

**Report to the
Cabinet**

26 January 2026

Wards: All

Council Tax Base Report 2026/27
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Report of the Executive Director of Corporate Resources (S151 Officer)

Report Status:

This item is not exempt

Therefore exempt reasons are not applicable

1. Purpose of the Report and Summary

- 1.1 This report explains how the Council Tax Base for 2026/27 has been calculated and the timetable required to meet the statutory requirements of the Local Government Finance Act 1992 as amended by the Local Government Act 2003 and the Local Government Finance Act 2012.

2. Recommendations

- 2.1 Members approve the calculation of the Council's Tax Base (equivalent number of Band D properties) for the year 2026/27.
- 2.2 Members note that pursuant to the report and in accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012, the amount of Band D equivalent properties calculated by the Kingston upon Hull City Council as its tax base for the year 2026/27 shall be 67,208.

3. Reasons for Recommendations

- 3.1 The Council Tax Base Report sets the foundation for the Council's budget for 2026/27, taking into account changes in the number of homes in the Council Tax list and how much Council Tax the Council are realistically able to collect.
- 3.2 The Council Tax Base has to be approved by Cabinet and notified to precepting authorities before 31 January 2026.

3.3 Tax Base Calculation

- 3.3.1 Banded property valuation lists received from the Government’s District Valuer form the base of the calculation. The number of properties in each band is adjusted for new and empty properties, demolitions and discounts; including discounts awarded under the Local Council Tax Support Scheme.
- 3.3.2 The resulting totals are converted by formula to an equivalent number of band D properties and then multiplied by the estimated long term collection rate. The number of properties in each band is then added together to produce the Tax Base, which for 2026/27 is calculated as 67,208 band D equivalents. The calculation is shown at Appendix 1.
- 3.3.3 The in-year collection rates for Council Tax since 2018/19 are shown in the table below. The eventual yearly collection rate continues to remain at circa 98% but this takes up to 8 years to collect from when originally demanded. The current estimate for the final collection rate is 96.68%, shown in Appendix 1. Lower levels of collection are impacted by working age Council Tax-payers on low incomes paying a minimum of 20%, and the continued impact of the Cost-of-Living crisis on levels of debt.

Financial year	In –year Council Tax collection rate
2018/19	93.71%
2019/20	93.44%
2020/21	93.28%
2021/22	92.90%
2022/23	92.95%
2023/24	92.43%
2024/25	92.36%

4. Key Organisational Impacts

- 4.1 Council Tax is a major funding stream with the Tax Base providing the figures which directly input into the annual budget setting process. Any potential changes to the Tax Base may affect the Council’s financial stability.
- 4.2 The Tax Base sets the legal framework for annual Council Tax setting. Once set it forms the legal basis for the issuing of Council Tax bills, precept amounts and budget resolutions.

5. Impact on other Executive Committees (including Area Committees) and decision makers:

- 5.1 The decisions made within this report are city wide and do not impact specifically on any Executive Committees (including Area Committees).

6. Impact on other key strategies/business plans:

- 6.1 The Community Plan focuses on improving outcomes for residents, strengthening communities. This decision contributes to the plan by securing a stable financial foundation that enables the delivery of frontline services to support residents and communities. Ensuring resources are allocated fairly and transparently and supporting community confidence in council decision making.
- 6.2 The Council Plan, built around priorities such as economic growth, community wellbeing, children and families, neighbourhoods and organisational excellence. This decision contributes to the plan by supporting the financial resilience of the Council, which underpins Council Plan priorities through providing the statutory basis and funding assumptions the Council needs in order to plan and deliver services.

7. Equalities Impact Information

- 7.1 Calculation of the Council Tax Base is a technical, statutory requirement and does not introduce any new policies or change existing Council Tax rules or eligibility to the various discounts or exemptions. The report does not directly impact individuals or groups with protected characteristics.
- 7.2 The Council will continue to monitor equalities impacts through the Council Tax Support scheme rather than through the tax base calculation.

