

REPORT TO:	Council
DATE:	1 st March 2023
SUBJECT:	Council Tax Setting 2023/24
PURPOSE:	To set the amounts of Council Tax applicable for 2023/24 for each valuation band and in each part of the district.
KEY DECISION:	Yes
PORTFOLIO HOLDER:	Councillor Richard Fry
REPORT OF:	Christine Marshall, Deputy Chief Executive Corporate Development
REPORT AUTHOR:	Samantha Knowles, Assistant Director Finance Steven Houchin, Chief Finance Officer, PSPS
WARD(S) AFFECTED:	All
EXEMPT REPORT?	No

SUMMARY

The East Lindsey District Council budget was considered by Executive Board on 15th February 2023 and recommendations are now provided to Council on 1st March 2023, setting the band D Council tax at £161.64, a £4.95 (3.16%) increase on 2022/23. The Budget report is based on the finance settlement advised by the Department for Levelling up, Housing and Communities.

RECOMMENDATIONS

That Council approves:

1. The formal Council Tax resolutions for 2023/24 as set out in Appendix A and summarised at 4.1.

REASONS FOR RECOMMENDATIONS

To comply with the Local Government Finance Act 1992 (as amended).

OTHER OPTIONS CONSIDERED

No other options have been put forward.

1.0 BACKGROUND

- 1.1 The Executive Board considered final budget proposals at its meeting on 15th February 2023 and its recommendations are now provided to Council for its approval on 1st March 2023.
- 1.2 This report incorporates relevant resolutions for the setting of the Council Tax for 2023/24 in accordance with the recommended budget.

2. REPORT

- 2.1 Formal resolutions are required to set the Council Tax in accordance with the Local Government Finance Act 1992 (as amended). These resolutions incorporate the precept requirement for East Lindsey District Council, as well as all other Authorities that issue a precept in the District. The required resolutions are detailed at **Appendix A**.
- 2.2 Schedule 5 of the Localism Act 2011 introduced a change to the Local Government Act 1992. This makes provision for Council Tax Referendums to be held if an authority increases its basic amount of Council Tax in excess of principles determined by the Secretary of State.
- 2.3 These principles are set each year and for 2023/24 the trigger levels have been set as follows:
 - Lincolnshire County Council, as an Adult Social Care (ASC) Authority, can increase its core Council Tax by no more than 5% (comprising 3% for the Adult Social Care Precept, and 2% for other expenditure).
 - Lincolnshire Police and Crime Commissioner (LPCC) - If the basic amount of Council Tax increases by more than £15.00 above its 2022/23 value for a typical Band D property.
 - East Lindsey District Council – If the basic amount of Council Tax increases by 3% (or more than 3%) and more than £5, whichever is the greater.
 - Local precepting authorities (Parish Councils) are not subject to a Council Tax referendum.
- 2.4 Based on the Council tax resolutions at Appendix A none of the precepting authorities are setting a Council Tax level that would require a referendum.

3. East Lindsey District Council Budget

- 3.1 The East Lindsey District Council budget was considered by Cabinet on 15th February 2023 and recommendations are now provided to Council on 1st March 2023, setting the band D Council tax at £161.64, a £4.95 (3.16%) increase on 2022/23. The Budget report is based on the finance settlement advised by the Department for Levelling Up, Housing and Communities.

4. Council Tax Resolutions

4.1 The required resolutions for the approval of the levels of Council Tax are set out at Appendix A. The figures relating to the District Council and the average of the parishes are summarised in the following table:

<u>Resolution Ref</u>	<u>Description</u>	<u>ELDC</u>
		£
3a	Gross expenditure	82,685,065
3b	Gross Income	(71,748,870)
3c		10,936,195
1a	Tax base	46,377
3d	Band D Council Tax (Including Parish Precepts)	235.81
3f	Band D Council Tax (Excluding Parish Precepts)	161.64

4.2 The Council tax bills for 2023/24 include the requirements of Town and Parish Councils (where relevant), Lincolnshire County Council and the Police and Crime Commissioner for Lincolnshire, who are all individually responsible for setting their own Council tax levels. The Council tax resolutions (resolution 3(e), 4 and 5) relating to these organisations are covered at Appendix A and summarised below.

5. Town and Parish Councils

5.1 The Town and Parish Council precepts are detailed at Appendix B and total £3,439,818. The average band D charge is £74.17 for 2023/24, an increase of 5.94%. Appendix B shows the combined parish and district precepts for all valuation bands.

6. Lincolnshire County Council

6.1 Lincolnshire County Council confirmed its precept for 2023/24 at its Meeting on 17th February 2023, setting a Council Tax Band D charge of £1,503.63 (£1,432.17 for 2022/23) which is a £71.46 (4.99%) increase.

