

Report to: Executive Board – Monday 10<sup>th</sup> January 2005

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**SETTING OF THE COUNCIL TAX BASE**

<p><b>Report of:</b> <i>The Business Managers, Financial and Asset Management, Revenues and Benefits</i></p>	<p><b>WARDS AFFECTED</b> <b>ALL</b></p>
<p><b>Report Author:</b> <i>Adrian Wood, Financial and Asset Management, Tel no. 01865 252619 Email: awood@oxford.gov.uk</i></p> <p><b>Lead Member Responsible:</b> <i>Cllr Alex Hollingsworth</i></p> <p><b>Scrutiny Committee Responsibility:</b> <i>Finance</i></p> <p><b>Key Decision:</b> <i>No</i></p>	
<p><b>SUMMARY AND RECOMMENDATIONS</b></p> <p>The purpose of this report is to set the “Council Tax Base” as required by section 33 of The Local Government Finance Act 1992, the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (SI 1992/612), and The Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003 (SI 2003/3012).</p> <p>The Tax Base is a measure of the Authority’s domestic properties expressed as a number of Band ‘D’ dwellings, with an adjustment for the projected level of collection.</p> <p>The report has no staffing implications. As regards the financial implication, the figure that will be required to be met from the Council Tax will be divided by the calculated Tax Base to arrive at the Band D Council Tax charge for Oxford City for the 2005/06 period.</p> <p>The Executive Board is ASKED to recommend to Council the following:</p> <p>a. that the 2005/06 Council Tax Base for the City Council’s area as a whole be set at 43,996 (calculation shown in appendix 1)</p>	

- b. that the projected level of collection be set at 97%
- c. that the following tax bases for each of the parishes, and for the Unparished area (calculations shown in appendix 2) be set at:

Unparished Area of the City	35,507
Littlemore Parish	2,411
Old Marston Parish	1,277
Risinghurst and Sandhills Parish	1,180
Blackbird Leys Parish	3,621
<u>City Council Total</u>	43,996

1. **Dwellings**: This is the number of dwellings in each valuation band as at 30 November 2004.
2. **Exemptions and Discounts**: Not all dwellings are liable for the full Council Tax. Some categories are exempt. Other dwellings can attract a discount, either at 10%, 25% or 50% dependant on the number of adults who are considered resident. In setting the Tax Base for 2005/06 the Authority needs to take into account all the exemptions and discounts applicable as at November 30<sup>th</sup> 2004.
3. **Disability reductions**: Where there is a disabled occupant and adaptations have been undertaken for their benefit, the dwelling is treated as being in the band below the one in which it was actually valued.
4. **Discretion**: The Council has discretion in the following areas when calculating the Council Tax Base:
  - a) Adjustment for changes in the number of properties being built or demolished; Changes in the number of properties subject to a discount; exemption or disabled relief. The 2005/06 Council Tax Base calculation has included an estimate of 1,300 new dwellings being completed during the year. A 50% reduction has been applied to those additional dwellings to reflect that some will have discounts or exemptions, and some will not be in the Valuation List for the entire period.
  - b) The Council needs to make an allowance for non-collection of Council Tax. The Chief Financial Officer has recommended that this allowance be set at three percent, giving a projected collection rate of 97%.
5. **Calculation method**: The method used is prescribed by the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (SI 1992/612), as amended by Statutory Instrument 2003/3012 (see paragraph 6 below). This has been followed for the calculation of the Tax Base for the whole Authority (Appendix 1) and for each of the parishes (Appendix 2). The basic steps are as follows:
  - Number of dwellings in each of the valuation bands
  - Deduct exempt and demolished dwellings

- Adjust for disabled reductions
- Adjust for discounts (10%, 25% and 50%)
- Convert to band D equivalents
- Add contributions in lieu (MOD properties)
- Allow for projected collection rate.

6. **The Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003:**

The procedure for setting the tax base for 2005/06 has reverted to the process used for the years up to and including 2003/04. For 2004/05 the above legislation put back the 'relevant day' from November 30<sup>th</sup> to December 20<sup>th</sup>. This was to enable authorities to take account of discounts under the new section 11A of the Local Government Finance Act 1992. At the meeting on 19<sup>th</sup> January 2004, Executive Board decided that for 2004/05, and for subsequent financial years -

- a. the discount applied for second homes be reduced to 10%
- b. the discount for long term empty homes be reduced to nil

These decisions have been incorporated into the calculation process for 2005/06.

