December 2012 the council calculated the council tax base 2013/14:
 - (a) for the whole council area as **45,964.9** [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]; and
 - (b) for dwellings in those parts of its area to which a parish precept relates as in column 1 of appendix 1.
2. To **resolve** that the council tax requirement for the council's own purposes for 2013/14 (excluding parish precepts) is £5,363,644
3. To **resolve** that the following amounts be calculated for the year 2013/14 in accordance with Sections 31 to 36 of the Act:
 - (a) £51,356,947 being the aggregate of the amounts which the council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by parish councils.
 - (b) £43,175,634 being the aggregate of the amounts which the council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £8,181,313 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 Act as its council tax requirement for

the year. (Item R in the formula in Section 31B) of the Act).

- (d) £177.99 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 31(B) of the Act, as the basic amount of its council tax for the year (including parish precepts).
- (e) £2,817,669 being the aggregate amount of all special items referred to in Section 34(1) of the Act, as set out in column 2 of appendix 1.
- (f) £116.69 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 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 relates.

4. To **note** that for the year 2013/14 Oxfordshire County Council has stated the following amounts in precepts issued to the council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Band A	£789.89
Band B	£921.53
Band C	£1,053.18
Band D	£1,184.83
Band E	£1,448.13
Band F	£1,711.42
Band G	£1,974.72
Band H	£2,369.66

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5. To **note** that for the year 2013/14 the Police and Crime Commissioner for Thames Valley has stated the following amounts in precepts issued to the council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Band A	£104.92
Band B	£122.41
Band C	£139.89
Band D	£157.38
Band E	£192.35
Band F	£227.33
Band G	£262.30
Band H	£314.76

6. To **resolve** that the council, in accordance with Sections 40 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in appendix 3 as the amounts of council tax for 2013/14 for each part of its area and for each of the categories of dwellings shown in appendix 3.

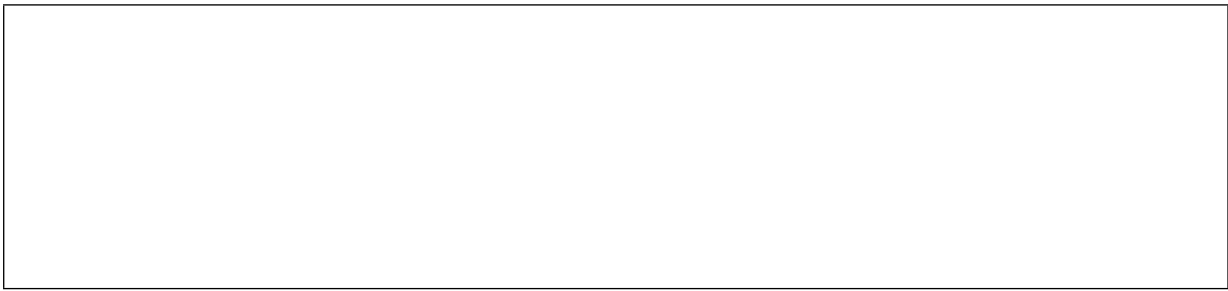
Band A	£174.40
Band B	£199.56
Band C	£1,032.63
Band D	£1,161.71

7. To note the allocation of the town and parish element of the council tax reduction scheme grant payable to each parish shown in appendix 4.

Band E	£1,409.87
Band F	£1,678.03

8. Determine that the council's basic amount of council tax for 2013/14 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

Band G	£1,936.18
Band H	£2,303.42



Purpose of report

1. The various parishes informed us of their 2013/14 precept requirements by 31 January 2013. Oxfordshire County Council set its council tax for 2013/14 on 19 February 2013 and the Police and Crime Commissioner for Thames Valley set his council tax requirement on 1 February 2013. This council finalised its revenue budget at its meeting of 20 February 2013. Following these decisions the council has to calculate and set the council tax to include the County Council and the Police and Crime Commissioner as well as the district and parish taxes.
2. The council tax for 2013/14 is the result of calculations in accordance with the legislation and regulations which have been issued. The recommendations above are phrased to comply with the statutory requirements which may make them difficult to comprehend. The sequence of calculations leading to the council tax is therefore set out in detail in this report.
3. **A summary of the calculation of the council tax is given in paragraph 28 (table 7). The district council's element of the band D council tax for 2013/14 will be £116.69, which is the same level as 2012/13.**

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Strategic objectives

4. Setting the council tax in accordance with a prescribed timetable, enables the council to comply with its strategic objective of managing our business effectively.

Council tax base

5. At its meeting on 12 December 2012 the council agreed the calculation of the tax base for its area and for each parish within the district. These figures are set out in column 1 of appendix 1. **(recommendation (1))**.
6. The tax base for the district has been calculated to be **45,964.9** which means that for each £1 increase of council tax a sum of £45,964.90 is expected to be raised. For 2013/14 the tax base reflects the reduction arising from the new localised council tax reduction scheme and any increase arising from changes to discounts/exemptions on second homes and empty properties. Whilst a band D property taxpayer would pay the extra £1, taxpayers in other bands would pay less (bands A to C) or more (bands E to H).

District council expenditure

7. At its meeting on 20 February 2013 the council set its own council tax requirement at £5,363,644. **(recommendation (2))**.
8. In order to comply with the legislation, district council expenditure and income met from or credited to all accounts, together with parish precepts, must be added. The resulting figures for gross expenditure and gross income are shown in table 1 below.

Table 1: gross expenditure and gross income 2013/14

	2013/14 £
Gross expenditure	51,356,947
Gross income	43,175,634

9. The council is asked to approve these calculations. **(recommendations (3)(a) and (3)(b))**
10. The council tax requirement of the district council is therefore £8,181,313, as detailed in table 2 below.

