

REPORT TO:	Council
DATE:	5 th March 2025
SUBJECT:	Council Tax Setting 2025/26
PURPOSE:	To set the amounts of Council Tax applicable for 2025/26 for each valuation band and in each part of the district.
KEY DECISION:	N/A
PORTFOLIO HOLDER:	Councillor Thomas Kemp – Portfolio Holder for Finance
REPORT OF:	Christine Marshall, Deputy Chief Executive Corporate Development
REPORT AUTHOR:	Carl Holland (Head of Finance) and Stuart Leafe (Strategic Finance Manager)
WARD(S) AFFECTED:	All
EXEMPT REPORT?	No

SUMMARY

The East Lindsey District Council budget for 2025/26 was considered by Executive Board on 20th February 2025 and recommendations are now provided to Council on 5th March 2025, setting the band D Council tax at £171.54, a £4.95 (2.97%) increase on 2024/25. The Budget report is based on the finance settlement advised by the Ministry of Housing, Communities and Local Government.

RECOMMENDATIONS

That Council approves:

1. The formal Council Tax resolutions for 2025/26 as set out in Appendix A and summarised in paragraph 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 20th February 2025 and its recommendations are now provided to Council for its approval on 5th March 2025.
- 1.2 This report incorporates relevant resolutions for the setting of the Council Tax for 2025/26 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 2025/26 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 2% for the Adult Social Care Precept, and 3% for other expenditure).
 - Lincolnshire Police and Crime Commissioner (LPCC) - If the basic amount of Council Tax increases by more than £13.00 above its 2024/25 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%) or 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 for 2025/26 was considered by Executive Board on 20th March 2025 and recommendations are now provided to Council on 5th March 2025, setting the band D Council tax at £171.54, a £4.95 (2.97%) increase on 2024/25. 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:

Resolution Ref	Description	ELDC	Parish Precept	Total
		£	£	£
3a	Gross expenditure	107,051,996	4,143,906	111,195,902
3b	Gross Income	(98,789,600)		(98,789,600)
3c		8,262,396	4,143,906	12,406,302
1a	Tax base	48,166	48,166	48,166
3d 3f	Band D Council Tax	171.54	86.03	257.57

- 4.2 The Council tax bills for 2025/26 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 £4,143,906. The average band D charge is £86.03 for 2025/26, an increase of 8.64%. Appendix B shows the combined parish and district precepts for all valuation bands.

6. LINCOLNSHIRE COUNTY COUNCIL

- 6.1 Lincolnshire County Council met on 21st February 2025 to consider the precept for 2025/26 and approved a Council Tax Band D charge of £1,625.85 (£1,578.69 for 2024/25) which is a £47.16 (2.99%) increase.

7. POLICE AND CRIME COMMISSIONER FOR LINCOLNSHIRE

- 7.1 Police and Crime Commissioner's budget for 2025/26 was approved by the Lincolnshire Police and Crime Panel on 7th February 2025. The proposed Council Tax Requirement represents a Council Tax Band D charge of £318.15 (£304.20 for 2024/25) which is a £13.95 increase (4.59%), although this is subject to final confirmation by the Police and Crime Commissioner.

8. SUMMARISED OVERALL BAND D POSITION

- 8.1 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>2024/25</u>	<u>2025/26</u>	<u>Increase</u>	<u>Increase</u>
	£	£	£	%
East Lindsey District Council	166.59	171.54	4.95	2.97
Lincolnshire County Council	1,578.69	1,625.85	47.16	2.99
Police and Crime Commissioner for Lincolnshire	304.20	318.15	13.95	4.59
Sub total	2,049.48	2,115.54	66.06	3.22
Town and Parish Councils	79.19	86.03	6.84	8.64
Total	2,128.67	2,201.57	72.90	3.42

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

9. OPTIONS

9.1 Approve the recommendations of this report.

10. EXPECTED BENEFITS TO THE PARTNERSHIP

10.1 To set the amounts for Council Tax applicable for 2025/26 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.

10.2 Council Tax is set in accordance with the resolutions and will maintain a balanced budget in 2025/26 as per the recommendations from Executive Board in the Budget, Medium Term Financial Plan and Capital Strategy Report for 2025/26.

IMPLICATIONS:

None

SOUTH AND EAST LINCOLNSHIRE COUNCIL'S PARTNERSHIP

None

CORPORATE PRIORITIES

None

STAFFING

None

CONSTITUTIONAL AND LEGAL IMPLICATIONS

Local Government Finance Act 1992 as amended applies.

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.

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.

Paragraph 1.6 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).

DATA PROTECTION

None

FINANCIAL

Financial implications are detailed in the Budget, Medium Term Financial Plan and Capital Strategy report for 2025/26 and as set out in the report above.

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 £86.03 (£79.19 for 2024/25), an increase of £6.84 (8.64%) on last year.

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.

RISK MANAGEMENT

All risks are detailed in the budget setting report.

STAKEHOLDER / CONSULTATION / TIMESCALES

Stakeholders have been consulted as part of the budget setting process for 2025/26.

REPUTATION

None

CONTRACTS

None

CRIME AND DISORDER

None

EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

None

HEALTH AND WELL BEING

None

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None

APPENDICES

Appendices are listed below and attached to the back of the report: -

Appendix A	2025/26 Council Tax Resolutions
Appendix B	2025/26 East Lindsey Parish Councils Band D Council Tax
Appendix C	2025/26 East Lindsey District Council plus parishes band D Council Tax
Appendix D	2025/26 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 20 th February 2025 Agenda

CHRONOLOGICAL HISTORY OF THIS REPORT

None

REPORT APPROVAL

Report authors:	Carl Holland (Head of Finance) Stuart Leafe (Strategic Finance Manager)
Signed off by:	Christine Marshall, Deputy Chief Executive Corporate Development (S151) Christine.Marshall@sholland.gov.uk
Approved for publication:	Councillor Thomas Kemp, Portfolio Holder for Finance