

To: Full Council

Date: 25th November 2013

Item No:

Report of: Head of Finance

Title of Report: Setting of the Council Tax Base 2014-15

Summary and Recommendations

Purpose of report: To seek delegated authority for the Executive Director of Organisational Development and Corporate Services to approve the setting of the "Council Tax Base" for 2014/15 as required by section 33 of The Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.

Key decision: No

Executive lead member: Councillor Ed Turner

Report Approved by:

Finance: Nigel Kennedy (Head of Finance)

Legal: Jeremy Thomas (Head of Law and Governance)

Policy Framework: No

Recommendation(s): Council is asked to agree to delegate the setting of the 2014/15 Council Tax Base for the City Council's area as a whole and for the individual parishes to the Executive Director of Organisational Development and Corporate Services and to the Audit and Governance Committee for subsequent financial years.

Background

1. The Tax Base is the estimate of the taxable capacity of the area for the period. The numbers of dwellings in each valuation band are converted to full charge Band D equivalents. The starting point is the current number of dwellings, exemptions and discounts as at 30th November 2013 and projections are then made for expected movements over the period Dec 1st 2013 – March 31st 2015. Separate calculations are required for a) the whole of the Authority's area and b) for the individual

Parishes and the Unparished areas of the City. The Tax Base will be used by the Council to calculate the yield from Council Tax for 2014/15.

2. The Regulations set a prescribed period for the calculation of the Tax Base, which is between the 1st December and 31st January in the financial year preceding that for which the calculation of the Tax Base is made. The data used in the calculation must be that held as at 30th November and the Tax Base must be conveyed to major precepting authorities by 31st January prior to the financial year.
3. Unfortunately in agreeing the schedule of Council meetings for 2013/14 this time constraint was missed. To avoid the necessity of calling a separate Council or Committee meeting in December or January, Council is therefore requested to give delegated approval to the Executive Director of Organisational Development and Corporate Services to approve the Council Tax Base for 2014/15.
4. For future financial years Council is asked to approve delegation to the Audit and Governance Committee. This will avoid disrupting the scheduling of CEB and Scrutiny agreed as part of the recently implemented governance review.

Calculation Method

5. The method used to calculate the Tax Base is prescribed by the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI 2012/2914). The basic calculation is as follows:
 - Number of dwellings in each of the valuation bands
 - Deduct exempt dwellings
 - Deduct dwellings eligible for the Council Tax reduction scheme
 - Adjust for disable reductions
 - Adjust for discounts (25% and 50%)
 - Convert to band D equivalents
 - Allow for projected collection rate

Risk Implications

6. There are no risk implications relating to this report.

Equalities Impact Assessment

7. There are no equalities impact assessment implications relating to this report.

Financial Implications

8. There are no financial implications directly arising from this report. How the Council sets the Tax Base is prescribed by regulation any implications arising from changes to the Tax Base will be dealt with

through the Council's Medium Term Financial Plan which will be reported to Council in February 2014.

Legal implications

9. The Local Government Finance Act 1992 states that Billing Authorities are to calculate their Council Tax Base, based on figures as at 30th November and that notification must be provided to the major precepting authorities by the following 31st January. The Council's Constitution currently allows for the Tax Base to be approved by Full Council although this can be delegated to an officer or a Committee of Council.

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Background papers: No

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