



REPORT TO:	Council
DATE:	3 rd 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 Borough.
KEY DECISION:	N/A
PORTFOLIO HOLDER:	Councillor Sandeep Ghosh – Portfolio Holder for Finance
REPORT OF:	Christine Marshall, Deputy Chief Executive Corporate Development (s151)
REPORT AUTHOR:	Carl Holland - Head of Finance (Client) and Jennifer Mackin (Strategic Finance Manager)
WARD(S) AFFECTED:	All
EXEMPT REPORT?	No

SUMMARY

The Boston Borough Council budget for 2025/26 was considered by Cabinet on 19th February 2025 and recommendations are now provided to Council on 3rd March 2025, setting the band D Council tax at £223.65, a £7.56 (3.50%) 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 at 4.1.
2. That Council approves that the charge to be levied on the Council Taxpayers of Boston for services provided in their town (Boston Town Area Committee) will be £769,057 for 2025/26. This equates to a Band D equivalent charge of £81.09 (£80.37 for 2024/25), a 0.90% increase.

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. BACKGROUND

- 1.1. The Cabinet considered final budget proposals at its meeting on 19th February 2025 and its recommendations are now provided to Council for its approval on 3rd 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 Boston Borough Council, as well as all other Authorities that issue a precept in the Borough. 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 £14.00 above its 2024/25 value for a typical Band D property.
 - Boston Borough 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. Boston Borough Council Budget

3.1 The Boston Borough Council budget for 2025/26 was considered by Cabinet on 19th February 2025 and recommendations are now provided to Council on 3rd March 2025, setting the band D Council tax at £223.65, a £7.56 (3.50%) 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 Boston Special Expenses

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

Gross Expenditure	£769,057
Less reserves funding	£0
Expenditure charged to residents	£769,057
Tax base	9,484
Band D (£.p)	£81.09
% Change from 2024/25	0.90%

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 Borough Council and the average of the parishes are summarised in the following table:

Resolution Ref	Description	BBC	Parish Precept (incl BTAC)	Total
		£	£	£
3a	Gross expenditure	49,457,988	1,399,373	50,857,361
3b	Gross Income	44,919,906	0	44,919,906
3c		4,538,082	1,399,373	5,937,455
1a	Tax base	20,291	20,291	20,291
3d 3f	Band D Council Tax	223.65	68.97	292.62

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 (including BTAC) are detailed at Appendix B and total £1,399,373. The average band D charge is £68.97 for 2025/26, an increase of 3.91%. Appendix D shows the combined parish and borough precepts for all valuation bands.

6. Lincolnshire County Council

- 6.1 Lincolnshire County Council is due to meet on 21st February 2025 to consider the precept for 2025/26, the current recommendation is setting 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

The 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>
	£	£	£	%
Boston Borough Council	216.09	223.65	7.56	3.50%
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	2,098.98	2,167.65	68.67	3.27%
Town and Parish Council, including BTAC (average)	66.37	68.97	2.60	3.92%
Total	2,165.35	2,236.62	71.27	3.29%

- 8.2 The RBA takes into account the total of the Boston Borough Council precepts plus BTAC, the table below demonstrates that the annual increase is within the 3% threshold when considering the RBA.

Relative Basic Amount Calculation	2024/25		2025/26		Movement	
	Precept (£)	Band D (£)	Precept (£)	Band D (£)	£	%
BTAC	768,772.00	80.37	769,057.00	81.09	0.72	0.90
BBC	4,387,059.00	216.09	4,538,082.00	223.65	7.56	3.50
Total – RBA	5,155,831.00	253.96	5,307,139.00	261.55	7.59	2.99
Tax Base	No of Properties		No of Properties			
BTAC	9,566		9,484		-82	-0.86
BBC	20,302		20,291		-11	-0.05

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

9.1 To set the amounts for Council Tax applicable for 2025/26 for each valuation band and in each part of the Borough, by the required deadline for Boston BC which will facilitate billing for the year.

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

11. IMPLICATIONS:

12. SOUTH AND EAST LINCOLNSHIRE COUNCIL'S PARTNERSHIP

12.1 None

13. CORPORATE PRIORITIES

13.1 None

14. STAFFING

14.1 None

15. CONSTITUTIONAL AND LEGAL IMPLICATIONS

- 15.1 Local Government Finance Act 1992 as amended applies.
- 15.2 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.
- 15.3 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.
- 15.4 Paragraph 2.3 specifies the proposed referendum principles as they apply to those authorities precepting on Boston Borough Council. This report is required by virtue of the Local Government Finance Act 1992 (as amended).

16. DATA PROTECTION

- 16.1 None

17. FINANCIAL

- 17.1 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.
- 17.2 Parish Council precepts are financed by parish taxpayers in the same way as special expenses. The additions applicable to the borough level of Council Tax for parish expenses are shown in the appendices to this report. The average parish Band D including BTAC addition to the borough level of Council Tax will amount to £68.97 (£66.37 for 2024/25), an increase of £2.60 (3.91%) on last year
- 17.3 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.

18. RISK MANAGEMENT

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

19. STAKEHOLDER / CONSULTATION / TIMESCALES

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

20. REPUTATION

20.1 None

21. CONTRACTS

21.1 None

22. CRIME AND DISORDER

22.1 None

23. EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

23.1 None

24. HEALTH AND WELL BEING

24.1 None

25. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

25.1 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 Parish Council Tax base report
Appendix C	2025/26 Boston Borough Council plus parishes band D Council Tax
Appendix D	2025/26 Boston Borough Council plus parishes Council Tax all valuation bands
Appendix E	2025/26 Council Tax rates including County, and Police and Crime Commissioner for Lincolnshire– all valuation bands
Appendix F	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	Cabinet 19 th February 2025 Agenda

CHRONOLOGICAL HISTORY OF THIS REPORT

None

REPORT APPROVAL	
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Approved for publication:	Councillor Ghosh, Portfolio Holder for Finance
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