Table 2: district council council tax requirement 2013/14

	2013/14 £
District council element	£5,363,644
Parish council element	£2,817,669
Council tax requirement	£8,181,313

11. The council is asked to approve this calculation. **(recommendation (3)(c)).**

Basic amount of council tax

12. The next step is to calculate the basic amount of council tax for the district. This is an average which includes both district and parish expenditure and is for a band D property. The calculation is shown in table 3 below.

Table 3: calculation of basic amount of council tax

	2013/14 £
Council tax requirement (inc. parishes)	8,181,313
Divided by tax base	45,964.9

The basic amount of council tax for 2013/14 is £177.99 (2012/13 was £177.03). This is an increase of 0.54 per cent from 2012/13. **(recommendation (3)(d)).**

Special items

13. Having resolved in February 1993 that all the expenses of the district council are to be treated as general expenses and therefore met by all taxpayers the only special items are parish precepts.
14. The parish precepts are set out in column 2 of appendix 1 and total £2,817,669 (2012/13 was £2,961,229). The decrease of £143,560 from 2012/13 is 4.85 per cent. **(recommendation (3)(e)).**

Basic amount of council tax with no parish precept

15. The parish precepts total £2,817,669 and the average tax for parish purposes is £61.30 (2012/13 was £60.34). The basic amount of tax applying where the parish

precept is nil is £116.69 (2012/13 also £116.69). This is the council's council tax requirement. **(recommendation (3)(f))**

16. S52ZB of the Local Government Finance Act 1992 sets out the duty on authorities to determine whether their basic amount of council tax for a financial year is excessive. Guidance from Communities and Local Government is that any increase greater than 2.0 per cent or £5 value (whichever is the greater) - in the basic amount of council tax (for our class of authority) would generate the requirement under S52ZB to hold a referendum. For 2013/14 the council is not proposing any increase in its basic amount of council tax. **(recommendation (8)).**

Basic amount of council tax by parish

17. Where there is a parish precept this is divided by the tax base for that parish and the result is added to the basic amount applying where there is no parish precept. This ensures that each parish precept is met only by taxpayers in that parish area.
18. The schedule of amounts for each parish is given in column 6 of appendix 1.

Amount of council tax by property band

19. The basic amount for each parish is then scaled up or down to give the tax applying to each property band. The factors laid down in the legislation are shown in table 4 below.

Table 4: council tax property bands

Property band	Factor
Band A	6/9
Band B	7/9
Band C	8/9
Band D	9/9
Band E	11/9
Band F	13/9
Band G	15/9
Band H	18/9

20. Applying these factors gives the council tax covering district and parish expenditure for each property band. These are given, parish by parish, in columns 3 to 10 of appendix 2.

Council tax for Oxfordshire County Council

21. At its meeting on 19 February 2013 the County Council set its council tax as shown in table 5 below.

Table 5: council tax for Oxfordshire County Council 2013/14

Property band	2013/14 Council Tax £
Band A	£789.89
Band B	£921.53
Band C	£1,053.18
Band D	£1,184.83
Band E	£1,448.13
Band F	£1,711.42
Band G	£1,974.72
Band H	£2,369.66

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22. The council is asked to note these figures. The amount of money payable to the County Council by way of a precept in 2013/14 is £54,460,592 (2012/13 was £57,011,499.11). **(recommendation (4))**

Council tax for Police and Crime Commissioner for Thames Valley

23. On 1 February 2013 the Police and Crime Commissioner for Thames Valley (PCCTV) set his budget and council tax as shown in table 6 below.

Table 6: council tax for PCCTV 2013/14

Property band	2013/14 Council Tax £
Band A	104.92
Band B	122.41
Band C	139.89
Band D	157.38
Band E	192.35
Band F	227.33
Band G	262.30
Band H	314.76

24. The council is asked to note these figures. The amount of money payable to PCCTV by way of a precept in 2013/14 is £7,233,956 (2012/13 was £7,572,350). **(recommendation (5))**

The council tax for 2013/14

25. The county council's council tax, together with the PCCTV, and district and parish council tax figures, are shown in appendix 3. The amounts are the aggregate council tax payable in 2013/14 for each band of property in each parish, assuming no discounts or exemptions apply. **(recommendation (6))**

Legal implications

26. The Local Government Finance Act 1992 requires the council to set the council tax by 11 March preceding the start of the financial year. The Act sets out the calculations that must be made and this report is structured to meet those requirements.

Financial implications

27. These are dealt with in the body of the report.

Conclusion

28. In summary the council tax calculation is as shown in table 7 below.

Table 7: summary council tax calculation 2013/14

	2013/14	
	Amount £	Band D council tax £
District council requirement	5,363,644	116.69
County council precept	54,460,592	1,184.83
PCCTV precept	7,233,956	157.38
Parish precepts	2,817,669	61.30
Total council tax (average)	69,875,851	1,520.20

29. The percentage increases in council tax are shown in table 8 below.

Table 8: Percentage increases in council tax 2013/14

	2013/14 £	2012/13 £	Increase %
Oxfordshire County Council	1,184.83	1,161.71	1.99
PCCTV	157.38	154.30	2.00
Vale of White Horse District Council	116.69	116.69	0.00
Parish precepts	61.30	60.34	1.59
Overall (average)	1,520.20	1,493.04	1.82

Appendices:

1. 2013/14 Parish and District Council Tax based on Band D
2. 2013/14 Vale Of White Horse District Council and Parish Council Tax
3. 2013/14 Total Council Tax (OCC, PCCTV, VWHDC And Parishes)
4. 2013/14 distribution of the council tax reduction scheme grant.