TORBAY COUNCIL

Meeting: Council **Date**: 26th February 2026

Wards Affected: All Wards in Torbay

Report Title: Council Tax 2026/27

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1. Purpose of Report

The Council has a statutory obligation to set a 2026/27 Council Tax Requirement and a Council Tax for the Torbay area, including the demands of the precepting bodies before the 11 March in the preceding financial year.

2. Reason for Proposal and its benefits

The purpose of this technical report is to enable the Council to fulfil its statutory duty to calculate and set the Council Tax Requirement and Council Tax for 2026/27.

3. Recommendation(s) / Proposed Decision

3.1 That the Council is recommended to note:

3.2 On the 11th December 2025 Council approved the following Council Tax Bases for 2026/27: -

a) For the whole Council area as 49,488.48 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]; and

b) For dwellings in the Brixham Town Council area as 6,622.66 to which a Parish precept relates.

3.3 That the Police and Crime Commissioner for Devon and Cornwall, and the Devon and Somerset Fire and Rescue Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table in paragraph 3.6 below.

That the Council is recommended to approve:

3.4 The Council Tax requirement for the Council's own purposes for 2026/27 (excluding Brixham Town Council) of £101,159,897;

3.5 That the following amounts be calculated for the year 2026/27 in accordance with Chapter Three of the Act:

a) £458,149,581 being the estimated aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account the precept issued to it by Brixham Town Council;

b) £356,333,561 being the estimated aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act;

c) £101,816,020 being the amount by which the aggregate at 3.5(a) above exceeds the aggregate at 3.5(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax Requirement for the year (item R in the formula in Section 31B of the Act);

d) £2,057.37 being the amount at 3.5(c) above (Item R), all divided by Item T (3.2(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts);

e) £656,123 being the aggregate amount of all special items (Brixham Town Council) referred to in Section 34(1) of the Act; and

f) £2,044.11 being the amount at 3.5(d) above less the result given by dividing the amount at 3.5(e) above by Item T (3.2(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

3.6 That the Council, in accordance with Chapter Three of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2026/27 for each part of its area and for each of the categories of dwellings.

	Valuation Band							
	A	B	C	**D**	E	F	G	H
Ratio of each band-to-Band D	6/9	7/9	8/ 9	9/9	11/9	13/9	15/9	18/9
	£	£	£	£	£	£	£	£
Torbay Council	1,362.74	1,589.87	1,816.99	2,044.11	2,498.35	2,952.60	3,406.85	4,088.22
Police and Crime Commissioner	202.13	235.82	269.51	303.20	370.58	437.96	505.33	606.40
Devon and Somerset Fire and Rescue Authority	73.12	85.31	97.49	109.68	134.05	158.43	182.80	219.36
Aggregate of Council Tax Requirements ex. Town Council	**1,637.99**	**1,911.00**	**2,183.99**	**2,456.99**	**3,002.98**	**3,548.99**	**4,094.98**	**4,913.98**
Brixham Town Council	66.05	77.05	88.06	99.07	121.09	143.10	165.12	198.14
Aggregate of Council Tax Requirements including Brixham Town Council	**1,704.04**	**1,988.04**	**2,272.05**	**2,556.06**	**3,124.07**	**3,692.09**	**4,260.10**	**5,112.12**

Note: Torbay Council's precept includes the Adult Social Care "precept" set in 2016/17 to 2018/19 and 2020/21 to 2026/27.

3.7 That it is noted that the Council's basic amount of Council Tax for 2026/27 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992. (Refer to paragraph 5.7)

4. Precepts on Torbay Council as a Billing Authority

4.1 Members should note that due to the complexity of setting the council tax level in accordance with statute it is not possible to simplify this report.

4.2 The Council approved the statutory Tax Base for Torbay at its meeting on the 11th December 2025 as 49,488.48 for the year 2026/27 and approved the 2026/27 Tax Base for Brixham Town Council as 6,622.66. When the "Council Tax Requirements" of the Police and Crime Commissioner for Devon and Cornwall, the Devon and Somerset Fire and Rescue Authority and Torbay Council (including Brixham Town Council) are determined, it remains only to make the statutory "basic tax" calculations in accordance with the Local Government Finance Act 1992, as amended by the Localism Act 2011, and "set" the tax for the eight Valuation Bands A to H ranging from 6/9ths to 18/9ths of the basic amount – "Band D".