8. Consultation

- 8.1 The calculation of the Council Tax base is a mathematical procedure, and no consultation has been undertaken.

9 Background

- 9.1 The Ministry of Housing, Communities and Local Government has issued regulations in accordance with the Local Government Finance Act 1992 as amended by The Local Government Finance Act 2003, regarding the calculation of the Council Tax Base. The Tax Base has to be approved by Cabinet and notified to precepting authorities before 31 January 2026.

10 Issues for Consideration

- 10.1 The Tax Base Report sets the foundation for the Council's budget for 2026/27, taking into account changes in the number of homes in the Council Tax list and how much Council Tax we are able to collect.
- 10.2 The Tax Base has to be approved by Cabinet and notified to precepting authorities before 31 January 2026.

11 Options and Risk Assessment

- 11.1 The calculation of the Council Tax base is a statutory requirement necessary to set the 2026/27 Council Tax rate.
- 11.2 The Council Tax Base may be under-estimated which could lead to a funding gap in the Council's budget for the coming year.
- 11.3 The risk of under-estimating the Council Tax Base is mitigated by use of verified data from the financial reports (CTB1), see Appendix 1, and through taking into account evidence-based collection rate assumptions, regular monitoring of collection performance and tax base movements.

12. Comments of the Monitoring Officer (Town Clerk)

- 12.1 The contents of the report are noted but these do not raise any specific legal issues.

13. Comments of the Executive Director of Corporate Resources (S151 Officer)

- 13.1 The Executive Director of Corporate Resources (S151 Officer) is the author of this report.

14. Comments of the Assistant Director OD & HR and compliance with the Equality Duty

- 14.1 The content of the report is noted. There are no staffing or equality issues arising for the council from this decision. KH

15. Comments of Overview and Scrutiny

- 15.1 This report is due to be considered by the Overview and Scrutiny Management Committee on the 23rd of January 2026. Any comments or recommendations agreed at the meeting, will be tabled at Cabinet for consideration alongside the final report. (Sc9089 – AS)

16. Comments of the Deputy Leader and Portfolio Holder for Finance

16.1 This report aims to support the timetable for setting the Budget for 2026/27 and associated Medium Term Financial Plan. I support the proposal to set the Council Tax Base outlined within this report.

David Bell, Executive Director of Corporate Resources (S151 Officer)

Contact Officer: Amanda Renton
Head of Revenues & Benefits – Telephone No.: 01482 612160

Officer Interests: None

Background Documents:

