

To: Council
Date: 23 February 2026
Report of: Group Finance Director
Title of Report: Council Tax 2026/27

Summary and recommendations	
Purpose of report:	To provide the necessary calculations to enable the Council to set the 2026/27 Council Tax for Oxford.
Key decision:	No
Cabinet Member with responsibility:	Councillor Ed Turner, Deputy Leader (Statutory), and Cabinet Member for Finance and Asset Management
Corporate Priority:	All
Policy Framework:	Budget
Recommendations: That Council resolves to:	
1.	Approve the Council's precept and Council Tax requirement of £18,191,281 including Parish Precepts and £17,900,664 excluding Parish Precepts.
2.	Approve the average Band D Council Tax figure (excluding Parish Precepts) of £367.38, a 2.99% increase on the 2025/26 figure of £356.72. Including Parish Precepts, the figure is £373.34, a 3.00% increase, noting that this is not the figure that is used to compare to the referendum limit (as set out in paragraphs 2 to 8 of the report).
3.	Approve a contribution of £10,000 to Old Marston Parish Council in recognition of the additional expenditure that the Parish Council incurs as a consequence of maintaining the cemetery in Marston (as set out in paragraphs 11 and 12 of the report).
4.	Approve the amount of £773,943 to be treated as Special Expenses (see paragraph 15 of the report).

5. **Approve** the Band D Council Tax for the various areas of the city (excluding the Police and Crime Commissioner and Oxfordshire County Council's precepts) as follows:

Littlemore	£393.69
Old Marston	£402.73
Risinghurst and Sandhills	£399.04
Blackbird Leys	£371.13
Unparished Area	£370.48

These figures include Parish Precepts and special expensing amounts as appropriate; in addition to the City Wide Council Tax of £351.50.

6. **Note** Oxfordshire County Council's precept and Band D Council Tax is as set out in paragraph 19 below
7. **Note** the Police and Crime Commissioner for the Thames Valley's precept and Band D Council Tax is as set out in paragraph 20 below, and
8. **Note** the overall average Band D equivalent Council Tax is £2,678.40 including Parish Precepts (subject to confirmation of the Band D figures for Oxfordshire County Council).

Appendix No.	Appendix Title	Exempt from Publication
Appendix 1	Statutory Calculations Required for Setting of the Council Tax	No
Appendix 2	Council Tax Charges per Band 2026/27	No
Appendix 3	Council Tax Setting Risk Register 2026/27	No

Introduction and background

1. The Localism Act, 2011 requires local authorities to calculate the amount of income to be collected from Council Tax based on the Band D charge multiplied by the Council's Tax Base. The Council's calculation of this figure, the Council Tax Requirement, including the Parish Precepts is £18,191,281. The Council Tax Requirement for the Council's own purpose is £17,900,664. The detailed calculation is shown in Appendix 1.

Calculation of basic amount of Council Tax

2. The tax bases for the various parts of the city were approved by the Audit and Governance Committee on 28 January 2026 and totalled 48,725.2. This allows 2% for non-collection.
3. On 18 December 2025 the Secretary of State for Housing, Communities and Local Government confirmed that the council tax referendum limit would remain at 3%. This means that a referendum is not required unless the Council Tax will rise by 3% or more. It was also confirmed that district councils would be allowed to apply the higher of the referendum limit or £5.

4. Social Care Authorities are allowed an additional 2% Adult Social Care precept on top of the referendum limit.
5. Police and Crime Commissioners have a limit of no more than a £15 increase on a Band D property before a referendum is required.
6. The Basic Amount of Council Tax is calculated in accordance with Section 31B of the Local Government Finance Act 1992. Details are shown in Appendix 1 and summarised in Table 1 below.

Table 1 : Basic Amount of Band D Council Tax 2026/27	
Requirement from Council Tax	£17,900,664
<i>(including Parishes)</i>	£18,191,281
Tax Base	48,725.2
Basic Amount of Council Tax Band D	£367.38
<i>(including Parishes)</i>	£373.34

7. The Basic Amount of Council Tax (excluding Parish Precepts) represents a 2.99% increase on the 2025/26 figure of £356.72 and an annual increase of £10.66 or approximately 20p per week. It is this increase of 2.99% increase that has to be compared to the referendum limit of 2.99%. Parish Precepts do not impact on the council tax increase which is assessed for referendum limits, hence the increase including Parish Precepts does not trigger a referendum.
8. The Basic Amount of Council Tax is calculated by dividing the Council Tax Requirement by the Tax Base. This amount of tax is calculated purely to comply with statutory requirements.

Calculation of actual amounts of Council Tax

9. The calculation of the City Wide Council Tax is set out in Table 2 below. The City Wide Council Tax is the base amount of Council Tax payable by all dwellings throughout the authority's area, with Parish Precepts and Special Expenses being added to this to form the full charge.

Table 2 : City Wide Band D Council Tax 2026/27	
Council Tax Requirement <i>(including Parishes)</i>	£18,191,281
<i>Less Parish Precepts</i>	<i>(-) £290,617</i>
<i>Less Special Expenses</i> <i>(see paragraph 16)</i>	<i>(-) £773,943</i>
City Wide Requirement	£17,126,721
Tax Base	48,725.2
City Wide Council Tax Band D	£351.50

10. The parish councils within the city boundary have issued the Council with their precepts. These, and the associated Special Expenses requirement for other areas of the city, are as shown in Table 3 below.

