

## EXECUTIVE

Tuesday 16 December 2025

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### COUNCIL TAXBASE AND NNDR 1 2026/27

The Executive received the statutory report which set the 2026/27 Council Tax base in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012. The report also sought approval to delegate the Council's estimate of Business Rate Income (NNDR1) for the next financial year to Strategic Director Corporate Resources and S151 Officer.

Particular reference was made to:

- the Government referendum principles remain unchanged and therefore with the Council tax increases remaining below £5 or 3% there would be no referendum trigger;
- the budget strategy had assumed a 2.99% council tax increase, which was consistent with recent years and there was a modest increase in Band D equivalent properties compared to the current year;
- 334 additional Band D equivalent properties would be subject to council tax;
- recommendation 2.3 of the report requested delegating authority be granted to the Section 151 Officer to complete and submit the annual business rates return by the end of January 2026, which calculated the forecast income for 2026–27; and
- a collection fund surplus of just over £1 million was being proposed, which was a statutory, ring-fenced account for council tax and business rates and any surplus or deficit would be declared by the billing authority and shared with precepting bodies in the following financial year.

During the discussion, Executive Members raised the following points and questions:

- it was highlighted that Exeter City Council only received 8% of the total council tax collected, with the majority of it going to other agencies;
- the council tax collection rate of 97.5%, was 0.2% above the national average and officers were commended for their effective collection performance;
- clarification was sought on the tax base of £40,186 against 59,000 households and whether the difference represented households from which council tax was not collected; and
- an enquiry was made about the council tax banding review process for properties that had undergone significant changes and whether there was a set process to capture those changes and if they affected future council tax income projections?

In response to questions raised by Executive Members, the Head of Service Finance advised that:

- the difference between total households and the tax base was due to adjustments for properties where council tax could not be collected. Those adjustments mainly reflected the Council Tax Support Scheme, which reduced the effective tax base; and

- inspection officers did visit properties undergoing major changes, but a more detailed response would be provided to Members outside of the meeting.

The Head of Service Finance, advised that recommendation 2.1 needed to be amended to reference the correct regulations as follows:

- the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.

The Leader agreed for the amendment to be accepted.

The Leader moved the recommendations as amended, which were seconded by Councillor Foale, voted upon, and CARRIED unanimously.

**RESOLVED** that Executive approve:

- (1) that in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by Exeter City Council as its tax base for the year 2026/27 will be £40,186;
- (2) the Collection Fund Surplus of £1,060,596; and
- (3) that the Section 151 Officer be granted delegated responsibility to approve the Council's NNDR1 return by 31 January 2026.