4.3 The precept levels of other precepting bodies have been received. These are detailed below:

4.4 **Brixham Town Council**

Brixham Town Council met on 7th January 2026 and set a precept of £656,123. This results in a Band D Council Tax for 2026/27 of £99.07, (£79.75 2025/26), which is an increase of 24.23%. This precept is only payable by residents living in the Brixham Town Council area.

4.5 **Police and Crime Commissioner (PCC) for Devon & Cornwall**

The Police and Crime Commissioner for Devon and Cornwall met on 30th January 2026 and set a precept (for Torbay) of £15,151,937.14 This results in a Band D Council Tax for 2026/27 of £303.20 (£288.20 2025/26), an increase of 5.20%.

4.6 **Devon and Somerset Fire and Rescue Authority**

Devon and Somerset Fire and Rescue Authority met on 16th February 2026 and set a precept of £5,481,300 This results in a Band D Council Tax for 2026/27 of £109.68, (£104.68 2025/26), an increase of 4.78%.

4.7 If the formal Council Tax Resolutions within 3.6 above are approved, the total basic amount "Band D" of Council Tax will be as follows:

	2025/26 £	**2026/27 £**	**2026/27 Change**
Torbay Council	1,946.96	2,044.11	4.99%
Police and Crime Commissioner	288.20	303.20	5.20%
Devon and Somerset Fire and Rescue Authority	104.68	109.68	4.78%
Sub-Total	**2,339.84**	**2,456.99**	**5.01%**
Brixham Town Council	79.75	99.07	24.23%
Total	**2,419.59**	**2,556.06**	**5.64%**

Background Documents

The Referendums Relating to Council Tax Increases (Principles) (England) Report 2026-27

Supporting Information

Agenda for Council on Thursday,11 December 2025, 5.30 pm

5. Summary

5.1 The 2026/27 revenue budget will be presented to Council on 26th February 2026. The net revenue budget proposed for approval is £205.3m.

5.2 This is net expenditure before the Council's general income and funding, NNDR Income, NNDR top up grant, other general grant and any collection fund surplus.

5.3 This results in a Council Tax requirement for the Torbay Council element of £101,159,897. Including the Brixham Town Council precept the Council Tax requirement is £101,816,820.

5.4 Expenditure at that level for Torbay Council will result in a Band D Council Tax for 2026/27 of £2,044.11, a 4.99% increase in the Torbay Council element of the Council tax.

5.5 Under section 52ZB(1) of the Local Government Finance Act 1992 ("the 1992 Act") as inserted by Schedule 5 to the Localism Act 2011, each billing authority and precepting authority must determine whether its relevant basic amount of council tax for a financial year ("the year under consideration") is excessive. If an authority's relevant basic amount of council tax is excessive a referendum must be held in relation to that amount.

5.6 The question whether an authority's relevant basic amount of council tax for a financial year ("the year under consideration") is excessive must be decided in accordance with a set of principles determined by the Secretary of State for the year under "The Referendums Relating to Council Tax Increases (Principles) (England) Report".

5.7 "For 2026/27, the relevant basic amount of council tax of an authority which belongs to the category mentioned in paragraph 2(a) is excessive if the authority's relevant basic amount of council tax for 2026/27 is 5% (comprising 2% for expenditure on adult social care, and 3% for other expenditure), or more than 5%, greater than its relevant basic amount of council tax for 2025/26"

5.8 For 2026/27 the Council will set an adult social care precept of 2% and a precept of 2.99% for other expenditure. If the formal Council Tax Resolutions within 3.5 above are approved the change in the "relevant basic amount" (i.e. the Band D Council tax) for 2026/27 is 4.99%, which is not "excessive" per the regulations.

5.10 The gross expenditure and income figures included at 3.5 (a) and 3.5 (b) are linked to the budget digest information presented to Council in March, which are prior to any adjustments to comply with CIPFA and central government reporting requirements.

6. Legal Implications

6.1 The Council is required, in accordance with the Local Government Finance Act 1992, as amended by the Localism Act 2011, to set an amount of Council Tax for each of the eight Valuation Bands for the coming financial year before 11th March. This is a matter of calculation only but in accordance with Section 67 of the Act must be set by the Council.

7. Consultation

7.1 There has been consultation on the 2026/27 budget proposals with all Members and through the Priority and Resources board meetings and consultation with stakeholders and residents through consultation documents and the use of social media.

8. Associated Risks

8.1 The Council must set the Council Tax before 11th March each year. The Collection of Council Tax income is essential to ensure the services provided by the Council and the other precepting bodies are adequately funded.

8.2 If the Council fails to set a Council Tax before 11th March, it will be in breach of its statutory obligation and subject to legal challenge.