

CABINET

Meeting

Portfolio Area Resources and Performance

Date 10 December 2025



COUNCIL TAX BASE 2026/27

KEY DECISION

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1. PURPOSE

- 1.1 To seek members approval of the Council Tax Base for 2026/27.

2. RECOMMENDATIONS

- 2.1 In accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012, the amount calculated by Stevenage Borough Council for the year 2026/27 will be 29,473.9 equivalent "Band D" properties, reduced to 28,884.5 equivalent "Band D" properties after making allowances for a 98.0% collection rate.
- 2.2 The 2026/27 Council Tax Base is approved subject to any changes made to the Council Tax Support Scheme (CTS) for 2026/27. The Cabinet approved the CTS scheme at its meeting on 12 November 2025.

3. BACKGROUND

- 3.1. Under the provisions of the Local Government Finance Act 1992, as amended by subsequent legislation, billing authorities are required to notify major precepting authorities and levying bodies of their Council Tax Base for the forthcoming financial year. This notification must be made between 1 December and 31 January preceding the start of the financial year.
- 3.2. The Council has a statutory duty to formally determine its Council Tax Base by resolution before notifying major precepting authorities and levying bodies.

4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1. Taxbase

- 4.1.1. The actual number of domestic dwellings in the Borough, shown in the Valuation Officers list on 10 September 2025 was 38,694, compared to 38,395 as at 15 September 2024, an increase of 299 properties.
- 4.1.2. For each of the Council Tax bands, the tax base figure is the sum of actual dwellings on the valuation list, adjusted for estimated, newly constructed dwellings, exemptions, disabled reductions and discounts, (including the Council Tax Reduction Scheme discounts), to arrive at the net number of chargeable dwellings for each band. The projections for 2026/27 include known construction numbers planned, giving a total of 442 (pro rata), new homes for 2026/27 with the majority being band B properties. For 2026/27 to mitigate potential delays in new property completions, the assumed lead time for properties to come online is a further four months. This adjustment will slightly reduce the projected tax base in the short term, with benefits expected to materialise in subsequent years.
- 4.1.3. This net figure is then multiplied by the relevant proportions for the particular band (e.g. Band A is 6/9 in relation to Band D) in order to convert it to the estimated number of equivalents "Band D" properties for each band.
- 4.1.4. The relevant proportion for each band is:

Band	Charge ratio	Valuation (at 1/1/91 prices)
A	6/9	Up to £40,000
B	7/9	Over £40,000 and up to £52,000
C	8/9	Over £52,000 and up to £68,000
D	9/9	Over £68,000 and up to £88,000
E	11/9	Over £88,000 and up to £120,000
F	13/9	Over £120,000 and up to £160,000
G	15/9	Over £160,000 and up to £320,000

Band	Charge ratio	Valuation (at 1/1/91 prices)
H	18/9	Over £320,000

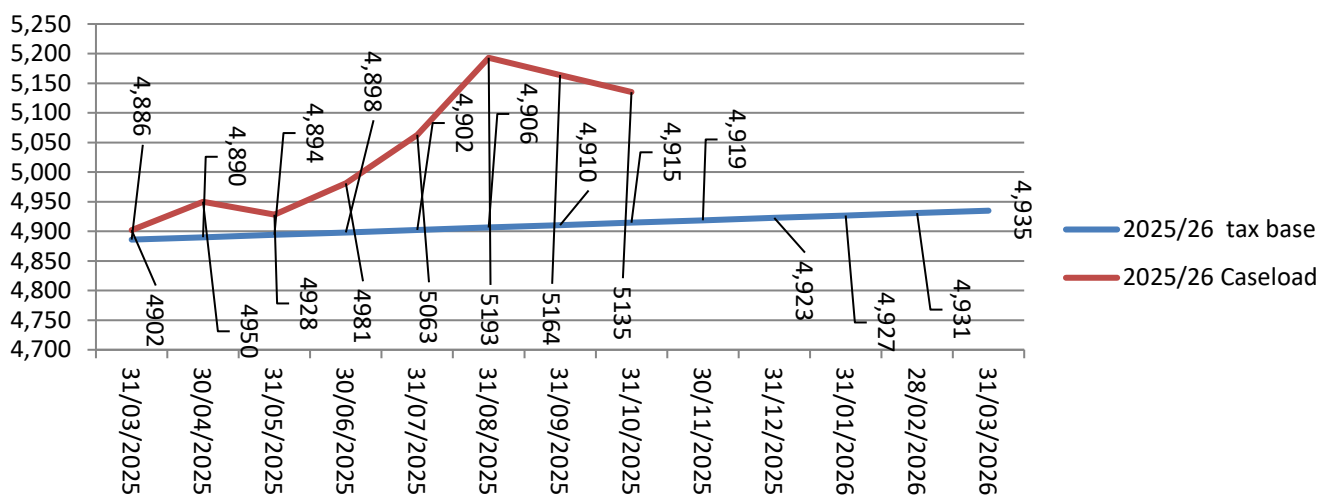
- 4.1.5. These “Band D” equivalents are aggregated to give the total number of the equivalent “Band D” dwellings for the authority as a whole. For Stevenage in 2026/27 this is 29,473.9 dwellings, which is less than the actual number of dwellings because the majority of dwellings in Stevenage are in Band C.
- 4.1.6. Stevenage Borough Council is the billing authority for all council tax in the Borough but does not keep the majority of council tax raised. The 2024/25 and 2025/26 amounts and percentage shares for the County Council, the Police and Crime Commissioner and Stevenage Council are shown in the chart below (based on Band D).

