

SUBJECT: COUNCIL TAX 2025/2026

REPORT BY: CHIEF EXECUTIVE & TOWN CLERK

LEAD OFFICER: JACLYN GIBSON, CHIEF FINANCE OFFICER

1. Purpose of Report

- 1.1 In light of the report on the Medium-Term Financial Strategy, which appears elsewhere on this agenda, this report will set out the City Council's council tax requirement and, together with the requirements of the County Council and the Police & Crime Commissioner Lincolnshire and will allow Members to make a formal decision on overall levels of council tax for 2025/26.

2. City Council Requirement 2025/26

- 2.1 The net General Fund Budget requirement for 2025/26, as set out in the Medium Term Financial Strategy 2025-2030, totals £14,832,290 which includes a contribution to balances of £129,440.
- 2.2 For 2025/26 a council tax increase of 2.9% has been applied.
- 2.3 The council tax requirement for 2024/25 is £8,166,750.
- 2.4 By reference to the Band D level, the 2024/25 council tax would rise by £9.00 to £316.98 per annum. The range of council taxes will be:

Band	2024/25 Council Tax £	2025/26 Council Tax £
A	205.32	211.32
B	239.54	246.54
C	273.76	281.76
D	307.98	316.98
E	376.42	387.42
F	444.86	457.86
G	513.30	528.30
H	615.96	633.96

3. Requirements of the County Council and the Police & Crime Commissioner

- 3.1 The County Council agreed their 2025/26 council tax requirement on the 21st February 2025, there is no confirmed date as yet as to when the Police & Crime Commissioner Lincolnshire is due to agree their requirement. The County Council have agreed a 2.99% increase (0.99% Precept and 2% ASC), and the Police & Crime Commissioner have provisionally proposed an increase of 4.59%.

At Band D council tax level these are as follows: -

	£
Police & Crime Commissioner	318.15
Lincolnshire County Council	1,625.85

Should any final amendments be made to the Police and Crime Commissioner's Band D equivalent, this will be updated at this meeting, so the Council can formally approve the overall council tax levels for 2025/26.

4. Total Council Tax 2025/26

- 4.1 The council tax requirements for all the authorities for 2025/26 is summarised as follows:

	£	% share
City of Lincoln Council	316.98	14.0%
Police & Crime Commissioner Lincolnshire (NOT YET CONFIRMED)	318.15	14.1%
Lincolnshire County Council	1,625.85	71.9%
Total Band D Charge	2,260.98	100.0%

This represents an overall increase of 3.2% for 2025/26.

5. Strategic Priorities

- 5.1 Council Tax income is a key source of revenue funding by which the Council is able to fund the services it delivers in support of its vision and strategic priorities.

6. Organisational Impacts

- 6.1 Finance – The council tax requirement is in accordance with the Council's 2025/26 budget requirement and MTFS 2025-30 which appear elsewhere on this agenda for approval.
- 6.2 Legal including Procurement Rules - Local authorities must decide, prior to the 11th March, each year how much they are going to raise from Council Tax.
- 6.3 The Local Government Finance Act 1992 sets out the legislative powers for each billing authority to levy and collect Council Tax which shall be payable in respect of dwellings situated in its area.
- 6.4 Equality, Diversity and Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination

- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

Due to the nature of this report, there are no direct equality, diversity or human rights implications,

7. Risk Implications

7.1 There are no direct risk implications arising as a result of this report.

8. Formal Council Tax Recommendation 2025/26

8.1 The Executive is requested to recommend to Council:

1. Acceptance of the 6th January 2025 Executive Committee recommendation that the Council Tax Base for 2025/26, as calculated in accordance with The Local Authorities (Calculation of Council tax Base) (England) Regulations 2012, to be 25,764.25.
2. That the following amounts be calculated for the year 2025/26 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:
 - a) £123,900,580 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
 - b) £115,733,830 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - c) £8,166,750 being the amount by which the aggregate at 2(a) above exceeds the aggregate at 2(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 31A (4) of the Act).
 - d) £316.98 being the amount at 2(c) above (Item R), all divided by Item T (1 above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
 - e) £0 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act
 - f) £316.98 being the amount at 2c) above less the amount at 2e) above, all divided by the amount at 1

above, calculated by the Council in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year

g) **City of Lincoln Council**

A	B	C	D
£211.32	£246.54	£281.76	£316.98
E	F	G	H
£387.42	£457.86	£528.30	£633.96

being the amounts given by multiplying the amount at 2f) above by the number which, in proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular band divided by the number which in proportion is applicable to dwellings listed in Valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken for the year in respect of categories of dwellings listed in different bands.

3. That it be noted that for the year 2025/26 Lincolnshire County Council have stated the following amounts in precepts issued to the Council, in accordance with the dwelling bandings shown below:

Lincolnshire County Council

A	B	C	D
£1,083.90	£1,264.55	£1,445.20	£1,625.85
E	F	G	H
£1,987.15	£2,348.45	£2,709.75	£3,251.70

4. That it be noted that for the year 2025/26 Police & Crime Commissioner Lincolnshire have provisionally stated the following amounts in precepts issued to the Council, in accordance with the dwelling bandings shown below:

Police & Crime Commissioner Lincolnshire

A	B	C	D
£212.10	£247.45	£282.80	£318.15
E	F	G	H
£388.85	£459.55	£530.25	£636.30

5. That having calculated the aggregate in each case of the amounts at 2g, 3 and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following as the amounts of Council Tax for the year 2025/26 in accordance with the dwelling bandings shown below:

Total Council Tax Charge 2025/26

A	B	C	D
£1,507.32	£1,758.54	£2,009.76	£2,260.98
E	F	G	H
£2,763.42	£3,265.86	£3,768.30	£4,521.96

Is this a key decision?

Full Council decision

Do the exempt information categories apply?

No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?

No

How many appendices does the report contain?

None

List of Background Papers:

None

Lead Officer:

Jaclyn Gibson, Chief Finance Officer
Jaclyn.gibson@lincoln.gov.uk