7. **Reasons for increase in Council Tax Base:** During the year ending Nov 30<sup>th</sup> 2004 the number of Council Tax dwellings rose by 1,019 (the increase over the previous year had been only 378). An estimate of 515 had been used in the 2004/05 Tax Base calculations. Information from Building Control indicates that there is likely to be an even greater growth over the next 12 months. An estimate of 1,300 new builds has thus been built into the calculation for 2005/06. In addition work on reviewing those accounts in receipt of 25% discount has resulted in such cases being reduced by over 200. The percentage of dwellings in receipt of 25% discount now stands at 34.16% as opposed to 35.24% a year ago.

THIS REPORT HAS BEEN SEEN AND APPROVED BY:

The Business Manager, Financial and Asset Management  
 The Revenues Manager, Revenues and Benefits  
 The Strategic Director, Finance and Corporate Services  
 The Financial Stability and Asset Management Portfolio Holder  
 The Interim Legal & Democratic Services  
 Business Manager (Emma Griffiths)

Background papers: Statistical reports ct6140 produced from the Academy Council Tax system dated Dec 7<sup>th</sup> 2004, Statement of dwellings issued by Valuation Office Agency dated Nov 22<sup>nd</sup> 2004.

Appendix 1

SETTING OF THE COUNCIL TAX BASE FOR 2005/2006  
TOTAL FOR OXFORD CITY COUNCIL BILLING AUTHORITY

	Band A entitled to a disabled relief reduction	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
1. Total number of dwellings at 30 November 2004		2060	7880	17089	14877	6083	2597	3180	556	54322
1a. Estimated new dwellings for 2005/06		138	246	250	346	231	70	17	2	1300
2. Number of dwellings exempt on 30 November 2004		234	682	1134	1647	736	201	279	220	5133
2a Estimated number of new exempts		14	40	67	98	44	12	17	13	305
3. Number of demolished dwellings on 30 November 2004		0	1	2	0	0	1	1	1	6
4. Number of chargeable dwellings for 2005/06 (lines 1+1a -2-3)		1950	7403	16136	13478	5534	2453	2900	324	50178
5. Number of chargeable dwellings (line 4) subject to disabled reduction on 30 November 2004		7	36	111	92	42	18	24	9	339
6. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	7	36	111	92	42	18	24	9		339
7. Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6)	7	1979	7478	16117	13428	5510	2459	2885	315	50178
8. Number of dwellings in line 7 entitled to a 10% discount on 30 November 2004	0	27	118	239	294	171	61	57	7	974
9. Number of dwellings in line 7 entitled to a 25% discount on 30 November 2004	5	1167	4289	5984	4291	1609	594	588	31	18558
10. Number of dwellings in line 7 entitled to a 50% discount on 30 November 2004	1	14	30	50	41	22	20	36	16	230
11 Additional 50% discounts for new dwellings	0	138	246	250	346	231	70	17	2	1300
12. Number of dwellings in line 7 assumed to be entitled to no discounts (lines 7-8-9-10-11)	1	633	2795	9594	8456	3477	1714	2187	259	29116
13. Total equivalent number of dwellings after discounts, exemptions and disabled relief [(line 8 x 0.90) +(line 9 x 0.75)+ (lines 10 and 11 x 0.5) + line 12]	5.25	1,608.55	6,255.95	14,447.10	12,132.35	4,964.15	2,259.40	2,705.80	297.55	44,676.10
14. Ratio to band D	5.19	6.19	7.19	8.19	1	11.19	13.19	15.19	18.19	
15. Number of band D equivalents (line 13 x line 14)	2.92	1,072.37	4,865.74	12,841.87	12,132.35	6,067.29	3,263.58	4,509.67	595.10	45,350.89
16. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2005/06										6.22
17. Tax Base for Oxford City Council Billing Authority (line 15 + line 16)										45,357.11
18. At projected collection rate of 97%										43,996

7.4

Appendix 2(i)

