



REPORT TO:	Council
DATE:	26 February 2026
SUBJECT:	Council Tax Setting 2026/27
PURPOSE:	To set the amounts of Council Tax applicable for 2026/27 for each valuation band and in each part of the district.
KEY DECISION:	No
PORTFOLIO HOLDER:	Councillor Paul Redgate
REPORT OF:	Russell Stone, Director of Finance and S151 Officer
REPORT AUTHOR:	Russell Stone, Director of Finance and S151 Officer Ramesh Prashar – Interim Finance Consultant
WARD(S) AFFECTED:	All
EXEMPT REPORT?	No

SUMMARY

This report incorporates relevant resolutions for the setting of the Council Tax for 2026/27.

RECOMMENDATIONS

It is recommended that Council approves the formal Council Tax resolutions for 2026/27 as set out in Appendix A and summarised in paragraph 4.1 and the accompanying Appendices B to E.

REASONS FOR RECOMMENDATIONS

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

OTHER OPTIONS CONSIDERED

No other options were considered.

1.0 BACKGROUND

1.1 This report incorporates relevant resolutions for the setting of the Council Tax for 2026/27.

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 Appendices A to E. Appendix F outlines the definitions for the Council Tax resolution in appendices A to E.

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 2026/27 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 £15.00 above its 2025/26 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%) 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. SOUTH HOLLAND DISTRICT COUNCIL BUDGET

3.1 The South Holland District Council budget for 2026/27 was considered by Cabinet on 17 February 2026 and recommendations are now provided to Council on 26th February 2026, setting the band D Council Tax at £214.92, a £6.39 (3.06%) increase on 2025/26. The Budget report is based on the finance settlement advised by the Ministry of Housing, Communities and Local Government.

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	£228,056.40
Less reserves funding	-
Expenditure charged to residents	£228,056.40
Tax base	9,746
Band D (£.p)	£23.40
% Change from 2025/26	1.17%

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	Total
(3a)	Gross Expenditure	£50,631,400	£1,804,877	£52,436,277
(3b)	Gross Income	£43,847,020	-	£43,847,020
(2, 3c and 3e)		£6,784,380	£1,804,877	£8,589,257
	Divided by Tax Base	31,567	31,567	31,567
(3d and 3f)	Band D Council Tax	£214.92	£57.18	£272.10

4.2 The Council Tax bills for 2026/27 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 (including Spalding Special Expenses) are detailed at Appendix B and total £1,804,876. The average band D charge is £57.18 for 2026/27, an increase of 8.34%. Appendix B shows the combined parish and district precepts for all valuation bands.

6. LINCOLNSHIRE COUNTY COUNCIL

- 6.1 Lincolnshire County Council met on 20 February 2026 to consider the precept for 2026/27, and agreed a Council Tax Band D charge of £1,673.01 (£1,625.85 for 2025/26) which is a £47.16 (2.90%) increase.

7. POLICE AND CRIME COMMISSIONER FOR LINCOLNSHIRE

- 7.1 The Police and Crime Commissioner's budget for 2026/27 was supported by the Lincolnshire Police and Crime Panel on 6th February 2026. The proposed Council Tax Requirement represents a Council Tax Band D charge of £333.09 (£318.15 for 2025/26) which is a £14.94 increase (4.70%). This was approved by the Police and Crime Commissioner on 24 February 2026.

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).

	2025/26	2026/27	Increase	Increase
	£	£	£	%
South Holland District Council	208.53	214.92	6.39	3.06
Lincolnshire County Council	1,625.85	1,673.01	47.16	2.90
Police and Crime Commissioner for Lincolnshire	318.15	333.09	14.94	4.70
Sub total	2,152.53	2,221.02	68.49	3.18
Town and Parish Councils (including Spalding Special average)	52.78	57.18	4.40	8.34
Total	2,205.31	2,278.20	72.89	3.31

- 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.

Relevant Basic Amount Calculation	2025/26		2026/27		Movement	
	Precept £	Band D £	Precept £	Band D £	£	%
SSE	223,459	23.13	228,056	23.40	0.27	1.17
SHDC	6,441,491	208.53	6,784,380	214.92	6.39	3.06
TOTAL - RBA	6,664,950	215.76	7,012,436	222.14	6.38	2.96
Tax Base	No of Band D Properties		No of Band D Properties		Change in Properties	%
SSE	9,661		9,746		85	0.88
SHDC	30,890		31,567		677	2.19

- 8.3 **Appendix E** 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 2026/27 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 2026/27 as per the recommendations from Cabinet in the Budget, Medium Term Financial Plan and Capital Strategy Report for 2026/27.

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 2026/27 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 £57.18 (£52.78 for 2025/26), an increase of £4.40 (8.34%) 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 2026/27.

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	Council Tax Resolutions 2026/27
Appendix B	Parish Council Tax Base Report 2026/27
Appendix C	South Holland District Council plus Parishes Band D Council Tax 2026/27
Appendix D	South Holland District Council plus Parishes Council Tax All Valuation Bands 2026/27
Appendix E	South Holland District Council Levels of Overall Council Tax 2026/27
Appendix F	Council Tax Resolution - Definitions

BACKGROUND PAPERS

None

REPORT APPROVAL

Report author:	Russell Stone, Director of Finance and S151 Officer Ramesh Prashar, Interim Finance Consultant
Signed off by:	Russell Stone, Director of Finance and S151 Officer
Approved for publication:	Councillor Paul Redgate, Portfolio Holder for Finance