

<b>Title of Report</b>	<b>COUNCIL TAX BASE 2026/27</b>	
<b>Presented by</b>	Councillor Keith Merrie Finance and Corporate Portfolio Holder	PH Briefed <input checked="" type="checkbox"/> Y
<b>Background Papers</b>	<a href="#">Cabinet – 28 January 2025</a> <a href="#">Council Tax Base 2025/26</a>	<b>Public Report:</b> Yes <b>Key Decision:</b> Yes
<b>Financial Implications</b>	<p>The increase in council tax base of 395 Band D equivalents will generate an additional £66k in Council Tax for 2026/27.</p> <p><b>Signed off by the Section 151 Officer:</b> Yes</p>	
<b>Legal Implications</b>	<p>There are no direct implications arising from this report.</p> <p><b>Signed off by the Monitoring Officer:</b> Yes</p>	
<b>Staffing and Corporate Implications</b>	<p>There are no direct implications arising from this report.</p> <p><b>Signed off by the Head of Paid Service:</b> Yes</p>	
<b>Purpose of Report</b>	To determine the 2026/27 Council Tax Base and advise Members of the process for calculating the business rates amounts due to the Council for the 2026/27 financial year.	
<b>Reason for Decision</b>	Required as part of the budget setting process for 2026/27 to ensure compliance with the Budget Framework as set out in the Council's Constitution.	
<b>Recommendations</b>	<p><b>THAT CABINET:</b></p> <ol style="list-style-type: none"> <li><b>REVIEWS THE CALCULATION OF THE COUNCIL TAX BASE FOR EACH PARISH AND SPECIAL EXPENSE AREA FOR THE FINANCIAL YEAR 2026/2027 AND RECOMMENDS TO COUNCIL FOR ADOPTION AT ITS MEETING ON 19 FEBRUARY 2026.</b></li> <li><b>NOTES THAT, IN ACCORDANCE WITH THE LOCAL AUTHORITIES (CALCULATION OF COUNCIL TAX BASE) (ENGLAND) REGULATIONS 2012, THE AMOUNT CALCULATED BY NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL FOR THE FINANCIAL YEAR 2026/27 SHALL BE 37,927.</b></li> </ol>	

	<b>3. DELEGATES AUTHORITY TO THE S151 OFFICER TO SUBMIT THE CALCULATIONS ON NON-DOMESTIC RATING INCOME AND OTHER AMOUNTS REQUIRED BY GOVERNMENT BY THE 31 JANUARY 2026 FOR THE FORTHCOMING FINANCIAL YEAR.</b>
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## **1.0 BACKGROUND**

- 1.1 The Local Government Finance Act 1992 requires that the calculation of the Council Tax Base and National Non-Domestic Rates (NNDR) for the financial year 2026/27 be determined by no later than 31 January 2026. This is a necessary component of the setting of the 2026/27 Council Tax and Business Rates.
- 1.2 The work to estimate the Council Tax Base has been undertaken and is presented within this report for approval.

## **2.0 COUNCI TAX BANDS**

- 2.1 The Council Tax Base is a measure of the relative taxable capacity of the district, as shown in Appendix 1, and of each part of the district as shown in Appendix 2. It is expressed as the equivalent number of Band D properties in each area. The Council Tax Base multiplied by the Band D Council Tax gives the Council Tax receivable for the forthcoming financial year.
- 2.2 As set out above, the tax base is expressed as band D equivalents. The actual levy in properties in other bands is calculated on a pro-rota basis using the following ratios:

**Table 1: Council Tax Bands**

<b>Band</b>	<b>Fraction of Band D</b>
A	6/9
B	7/9
C	8/9
D	9/9
E	11/9
F	13/9
G	15/9
H	18/9

- 2.3 Where the precept relates to only part of the district, (i.e. Parish Precepts and Special Expenses), the appropriate Council Tax Base of the part (as shown Appendix 2) is used. Accordingly, all Precepting Authorities have been informed of their appropriate provisional Council Tax Base for 2026/27.

