Council Report

Vale of White Horse District Council

Report of Head of Finance

Report no. 50/11

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To: COUNCIL   CABINET

DATE: 14 December 2011   9 December 2011

Council Tax Base 2012/13

Recommendation(s)

(a) That in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, as amended, the amount calculated by the Vale of White Horse District Council as its council tax base for the year 2012/13 be **49,075.5**.

(b) That in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, as amended, the amount calculated by the Vale of White Horse District Council as the council tax base for the year 2012/13 for each parish be the amount shown against the name of that parish in appendix 1 of this report.

Purpose of report

1. The purpose of this report is to ask council to agree the council tax base for 2012/13.

Strategic 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 strategic objectives of managing its business effectively and meeting people's need for housing by discouraging the practice of leaving homes empty.

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 Thames Valley Police Authority by the 31 January 2012. Each parish and town council is also notified of the figure for its area.

5. Under the current formula grant system the government also uses tax base information for calculating how to distribute grant to local authorities, with a return (CTB1) having been submitted by 14 October 2011.

6. The legislation requires that the council tax base is approved by full council or a non-executive body with delegated powers.

Council tax discounts

7. The Local Government Act 2003 permits billing authorities to amend the discounts that apply to second homes and long term empty homes. From 1 April 2004 the council resolved that for 2005/06 and subsequent financial years the discounts should be reduced to the minimum permitted under legislation, i.e. zero on long term empty homes and 10% on second homes. Officers are not recommending any change to these discounts for 2012/13.

Calculation of the tax base

8. The starting point for the calculation is the list of properties and their tax band as at 12 September 2011 which has been supplied to the council by the Valuation Officer.

9. The list is sorted into parish order and the council then allows for the following information, for each band, which it holds on 3 October 2011:

    (a)   Properties which will be entirely exempt so no tax is payable (e.g. those occupied entirely by students).

    (b)   Properties which will attract a 25% reduction (e.g. those with a single adult occupier).

    (c)   Properties which will attract a 50% reduction (e.g. those where all of the adult residents qualify for a reduction).

    (d)   Properties which will be treated as being in a lower band because they have been adapted for a severely disabled person. The regulations have been amended to take account of the reduction available to those in band A properties.

    (e)   Properties which will be on the valuation list but which attract discounts or disablement relief or are exempt, for only part of the year.

10. This results in an estimate of the number of full year equivalents within each band.

11. Each band is then converted into "band D equivalents" by applying the factor laid down by the government. For example, a band A property is multiplied by 2/3 to arrive at the band D equivalent figure, whilst a band H property is multiplied by two. All these are then added together to give a total of band D equivalents.

12. The total of band D equivalents for the whole district is called the "relevant tax base" and is used by the government for grant distribution purposes, for establishing a minimum potential level of local income that an authority can generate.

13. In order to set the council tax one further adjustment is needed to allow for non-collection. The council is required to decide what its collection rate is likely to be and multiply its relevant tax base by this percentage to give its council tax base. For the 2011/2012 tax the council assumed 98% would eventually be collected and it is proposed to use 98% again in 2012/2013. Based on this assumption, the council tax base for 2012/2013 is **49,075.5** (2011/2012 was 48,426.5).

14. 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 1.

15. To calculate the council tax, the council tax base is divided into the council's budget requirement. This will be finalised during January and February, culminating in the council tax being set by council on 22 February 2012. This date is subject to the council being notified of the major precepting requirements.

Financial and legal implications

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

Background papers:

Local Government Finance Act 1992;
The Local Authorities (Calculation of Tax Base) Regulations
The Local Authorities (Calculation of Tax Base) (Amendment) Regulations 2003
The Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003
ADC Circular 1992/373
Officers' technical papers and calculations

