



REPORT TO:	Council
DATE:	29th February 2024
SUBJECT:	Council Tax Setting 2024/25
PURPOSE:	To set the amounts of Council Tax applicable for 2024/25 for each valuation band and in each part of the district.
KEY DECISION:	Yes
PORTFOLIO HOLDER:	Councillor Paul Redgate
REPORT OF:	Christine Marshall, Deputy Chief Executive Corporate Development (s151)
REPORT AUTHOR:	Lizzie McGrath – Strategic Finance Manager- Public Sector Partnership Services Ltd Colleen Warren (Head of Finance – Client)
WARD(S) AFFECTED:	All
EXEMPT REPORT?	No

SUMMARY

The South Holland District Council budget for 2024/25 was considered by Cabinet on 13th February 2024 and recommendations are now provided to Council on 29th February 2024, setting the band D Council tax at £201.42, a £6.03 (3%) increase on 2023/24. 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 2024/25 as set out in Appendix A and summarised in paragraph 4.1.

2. That Council approves that the charge to be levied on the Council Taxpayers of Spalding for services provided in their town (Spalding Special Estimates) will be £246,418 for 2024/25. This equates to a Band D equivalent charge of £25.83 (£25.47 for 2023/24).

REASONS FOR RECOMMENDATIONS

To comply with the budgetary and policy framework.

OTHER OPTIONS CONSIDERED

No other options were considered.

1.0 BACKGROUND

- 1.1 Cabinet considered the final budget proposals at its meeting on 13th February 2024 and its recommendations are now provided to Council for its approval on 29th February 2024.
- 1.2 This report incorporates relevant resolutions for the setting of the Council Tax for 2024/25 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 South Holland 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 2024/25 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 £13.00 above its 2023/24 value for a typical Band D property.
 - South Holland 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. SOUTH HOLLAND DISTRICT COUNCIL BUDGET

3.1 The South Holland District Council budget for 2024/25 was considered by Cabinet on 13th February 2024 and recommendations are now provided to Council on 29th February 2024, setting the band D Council tax at £201.42, a £6.03 (3%) increase on 2023/24. The Budget report is based on the finance settlement advised by the Department for Levelling Up, Housing and Communities.

3.2 SPALDING SPECIAL EXPENSES

It is proposed that the amount to be charged to the residents of Spalding for services provided in their town (Spalding Special Expenses) are as follows:

Gross Expenditure	£246,418
Less reserves funding	£0
Expenditure charged to residents	£246,418
Tax base	9,540
Band D (£.p)	£25.83
% Change from 2023/24	1.41%

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	SHDC	Parish Precept (incl Spalding Special)	Total
		£	£	£
3a	Gross expenditure	46,800,807	1,545,493	48,346,300
3b	Gross Income	40,702,615	-	40,702,615
3c		6,098,192	1,545,493	7,643,685
1a	Tax base	30,276	30,276	30,276
3d 3f	Band D Council Tax	201.42	51.05	252.47

4.2 The Council tax bills for 2024/25 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 £1,545,493. The average band D charge is £51.05 for 2024/25, an increase of 11.07%. Appendix B shows the combined parish and district precepts for all valuation bands.

6. LINCOLNSHIRE COUNTY COUNCIL

6.1 Lincolnshire County Council is due to meet on 23rd February 2024 to consider the precept for 2024/25, the current recommendation is setting a Council Tax Band D charge of £1,578.69 (£1,503.63 for 2023/24) which is a £75.06 (4.99%) increase.

7. POLICE AND CRIME COMMISSIONER FOR LINCOLNSHIRE

7.1 The Police and Crime Commissioner's budget for 2024/25 was approved by the Lincolnshire Police and Crime Panel on 7th February 2024. The proposed Council Tax Requirement represents a Council Tax Band D charge of £304.20 (£291.24 for 2023/24) which is a £12.96 increase (4.45%), although this is subject to final confirmation by the Police and Crime Commissioner, expected on 23rd February 2024.

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>2023/24</u>	<u>2024/25</u>	<u>Increase</u>	<u>Increase</u>
	£	£	£	%
South Holland District Council	195.39	201.42	6.03	3.09%
Lincolnshire County Council	1,503.63	1,578.69	75.06	4.99%
Police and Crime Commissioner for Lincolnshire	291.24	304.20	12.96	4.45%
Sub total	1,990.26	2,084.31	94.05	4.73%
Town and Parish Councils (including Spalding Special average)	45.96	51.05	5.09	11.07%
Total	2,036.22	2,135.36	99.14	4.87%

8.2 The RBA takes into account the total of the South Holland District Council precepts plus Spalding Special Expenses, the table below demonstrates that the annual increase is within 3% threshold when considering the RBA.

Relative Basic Amount Calculation	2023/24		2024/25		Movement	
	Precept (£)	Band D (£)	Precept (£)	Band D (£)	£	%
SSEA	241,124.00	25.47	246,418.00	25.83	0.36	1.41%
SHDC	5,830,633.00	195.39	6,098,192.00	201.42	6.03	3.09%
TOTAL - RBA	6,071,757.00	203.47	6,344,610.00	209.56	6.09	2.99%
Tax Base						
SSEA	9,467		9,540		73	0.77%
SHDC	29,841		30,276		435	1.46%

8.3 **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 2024/25 for each valuation band and in each part of the District, by the required deadline for South Holland 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 2024/25 as per the recommendations from Cabinet in the Budget, Medium Term Financial Plan and Capital Strategy Report for 2024/25.

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 2.3 specifies the proposed referendum principles as they apply to those authorities precepting on South Holland 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 2024/25 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 £51.05 (£45.96 for 2023/24), an increase of £5.09 (11.07%) 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

Risk management is fully considered as part of the budget setting process.

STAKEHOLDER / CONSULTATION / TIMESCALES

The Council has a legal duty to consult residents on its draft budget proposals.

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	2024/25 Council Tax Resolutions
Appendix B	2024/25 South Holland Parish Councils Band D Council Tax
Appendix C	2024/25 South Holland District Council Parish Council Tax Levy/Reliefs
Appendix D	2024/25 South Holland District Council Levels of Overall Council Tax
Appendix E	Council Tax resolution - definitions

BACKGROUND PAPERS

None

REPORT APPROVAL

Report author:	Lizzie McGrath, Strategic Finance Manager and Colleen Warren, Head of Finance (Client)
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