
Meeting of the Cabinet – 29th January 2026

Report of the Interim Director of Resources (Section 151 Officer)

Council Tax Base 2026/27

Purpose

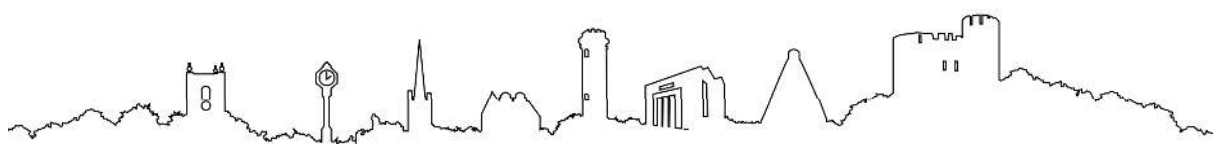
1. To approve the Council Tax Base for financial year 2026/27

Recommendations

2. That Cabinet:
 - (1) Approves a Council Tax base for Dudley of 98,517.83 Band D equivalent properties, for 2026/27, as calculated in Appendix 1, in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
 - (2) Notes that, once formally determined (by approving this report), this tax base cannot subsequently be altered and will be used when the Council sets the Council Tax for 2026/27.

Reasons for Recommendations

3. The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 requires local authorities to determine their tax base for Council Tax setting purposes before 31 January each year. This means that billing authorities, like Dudley, must calculate the number of properties where Council Tax is payable and inform other precept bodies and other levying bodies, by 31st January, of this figure for precept/levying purposes. The Council Tax Base must be calculated in accordance with the Local Authorities (Calculation of



Council Tax Base) (England) Regulations 2012. It is used to determine the annual amount of collectable Council Tax.

4. The regulations set out the methodology to be used by authorities when calculating their Council Tax Base. They further dictate that the Council Tax Base should be set between 1st December and 31st January prior to the financial year to which it refers.

Background and Key Issues

5. The Council is required to determine the tax base for Council Tax setting purposes for 2026/27. The calculation in this report is based upon the valuation list as of November 2025 and takes into account forecasts of discounts, exemptions and other changes likely to affect the number of properties on which full Council Tax will be payable and is inclusive of those changes which are predicted to happen by the end of 2026/27 e.g. successful appeals against valuation bands.
6. There has been a net increase of 390 in the total number of domestic properties in the past year to November 2025, compared with a forecast of 417. The table in Appendix 1 shows the number of properties by band in Dudley as at November 2025.

The total anticipated properties for 2026/27 are 142,817. This is set out at Table 1 below. From this figure deductions are made for the following: exemptions 2,259 (-116), discounts and other 12,596 (+288) and council tax support 10,375 (-509). Please note the figures in brackets are the movement from figures used for 2025/26.

7. The number of empty homes 501 (-20) is added to the calculation as detailed in the table below.

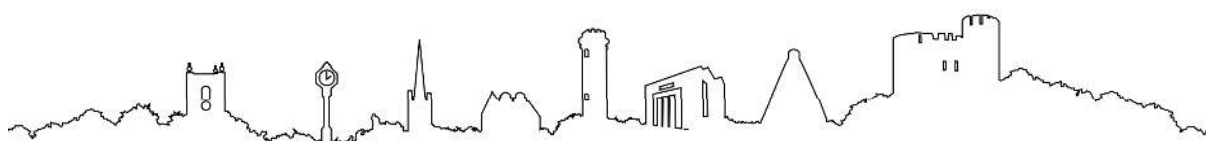
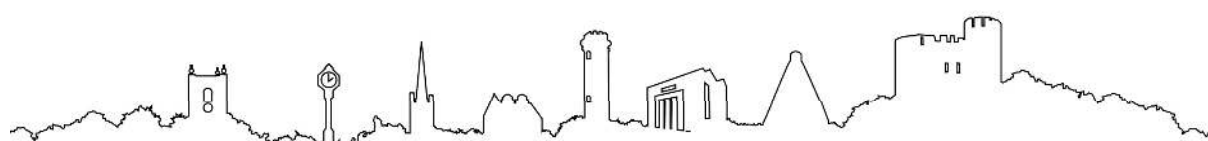