7. Police and Crime Commissioner for Lincolnshire

7.1 The Police and Crime Commissioner's budget for 2023/24 was approved by the Lincolnshire Police and Crime Panel on 3rd February 2023. The proposed Council Tax Requirement represents a Council Tax Band D charge of £291.24 (£276.30 for 2022/23) which is a £14.94 increase (5.41%), although this is subject to final confirmation by the Police and Crime Commissioner.

7.2 Based on the formal council tax resolutions the total (average) band D Council Tax will be as follows: (subject to formal confirmation of the LCC and PCC Values).

	<u>2022/23</u>	<u>2023/24</u>	<u>Increase</u>	<u>Increase</u>
	£	£	£	%
East Lindsey District Council	156.69	161.64	4.95	3.16%
Lincolnshire County Council	1,432.17	1,503.63	71.46	4.99%
Police and Crime Commissioner for Lincolnshire	276.30	291.24	14.94	5.41%
Sub total	1,865.16	1,956.51	91.35	4.90%
Town and Parish Councils	70.01	74.17	4.16	5.94%
Total	1,935.17	2,030.68	95.51	4.94%

7.3 **Appendix D** shows the combined council tax charges to include all precepting authorities by parish and valuation band.

8. OPTIONS

8.1 Approve the recommendations of this report.

8.2 Make Changes before approving the recommendations of this report.

9. EXPECTED BENEFITS TO THE PARTNERSHIP

9.1 To set the amounts for Council Tax applicable for 2023/24 for each valuation band and in each part of the District, by the required deadline for East Lindsey District Council which will facilitate billing for the year.

9.2 Council Tax is set in accordance with the resolutions will maintain a balanced budget in 2023/24 as per the recommendations from Executive Board on the Budget, Medium Term Financial Plan and Capital Strategy Report for 2023/24.

10. IMPLICATIONS:

11. SOUTH AND EAST LINCOLNSHIRE COUNCIL'S PARTNERSHIP

11.1 None

12. CORPORATE PRIORITIES

12.1 *None*

13. STAFFING

13.1 None

14. CONSTITUTIONAL AND LEGAL IMPLICATIONS

14.1 Local Government Finance Act 1992 as amended applies.

- 14.2 Under section 52ZC of the 1992 Act the question of whether an authority's relevant basic amount of council tax is excessive must be decided in accordance with a set of principles determined by the Secretary of State.
- 14.3 The principles for a financial year must be set out in a report which must be laid before and approved by the House of Commons. If the report for a financial year is not approved on or before the date on which the local government finance report for the same year is approved by the House of Commons, no principles have effect for that year and accordingly no authority's relevant basic amount of council tax is capable of being excessive for that year.
- 14.4 Paragraph 2.3 specifies the proposed referendum principles as they apply to those authorities precepting on East Lindsey residents. This report is required by virtue of the Local Government Finance Act 1992 (as amended).

15. DATA PROTECTION

- 15.1 None

16. FINANCIAL

- 16.1 Financial implications are detailed in the Budget, Medium Term Financial Plan and Capital Strategy report for 2023/24 and in section 1 above.
- 16.2 Parish Council precepts are financed by parish taxpayers in the same way as special expenses. The additions applicable to the district level of Council Tax for parish expenses are shown in the appendices to this report. The average parish addition to the district level of Council Tax will amount to £74.17 (£70.01 for 2022/23), an increase of £4.16 (5.94%) on last year.
- 16.3 The Authority must submit a Council Tax Requirement (CTR1) within 7 days of approval of the Council tax Resolutions. All summary figures quoted in this report are included in the return which confirms that the Authority does not appear to be subject to a referendum.

17. RISK MANAGEMENT

- 17.1 All risks are detailed in the budget setting report.

18. STAKEHOLDER / CONSULTATION / TIMESCALES

- 18.1 Stakeholders have been consulted as part of the budget setting process for 2023/24.

19. REPUTATION

- 19.1 None

20. CONTRACTS

20.1 None

21. CRIME AND DISORDER

21.1 None

22. EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

22.1 None

23. HEALTH AND WELL BEING

23.1 None

24. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

24.1 None

APPENDICES	
Appendices are listed below and attached to the back of the report: -	
Appendix A	2023/24 Council Tax Resolutions
Appendix B	2023/24 East Lindsey Parish Councils Band D Council Tax
Appendix C	2023/24 East Lindsey District Council plus parishes band D Council Tax
Appendix D	2023/24 Council Tax rates including County, and Police and Crime Commissioner for Lincolnshire – all valuation bands
Appendix E	Council Tax resolution - definitions

BACKGROUND PAPERS	
Background papers used in the production of this report are listed below: -	
Document title	Where the document can be viewed
Final Budget Papers	Executive Board 15 th February 2023 Agenda

CHRONOLOGICAL HISTORY OF THIS REPORT
None

REPORT APPROVAL	
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