Authority	2024/25 Band D	2025/26 Band D	Charge Per day	Increase	Share
Hertfordshire County Council	£1,685.75	£1,769.87	£4.85	4.99%	77.58%
Stevenage Borough Council	£239.26	£246.41	£0.68	2.99%	10.80%
Police Crime Commissioner	£251.00	£265.00	£0.73	5.58%	11.62%
Total	£2,176.01	£2,281.28	£6.25	4.84%	100.00%

Council Tax Support (CTS)

- 4.1.7. The 2026/27 Council Tax Base proposed is based on the current Council Tax Support Scheme liability of 8.5% and as agreed at the November 2025 Cabinet. The 2025/26 taxbase had assumed a 1% projected increase in council tax support numbers as a result of changes in the local economy and growth in new properties. The chart below shows the 2025/26 tax base assumed CTS cases, versus the actual case load and shows that actual to date has been more than what was projected by the year end.

Council Tax Support Cases in the Taxbase versus Actual to date

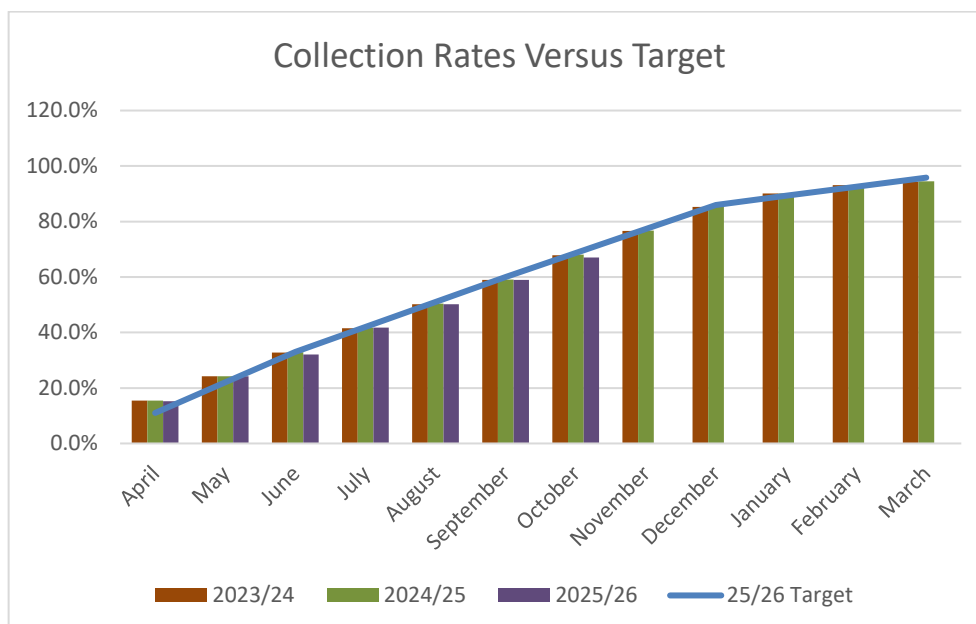


- 4.1.8. While the 2025/26 number of CTS claimants has increased by 5.95% since 1 April to 1 November 2025, this has been offset by a greater number of new properties than estimated and a reduction in other discounts. The Shared Revenues and Benefits team have also targeted potential claimants to improve CTS take up, which has increased the working age caseload in year. For 2026/27, it has been assumed that the CTS caseload will increase by a further 2%, as historically the caseload has reduced in previous years, but to reflect the impact of newer properties coming into the taxbase. The 2026/27 cost of CTS to the taxbase for those working and pensionable age is estimated at £7,041,257 (2025/26 £6,397,988), however the County Council has the biggest cost burden for this, as they account for 77.58% (2025/26) of the tax base with SBC at 10.80%. The average caseload level of CTS in the 2026/27 taxbase is modelled as 5,253 (based on 1 April 2026 5,201 cases increasing to 5,305 by 31 March 2027 assuming a 2% increase), versus a 5,114 total caseload for working and pensionable age claimants as at the 13 November 2025.