Table 1: Adjustments to the Tax base

Summary of adjustment to the tax base	2025/26	2026/27	Movement
Properties on Valuation List	141,927	142,317	390
Forecasted new properties	417	500	83
Net increase in No. of properties	142,344	142,817	473
Exemptions,	-2,375	-2,259	116
Discounts and Other	-12,308	-12,596	-288
Empty Homes Premium	521	501	-20
Council Tax Support	-10,884	-10,375	509
Gross Tax Base	117,298	118,087	790
Gross Tax Base after applying ratio to band D properties (Appendix 2)	99,386.45	100,018.10	631.65
Collection rate	98.50%	98.50%	0.00%
Tax base	97,895.65	98,517.83	622.18

8. It should be noted that, as in previous years, whilst the number of properties on the Valuation list is a statement of fact, there are a number of estimates made by officers that make up the gross tax base. The key estimates are described below in paragraphs 10 to 14
9. The forecast of new properties is based on taking information provided by officers on expected new builds after the valuation list date.
10. The forecast of exemptions and discounts is largely based on system reports that are compared to current year costs to check for reasonableness
11. The level of Council Tax Support is estimated based on current costs in 2025/26 and the trend in usage during the year.



12. To the gross tax base and adjustment is made to take account of the proportion of properties in each tax band to arrive at a figure based on equivalent band D properties the detailed calculation is in Appendix 1 and the summary information is shown in the table above.
13. The final part of the calculation is the application of the anticipated tax collection rate. It is recommended that the budgeted eventual composite collection rate for 2026/27 is maintained at the level of 98.5% that was budgeted for in 2025/26. On this basis, the tax base for setting Council Tax for 2026/27 will be 98,517.83 Band D equivalent properties. In the event that collection performance exceeds the assumed rate, the resultant surplus will become available to be taken into account in setting future years' budgets and should this collection rate not be achieved the resulting deficit will be reflected in future budget setting.

Finance

14. The calculation of Council Tax Base is based on the number of domestic properties in the valuation list in Dudley. Statistical information indicates that the number of domestic properties in Dudley has increased.

Law

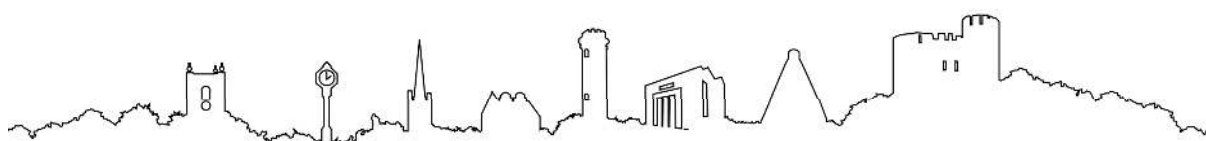
15. The Council Tax Base must be calculated in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 and be determined between 1st December and 31st January of the financial year preceding the financial year to which it will apply.

Risk Management

16. If Council Tax is not collected the Council's income could be affected and services provided by the Council may need to be cut.

Equality Impact

17. No impact.



Human Resources/Organisational Development

18. No impact.

Commercial/Procurement

19. No impact.

Council Plan

20. The Council's 1 year plan has 8 priorities, one being Use of Resources, to deliver our Medium Term Financial Strategy (MTFS) by achieving sustainable savings, while delivering services to our residents.

Lisa Kitto
Interim Director of Resources (Section 151 Officer)

Contact Officer: Craig Westwood, Senior Principal Accountant
Telephone: 01384 81 1396
email: Craig.Westwood@dudley.gov.uk