	Parish Precept (net of funding)	Unparished Area Special Expenses net of Cemeteries	Special Expense for Cemeteries	Total	Tax Base Numbers	Average Band D
Littlemore	£89,889.18	n/a	£344.02	£90,233.20	2,138.8	£42.19
Old Marston	£67,619.48	n/a	n/a	£67,619.48	1,319.8	£51.23
Risinghurst and Sandhills	£76,000.00	n/a	£258.00	£76,258.00	1,604.0	£47.54
Blackbird Leys	£57,108.45	n/a	£471.83	£57,580.28	2,933.4	£19.63
Unparished Area	n/a	£766,317.98	£6,551.15	£772,869.13	40,729.2	£18.98
TOTAL	£290,617.11	£766,317.98	£7,625.00	£1,064,560.09	48,725.2	

Old Marston Parish

11. The May 2002 Guidance Note issued by Central Government (Department of Transport, Local Government and the Regions) on Financial Arrangements with Parish and Town Councils outlined principles that should be followed in financial arrangements between district and parish councils. These include:
- Fairness in the provision of services (and access to them) by the principal authority between different parts of their area
 - Democratic control and accountability – to let local councils support additional services with additional expenditure
12. Old Marston Parish Council subsequently made a successful case to the Council for a contribution to it in recognition of the additional expenditure that it incurs in relation to maintaining the cemetery within the parish. The use of the cemetery is not restricted to residents of that parish; hence a contribution has been made to increase the Parish Precept in recognition of this fact since 2008/09. For 2026/27 the Old Marston Parish Precept has been calculated as £67,619.48 and a recommendation is made to Council to increase this by £10,000.00 to £77,619.48.

Unparished areas of the city

13. Only part of the city area is parished. In the Unparished Area of the city, the Council itself undertakes what would otherwise be parish functions. Section 35 (2) of the Local Government Finance Act 1992, states that ‘Special Expenses’ should be calculated when there are “any expenses incurred by a billing authority in performing in a part of its area a function performed elsewhere in its area bya parish”.
14. Within the city area the services shown in the table below are currently provided by at least one parish council. To avoid double charging for the cost of providing these services, a Special Expense - equivalent to the cost of providing these services elsewhere in the city - is levied on those areas where they are not provided by a Parish Council.
15. Table 4 below sets out the Special Expenses Account:

Table 4 : Special Expense Estimates included in calculations		
	2026/27	2025/26
Community Recreation	£489,261	£464,364
Parks Management	£30,312	£28,770
Grounds	£87,867	£83,396
Allotments	£48,603	£46,130
Ditches and Streams	£67,721	£64,275
Cemeteries	£8,034	£7,625
Street Furniture	£42,145	£40,000
Total	£773,943	£734,560

16. The calculation of Special Expenses is based on an assessment of the types of work undertaken in parishes as a whole. The services are provided in at least one if not all the parishes. However, in the case of cemeteries, there is only one cemetery in the parished areas, located in Old Marston. As outlined in paragraph 12, Old Marston Parish Council have put forward a successful case to the Council that the cemetery is available for use by people living outside of the parish - particularly in respect of interment of ashes. The Council has previously accepted this case and approved a contribution to the Old Marston Precept. The total expenditure on the three remaining cemeteries has been charged across all areas except for the Old Marston Parish.
17. Further details of the calculations, as required by the Act are shown at Appendix 1.
18. Taxes by area and by Band are shown at Appendix 2.

Oxfordshire County Council

19. The Oxfordshire County Council's likely precept figure for 2026/27 is £97,780,756.86 giving a Band D Council Tax of £2,006.78, a 4.99% increase on the 2025/26 figure of £1,911.40. The figures are due to be finalised by Oxfordshire County Council on 10 February 2026. The percentage increase includes an overall Adult Social Care Precept of 2%. The Secretary of State for Housing, Communities and Local Government confirmed on 18 December 2025 that the council tax referendum limit allowed authorities with Adult Social Care (ASC) responsibilities to raise an ASC Precept of 2%. The ASC Precept was in addition to the normal referendum limit of 3%.

Police and Crime Commissioner for Thames Valley

20. The precept figure for 2026/27 is £14,533,752.66 giving a Band D Council Tax of £298.28, a £15 increase on the 2025/26 figure of £283.28. This is a 5.30% increase on the 2025/26 figure. The Secretary of State for Housing, Communities and Local Government confirmed on 18 December 2025 that the council tax referendum limit allowed Police and Crime Commissioners to increase their Band D precept by up to £15 in 2026/27 without the need to call a local referendum. The precept figure for 2026/27 was confirmed by the Thames Valley Police and Crime Panel at its meeting on 22 January 2026.

Financial implications

21. These are all included within the main body of the report.

Legal issues

22. The Local Government Finance Acts, 1988 and 1992, as amended by The Localism Act 2011 prescribe all of the calculations set out in this report. The Council as the Billing Authority is required under section 30 of the Local Government Finance Act 1992 to set the Council Tax before the 11 March in the preceding financial year. (EG/8471/6/2/26)

Level of risk and implications

23. Due to the increases explained in the paragraphs above Oxford residents will face an overall rise in their Council Tax liability for 2026/27 of an average of 4.74%. The average Band D Council Tax paid in Oxford in 2025/26 was £2,557.13. This will increase by £121.27 to £2,678.40 in 2026/27.
24. A risk assessment has been undertaken and a risk register is attached at Appendix 3. This includes a risk relating to the potential reputational impact on the Council as Billing Authority for the area and a risk relating to the increased challenge of maintaining the collection rate.

Equalities impact

25. It is difficult to estimate the dimensions of equality risks around Council Tax increases. The Council has put in place proportionate mitigating actions such as the Council Tax Reduction Scheme and the work of the Housing Team to protect the most vulnerable and economically challenged households across the city.

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