Collection Rate

- 4.1.9. The collection rate was reduced from 98.25% to 98% for the 2025/26 financial year and is projected to remain at this level for 2026/27. Since 2019/20 levels of debt have increased by £6.5 Million by 2024/25, which is similar to other Councils in Hertfordshire. The Council achieves circa 98% but over a five-year period as debts are collected in future years, meaning there is a risk to achieving that and the in-year collection rate has dropped to under 95%. Officers are looking at options to improve collection rates.
- 4.1.10. Based on the collection rate analysis and the current length of time to collect, it is proposed that the 2026/27 collection rate percentage remains at 98%. The amount collected to 30 September 2025 was 59.0% against the target of 60% (2024/25 was 59.1%, target 60.0%). The current in year collection rate is lower than the target, a 1.9% under-recovery of council tax would equate to £1.238

Million for a full year, (SBC's share would be £133,750). However, there are other factors which influence cash collected, such as the level of properties in the taxbase and the level of discounts.



- 4.1.11. The Council Tax Base for 2026/27 after making allowances for a collection rate of 98.0% is 28,884.5 equivalent “Band D” properties. (The comparative figure for 2025/26 was 28,571.8). This is 18.76 Band D equivalent properties higher than the Medium-Term Financial Strategy estimate for 2026/27 or £4,622.76 more collectable council tax before any increase for 2026/27 is considered.

4.2 2025/26 Council Tax base versus approved taxbase

- 4.2.1 The Council approved a 2025/26 tax base of 28,572 at the Cabinet meeting on 11 December 2024, representing a 0.03% reduction compared to the 2024/25 tax base. This figure was based on projected growth of 208 new properties and a 1% increase in Council Tax Support (CTS). Currently, the actual tax base remains higher than the approved 2025/26 level due to several contributing factors:

- Since the 2025/26 tax base was set, an additional 79 properties have been added as of 1 October 2025.
- The number of exempt properties has decreased by 6, contributing to an increase in the tax base.
- Properties receiving a Single Person Discount have reduced by 120, further improving the tax base.
- However, properties under Council Tax Support (CTS) have increased by approximately 48, offsetting some of the gains noted above.

For 2025/26, the Council revised its projected CTS increase from 2% in 2024/25 to 1%, based on historic reductions in the previous four years. Due to

a higher caseload (see also paragraph 4.1.8), the latest forecast indicates CTS levels could rise by around 3% by the end of the financial year.

5. IMPLICATIONS

5.1. Financial Implications

- 5.1.1. The revised taxbase will be included in the draft 2026/27 Council Tax Setting and General Fund Report to the January 2026 Cabinet.
- 5.1.2. The increase in assumed property numbers less the discount assumptions including Council Tax Support (compared to 2025/26 approved taxbase) is the equivalent to a total additional 239.76 equivalent Band D properties or £59,079 before any council tax increase is considered. The reason for the increased council tax income is shown in the table below, (before any council tax increase for 2026/27).

Increased income from 2026/27 taxbase compared to 2025/26 before any council tax increase			
	2025/26 Estimate £	2026/27 Estimate £	Increase /(decrease) £
Properties numbers	8,627,879	8,745,690	117,811
Council Tax Support Scheme	(724,504)	(760,554)	(36,050)
Changes to other discounts & Premium	(719,313)	(722,463)	(3,150)
Increase in bad debt 2%	(125,721)	(145,253)	(19,532)
Total	£ 7,058,341	£ 7,117,420	£ 59,079

5.2. Legal Implications

- 5.2.1. The legal implications are in the body of the report.

5.3. Policy Implications

- 5.3.1. None.

5.4. Equal Opportunities Implications

- 5.4.1. There are no direct equality and diversity implications arising from the recommendations in this report.

5.5. Risk Implications

- 5.5.1. The assumptions made are reasonable at the current time but, if the level of anticipated growth in the 2026/27 Tax Base is not realised and/or the council tax support caseload increases, there could be an in-year deficit on the Collection Fund.

5.6. Climate Change Implications

5.6.1. None.

BACKGROUND DOCUMENTS

BD1 – Council Tax Support Scheme 2026/27 (Cabinet 12 November 2025)

APPENDICES

Appendix A 2026/27 Council Tax Base