SETTING OF THE COUNCIL TAX BASE FOR 2005/2006  
TOTAL FOR UNPARISHED AREA OF OXFORD CITY COUNCIL

	Band A entitled to a disabled relief reduction	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
1. Total number of dwellings at 30 November 2004		1244	5739	11967	12604	5697	2435	3086	550	43322
1a. Estimated new dwellings for 2005/06		138	199	176	295	229	69	17	2	1125
2. Number of dwellings exempt on 30 November 2004		199	607	1034	1595	718	192	277	220	4842
2a Estimated number of new exempts		14	40	67	98	44	12	17	13	305
3. Number of demolished dwellings on 30 November 2004		0	1	1	0	0	1	1	1	5
4. Number of chargeable dwellings 2005/06 (lines 1+1a -2-2a-3)		1169	5290	11041	11206	5164	2299	2808	318	39295
5. Number of chargeable dwellings (line 4) subject to disabled reduction on 30 November 2004		5	27	64	74	37	18	23	6	254
6. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	5	27	64	74	37	18	23	6		254
7. Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6)	5	1191	5327	11051	11169	5145	2304	2791	312	39295
8. Number of dwellings in line 7 entitled to a 10% discount on 30 November 2004	0	25	108	218	276	167	56	56	7	913
9. Number of dwellings in line 7 entitled to a 25% discount on 30 November 2004	5	650	2994	4220	3643	1520	564	567	31	14194
10. Number of dwellings in line 7 entitled to a 50% discount on 30 November 2004	0	13	21	32	38	19	19	33	16	191
11. Additional 50% discounts for new dwellings	0	138	199	176	295	229	69	17	2	1125
12. Number of dwellings in line 7 assumed to be entitled to no discounts (lines 7-8-9-9a)	0	365	2005	6405	6917	3210	1596	2118	256	22872
13. Total equivalent number of dwellings after discounts, exemptions and disabled relief [(line 8 x 0.90) +(line 9 x 0.75)+ (lines 10 and 11 x 0.5) + line 12]	3.75	950.50	4,457.70	9,870.20	10,064.15	4,624.30	2,113.40	2,618.65	294.55	34,997.20
14. Ratio to band D	5/9	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9	
15. Number of band D equivalents (line 13 x line 14)	2.08	633.67	3,467.10	8,773.51	10,064.15	5,651.92	3,052.69	4,364.42	589.10	36,598.64
16. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2005/06										6.22
17. Tax Base for the Unparished area of Oxford City Council Billing Authority (line 15 + line 16)										36,604.86
18. At projected collection rate of 97%										35,507

7.5

Appendix 2(ii)

SETTING OF THE COUNCIL TAX BASE FOR 2005/2006  
TOTAL FOR LITTLEMORE PARISH OF OXFORD CITY COUNCIL

	Band A entitled to a disabled relief reduction	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
1. Total number of dwellings at 30 November 2004		440	588	1772	234	111	56	12	1	3214
1a. Estimated new dwellings for 2005/06		0	19	40	32	1	0	0	0	92
2. Number of dwellings exempt on 30 November 2004		19	26	37	6	5	2	1	0	96
2a Estimated number of new exempts		0	0	0	0	0	0	0	0	0
3. Number of demolished dwellings on 30 November 2004		0	0	1	0	0	0	0	0	1
4. Number of chargeable dwellings 2005/06 (lines 1+1a -2-2a-3)		421	581	1774	260	107	54	11	1	3209
5. Number of chargeable dwellings (line 4) subject to disabled reduction on 30 November 2004		2	4	19	2	0	0	0	1	28
6. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	2	4	19	2	0	0	0	1		28
7. Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6)	2	423	596	1757	258	107	54	12	0	3209
8. Number of dwellings in line 7 entitled to a 10% discount on 30 November 2004	0	0	5	4	8	0	1	0	0	18
9. Number of dwellings in line 7 entitled to a 25% discount on 30 November 2004	0	238	298	568	62	27	14	3	0	1210
10. Number of dwellings in line 7 entitled to a 50% discount on 30 November 2004	1	1	5	15	2	0	1	1	0	26
11. Additional 50% discounts for new dwellings	0	0	19	40	32	1	0	0	0	92
12. Number of dwellings in line 7 assumed to be entitled to no discounts (lines 7-8-9-9a)	1	184	269	1130	154	79	38	8	0	1863
13. Total equivalent number of dwellings after discounts, exemptions and disabled relief [(line 8 x 0.90) +(line 9 x 0.75)+ (lines 10 and 11 x 0.5) + line 12]	1.50	363.00	509.00	1,587.10	224.70	99.75	49.90	10.75	0.00	2,845.70
14. Ratio to band D	5/9	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9	
15. Number of band D equivalents (line 13 x line 14)	0.83	242.00	395.89	1,410.76	224.70	121.92	72.08	17.92	0.00	2,486.10
16. Number of band D equivalents or contributions in lieu (in respect of Class O exempt dwellings) in 2005/06										
17. Tax Base for the Littlemore Parish of Oxford City Council Billing Authority (line 15 + line 16)										2,486.10
18. At projected collection rate of 97%										2,411