The Local Authorities (Calculation of Council Tax Base) Regulations 2012

The Local Government Finance Act 1992

The Local Government Act 2003

Localism Act 2012

Appendix 1

	Council Tax Base									
	Total Band D Equivalents 67,208									
	Disabled	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	TOTAL
1. Total number of dwellings on the Valuation List	0.0	82,669.0	24,792.0	11,708.0	5,177.0	1,434.0	321.0	60.0	40.0	126,201.0
2. Number of dwellings on valuation list exempt (Class B & D to W exemptions)	0.0	-2,488.0	-845.0	-300.0	-97.0	-16.0	-4.0	-2.0	0.0	-3,752.0
3. Number of chargeable dwellings	0.0	80,181.0	23,947.0	11,408.0	5,080.0	1,418.0	317.0	58.0	40.0	122,449.0
4. Number of chargeable dwellings in line 3 subject to disabled reduction	0.0	-309.0	-168.0	-100.0	-60.0	-25.0	-11.0	-12.0	-16.0	-701.0
5. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 4 after reduction)	309.0	168.0	100.0	60.0	25.0	11.0	12.0	16.0	0.0	701.0
6. Number of chargeable dwellings	309.0	80,040.0	23,879.0	11,368.0	5,045.0	1,404.0	318.0	62.0	24.0	122,449.0
Discounts / Premiums										
7. Number of dwellings entitled to a single adult household 25% discount	98.0	37,636.0	8,214.0	2,814.0	803.0	169.0	35.0	3.0	0.0	49,772.0
8. Number of dwellings entitled to a 25% discount due to all but one resident being	30.0	761.0	297.0	119.0	51.0	9.0	1.0	0.0	0.0	1,268.0
9. Number of dwellings entitled to a 50% discount due to all residents being disregarded for council tax purposes	12.0	258.0	81.0	37.0	15.0	17.0	16.0	25.0	17.0	478.0
10. Number of dwellings classed as second homes	0.0	192.0	77.0	34.0	14.0	3.0	2.0	0.0	0.0	322.0
11. Number of dwellings classed as empty and receiving a zero% discount	0.0	2,050.0	365.0	167.0	45.0	5.0	1.0	1.0	0.0	2,634.0
12. Number of dwellings classed as empty and receiving a discount and not shown in line 11	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
13. Number of dwellings classed as empty and being charged the Empty Homes Premium	0.0	878.0	142.0	65.0	24.0	8.0	24.0	1.0	3.0	1,145.0
13a. Number of dwellings receiving Family Annexe discount	0.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5
14. Number of dwellings equivalents after applying discounts and premiums	271.0	71,570.3	21,956.3	10,725.3	4,861.5	1,362.0	329.0	49.8	18.5	111,143.7
15. Reduction in tax base as a result of local council tax support	-94.1	-15,399.5	-1,741.8	-328.2	-95.6	-13.2	-1.6	0.0	0.0	-17,674.0
16. Number of dwellings equivalents after applying discounts, premiums and local tax support to calculate tax base	176.9	56,170.8	20,214.5	10,397.1	4,765.9	1,348.8	327.4	49.8	18.5	93,469.7
17. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
18. Total number of band D equivalents (line 16 x line 17)	98.3	37,447.2	15,722.4	9,241.9	4,765.9	1,648.5	472.9	83.0	37.0	69,517.1
19. Collection Rate (Estimated)	96.95%	96.63%	96.74%	96.75%	96.78%	96.77%	95.86%	96.63%	94.59%	96.68%
20. Total number of Band D equivalents after Loss on Collection	95.3	36,185.6	15,209.8	8,941.5	4,612.4	1,595.3	453.3	80.2	35.0	67,208.0

Implications Matrix

This section must be completed and you must ensure that you have fully considered all potential implications

This matrix provides a simple check list for the things you need to have considered within your report

If there are no implications please state

I have informed and sought advice from HR, Legal, Finance, Overview and Scrutiny and the Climate Change Advisor and any other key stakeholders i.e. Portfolio Holder, relevant Ward Members etc prior to submitting this report for official comments	Yes
I have considered whether this report requests a decision that is outside the Budget and Policy Framework approved by Council	Yes
Value for money considerations have been accounted for within the report	Yes
The report is approved by the relevant Director/Assistant Director	Yes
I have included any procurement/commercial issues/implications within the report	N/A
I have considered the potential media interest in this report and liaised with the Media Team to ensure that they are briefed to respond to media interest.	Yes
I have included any equalities and diversity implications within the report and where necessary I have completed an Equalities Impact Assessment and the outcomes are included within the report	Yes
Any Health and Safety implications are included within the report	N/A
Any human rights implications are included within the report	N/A

I have included any community safety implications and paid regard to Section 17 of the Crime and Disorder Act within the report	N/A
I have liaised with the Climate Change Advisor and any environmental and climate change issues/sustainability implications are included within the report	N/A
I have considered how the decision may contribute or impact on culture and heritage within the city.	N/A
I have included information about how this report contributes to the Community Plan/ Area priorities within the report	Yes
I have considered the impact on air quality, carried out an appropriate assessment and included any resulting actions or opportunities necessary to improve air quality in the report.	N/A