### 3.0 CALCULATION OF THE COUNCIL TAX BASE

3.1 The Council Tax Base calculations for the financial year 2026/27 have been carried out in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012. Appendix 1 shows the actual number of Band D equivalent properties of the Council Tax Base as of 30 November 2025 by Council Tax band.

3.2 The Council Tax Base for 2026/27 is calculated as 37,927, compared to 37,532 for 2025/26, an increase of 395 Band D equivalents, a breakdown of the increase is shown in the table below:

**Table 2: Analysis of change in Council Tax Base**

<b>2025/26 Council Tax Base</b>	<b>37,532</b>
Growth – Actual and Forecasted	629
Changes in discounts, exemptions etc	-215
Changes in Local Council Tax Support	-9
Changes in Non-Collection	-10
<b>2026/27 Council Tax Base</b>	<b>37,927</b>

#### **Growth Estimates**

3.3 Growth estimates in respect of the number of new properties liable for council tax have also been included in the council tax base calculation. These properties have been identified and monitored by the Revenues and Benefits Partnership and the Planning Policy Team and included in the calculation at parish level at assumed bandings. The estimated growth is 610 Band D properties.

#### **Bad Debt Provision**

3.4 A bad debt provision of 2.5% of the base, including growth, has been applied to allow for non-collection and banding appeals. This is due to the forecast collection rate for 2025/26 of 97.3%.

3.5 The adjusted figures for each Parish and Special Expense area are set out in Appendix 2. The respective Council Tax Base for each Parish and Special Expense area is used as a basis for charging Special Expense and Parish Precepts to the Council Tax payers of the appropriate parts of the district.

#### **Local Council Tax Support (LCTS)**

3.6 LCTS reduces the amount of council tax for working age and pensioners on a low income. An estimate for the number of households likely to be claiming LCTS is included in the Council Tax Base calculation each year. The LCTS has reduced the Council Tax Base by 2,382 Band D equivalents for 2026/27, compared to 2,373 in 2025/26. The increase in LCTS has the effect of decreasing the tax base by 9 Band D equivalents.

	<b>2025/26</b>	<b>2026/27</b>	<b>Change</b>
Pensioners	1,079.27	1,068.38	-10.89
Working Age People	1,293.67	1,313.54	19.87
<b>Total</b>	<b>2,372.94</b>	<b>2,381.92</b>	<b>8.98</b>

#### **4.0 NATIONAL NON-DOMESTIC RATES (BUSINESS RATES)**

4.1 Local Authorities are required to provide details of expected Business Rates income for the following year to the Government by 31 January, and this is completed on a form called NNDR1, which requires formal approval. The expectation is that the approval process is to be in line with the approval of the Council Tax Base.

4.2 The calculations that feed into the NNDR1 form are carried out by the Revenues and Benefits Partnership shortly before the 31 January deadline to ensure figures are as up to date as possible. In view of timing, Cabinet is requested to give delegated authority to the Section 151 Officer to approve and submit the form and any other information required by Government for 2026/27 by the 31 January 2026 deadline

<b>Policies and other considerations, as appropriate</b>	
Council Priorities:	The Council Tax Base assists the Council to achieve all its priorities: <ul style="list-style-type: none"><li>- Planning and regeneration</li><li>- Communities and housing</li><li>- Clean, green and Zero Carbon</li><li>- A well-run council</li></ul>
Policy Considerations:	Not applicable
Safeguarding:	Not applicable
Equalities/Diversity:	Not applicable
Customer Impact:	Not applicable
Economic and Social Impact:	Not applicable
Environment, Climate Change and Zero Carbon:	Not applicable
Consultation/Community/Tenant Engagement:	Not applicable
Risks:	Controls are in place to ensure the correct calculation of the Council Tax Base and the NNDR1.
Officer Contact	Anna Crouch Head of Finance <a href="mailto:anna.crouch@nwleicestershire.gov.uk">anna.crouch@nwleicestershire.gov.uk</a>