7.6

Appendix 2(iii)

SETTING OF THE COUNCIL TAX BASE FOR 2005/2006  
TOTAL FOR OLD MARSTON PARISH OF OXFORD CITY COUNCIL

	Band A entitled to a disabled relief reduction	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
1. Total number of dwellings at 30 November 2004		78	73	269	786	150	20	65	3	1444
1a. Estimated new dwellings for 2005/06		0	6	3	18	1	1	0	0	29
2. Number of dwellings exempt on 30 November 2004		3	4	19	15	5	0	1	0	47
2a Estimated number of new exempts		0	0	0	0	0	0	0	0	0
3. Number of demolished dwellings on 30 November 2004		0	0	0	0	0	0	0	0	0
4. Number of chargeable dwellings 2005/06 (lines 1+1a -2-2a-3)		75	75	253	789	146	21	64	3	1426
5. Number of chargeable dwellings (line 4) subject to disabled reduction on 30 November 2004		0	0	3	7	2	0	1	0	13
6. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	0	0	3	7	2	0	1	0		13
7. Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6)	0	75	78	257	784	144	22	63	3	1426
8. Number of dwellings in line 7 entitled to a 10% discount on 30 November 2004	0	0	2	7	5	3	0	1	0	18
9. Number of dwellings in line 7 entitled to a 25% discount on 30 November 2004	0	39	44	108	214	31	5	14	0	455
10. Number of dwellings in line 7 entitled to a 50% discount on 30 November 2004	0	0	0	0	0	0	0	0	0	0
11. Additional 50% discounts for new dwellings	0	0	6	3	18	1	1	0	0	29
12. Number of dwellings in line 7 assumed to be entitled to no discounts (lines 7-8-9-9a)	0	36	26	139	547	109	16	48	3	924
13. Total equivalent number of dwellings after discounts, exemptions and disabled relief [(line 8 x 0.90) +(line 9 x 0.75)+ (lines 10 and 11 x 0.5) + line 12]	0.00	65.25	63.80	227.80	721.00	135.45	20.25	59.40	3.00	1,295.95
14. Ratio to band D	519	619	719	819	1	1119	1319	1519	1819	
15. Number of band D equivalents (line 13 x line 14)	0.00	43.50	49.62	202.49	721.00	165.55	29.25	99.00	6.00	1,316.41
16. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2005/06										
17. Tax Base for the Old Marston Parish of Oxford City Council Billing Authority (line 15 + line 16)										1,316.41
18. At projected collection rate of 97%										1,277

7.7

Appendix 2(iv)