Parish / Town Council	Number of Properties		Tax Base	
	2011/12	2012/13	2011/12	2012/13
Abingdon	14,331	**14,381**	12,601.8	**12,683.5**
Appleford	141	**140**	159.4	**158.0**
Appleton with Eaton	387	**388**	426.8	**436.8**
Ardington and Lockinge	217	**218**	209.9	**215.6**
Ashbury	232	**236**	253.8	**255.3**
Baulking	40	**40**	46.4	**46.6**
Besselsleigh	30	**30**	38.5	**38.2**
Blewbury	735	**746**	704.3	**718.9**
Bourton	129	**129**	147.3	**146.5**
Buckland	255	**254**	319.0	**310.7**
Buscot	87	**87**	91.8	**90.4**
Charney Bassett	119	**119**	144.1	**143.3**
Childrey	222	**221**	246.8	**247.2**
Chilton	363	**366**	379.0	**377.9**
Coleshill	75	**75**	73.8	**71.2**
Compton Beauchamp	31	**31**	38.6	**38.4**
Cumnor	2,412	**2,427**	2,649.8	**2,680.5**
Denchworth	78	**78**	83.4	**84.4**
Drayton	972	**980**	948.1	**958.0**
East Challow	324	**324**	290.3	**289.8**
East Hanney	341	**341**	384.3	**388.5**
East Hendred	483	**493**	521.2	**531.7**
Eaton Hastings	32	**32**	32.1	**32.7**
Faringdon	3,024	**3,160**	2,604.4	**2,724.7**
Fernham	95	**95**	117.3	**115.9**
Frilford	90	**90**	117.9	**115.7**
Fyfield and Tubney	200	**196**	241.8	**243.1**
Garford	68	**68**	81.1	**82.0**
Goosey	53	**54**	62.5	**65.2**
Great Coxwell	129	**130**	153.5	**155.7**
Grove	3,020	**2,994**	2,670.9	**2,686.1**
Harwell	1,024	**1,022**	1,016.5	**1,017.1**
Hatford	35	**35**	45.5	**46.6**
Hinton Waldrist	140	**140**	151.9	**149.7**
Kennington	1,726	**1,730**	1,722.7	**1,723.0**
Kingston Bagpuize and Southmoor	925	**926**	987.3	**984.4**
Kingston Lisle	102	**103**	109.6	**111.7**
Letcombe Bassett	74	**74**	82.9	**83.9**
Letcombe Regis	250	**326**	279.4	**342.5**
Little Coxwell	67	**67**	79.8	**78.0**
Littleworth	95	**95**	114.6	**115.8**
Longcot	245	**246**	263.1	**269.6**
Longworth	239	**240**	272.6	**273.1**
Lyford	22	**22**	24.4	**23.4**
Marcham	717	**716**	711.0	**716.4**
Milton	468	**468**	442.4	**442.0**
North Hinksey	1,891	**1,891**	1,733.6	**1,740.0**
Pusey	28	**28**	34.1	**33.6**

Parish / Town Council	Number of Properties		Tax Base	
	2011/12	2012/13	2011/12	2011/12
Radley	999	**999**	913.7	**911.5**
St Helen Without	825	**826**	762.2	**804.7**
Shellingford	75	**79**	78.7	**81.3**
Shrivenham	971	**977**	993.5	**1,012.6**
South Hinksey	161	**161**	192.1	**194.2**
Sparsholt	134	**135**	147.5	**147.8**
Stanford in the Vale	901	**900**	885.5	**879.4**
Steventon	654	**655**	635.2	**634.9**
Sunningwell	366	**365**	436.4	**437.7**
Sutton Courtenay	1,018	**1,022**	1,005.9	**1,009.4**
Uffington	318	**322**	339.4	**346.2**
Upton	171	**173**	203.2	**208.8**
Wantage	4,840	**4,969**	4,338.6	**4,456.8**
Watchfield	810	**813**	719.0	**782.8**
West Challow	77	**79**	89.3	**93.9**
West Hanney	220	**220**	245.8	**247.9**
West Hendred	144	**145**	161.6	**162.5**
Woolstone	59	**59**	72.1	**73.3**
Wootton	1,179	**1,183**	1,218.2	**1,229.6**
Wytham	69	**69**	77.6	**76.7**
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Total	50,754	**51,203**	48,426.5	**49,075.5**