SETTING OF THE COUNCIL TAX BASE FOR 2005/2006  
TOTAL FOR RISINGHURST AND SANDHILLS PARISH OF OXFORD CITY COUNCIL

	Band A entitled to a disabled relief reduction	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
1. Total number of dwellings at 30 November 2004		10	237	201	748	77	85	17	0	1375
1a. Estimated new dwellings for 2005/06		0	21	27	1	0	0	0	0	49
2. Number of dwellings exempt on 30 November 2004		4	11	5	24	7	7	0	0	58
2a Estimated number of new exempts		0	0	0	0	0	0	0	0	0
3. Number of demolished dwellings on 30 November 2004		0	0	0	0	0	0	0	0	0
4. Number of chargeable dwellings 2005/06 (lines 1+1a -2-2a-3)		6	247	223	725	70	78	17	0	1366
5. Number of chargeable dwellings (line 4) subject to disabled reduction on 30 November 2004		0	0	2	4	0	0	0	0	6
6. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	0	0	2	4	0	0	0	0		6
7. Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6)	0	6	249	225	721	70	78	17	0	1366
8. Number of dwellings in line 7 entitled to a 10% discount on 30 November 2004	0	0	2	2	4	1	4	0	0	13
9. Number of dwellings in line 7 entitled to a 25% discount on 30 November 2004	0	3	141	92	183	20	11	4	0	454
10. Number of dwellings in line 7 entitled to a 50% discount on 30 November 2004	0	0	0	0	1	1	0	0	0	2
11. Additional 50% discounts for new dwellings	0	0	21	27	1	0	0	0	0	49
12. Number of dwellings in line 7 assumed to be entitled to no discounts (lines 7-8-9-9a)	0	3	85	104	532	48	63	13	0	848
13. Total equivalent number of dwellings after discounts, exemptions and disabled relief [(line 8 x 0.90) +(line 9 x 0.75)+ (lines 10 and 11 x 0.5) + line 12]	0.00	5.25	203.05	188.30	673.85	64.40	74.85	16.00	0.00	1,225.70
14. Ratio to band D	5\9	6\9	7\9	8\9	1	11\9	13\9	15\9	18\9	
15. Number of band D equivalents (line 13 x line 14)	0.00	3.50	157.93	167.38	673.85	78.71	108.12	26.67	0.00	1,216.16
16. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2005/06										
17. Tax Base for the Risinghurst and Sandhills Parish of the Oxford City Council Billing Authority (line 15 + line 16)										1,216.16
18. At projected collection rate of 97%										1,180

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Appendix 2(v)

SETTING OF THE COUNCIL TAX BASE FOR 2005/2006  
TOTAL FOR BLACKBIRD LEYS PARISH OF OXFORD CITY COUNCIL

	Band A entitled to a disabled relief reduction	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
1. Total number of dwellings at 30 November 2004		288	1243	2880	505	48	1	0	2	4967
1a. Estimated new dwellings for 2005/06		0	1	4	0	0	0	0	0	5
2. Number of dwellings exempt on 30 November 2004		9	34	39	7	1	0	0	0	90
2a Estimated number of new exempts		0	0	0	0	0	0	0	0	0
3. Number of demolished dwellings on 30 November 2004		0	0	0	0	0	0	0	0	0
4. Number of chargeable dwellings 2005/06 (lines 1+1a -2-2a-3)		279	1210	2845	498	47	1	0	2	4882
5. Number of chargeable dwellings (line 4) subject to disabled reduction on 30 November 2004		0	5	23	5	3	0	0	2	38
6. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	0	5	23	5	3	0	0	2		38
7. Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6)	0	284	1228	2827	496	44	1	2	0	4882
8. Number of dwellings in line 7 entitled to a 10% discount on 30 November 2004	0	2	1	8	1	0	0	0	0	12
9. Number of dwellings in line 7 entitled to a 25% discount on 30 November 2004	0	237	812	996	189	11	0	0	0	2245
10. Number of dwellings in line 7 entitled to a 50% discount on 30 November 2004	0	0	4	3	0	2	0	2	0	11
11. Additional 50% discounts for new dwellings	0	0	1	4	0	0	0	0	0	5
12. Number of dwellings in line 7 assumed to be entitled to no discounts (lines 7-8-9-9a)	0	45	410	1816	306	31	1	0	0	2609
13. Total equivalent number of dwellings after discounts, exemptions and disabled relief [(line 8 x 0.90) +(line 9 x 0.75)+ (lines 10 and 11 x 0.5) + line 12]	0.00	224.55	1,022.40	2,573.70	448.65	40.25	1.00	1.00	0.00	4,311.55
14. Ratio to band D	5\9	6\9	7\9	8\9	1	11\9	13\9	15\9	18\9	
15. Number of band D equivalents (line 13 x line 14)	0.00	149.70	795.20	2,287.73	448.65	49.19	1.44	1.67	0.00	3,733.58
16. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2005/06										
17. Tax Base for the Blackbird Leys Parish of the Oxford City Council Billing Authority (line 15 + line 16)										3,733.58
18. At projected collection rate of 97%										3,621

7.9