



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Council Tax Consultation 2026/27

February 2026



Consultation Officer
South Kesteven District Council
3 February 2026

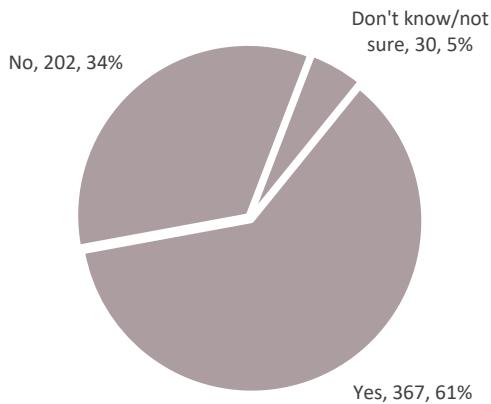
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Executive Summary

1. Residents and businesses in South Kesteven were asked if they supported a proposal to increase SKDC's element of Council Tax by 2.99% in 2026/27 in a two-week consultation which took place during January and the early part of February 2026.
2. Opening on 19 January 2026, the consultation was open for two weeks, closing on 2nd February 2026. 599 responses were received.
3. Communicating the proportion of an average council tax bill that is used by the district council to fund its services (9%), and how the Council is funded, respondents were also updated on council achievements during 2025/26 and potential changes to how local government in this area might be organised going forward, as a result of Local Government Reorganisation (LGR).
4. **When asked if they supported the proposal to increase SKDC's element of Council Tax by 2.99% in 2026/27 (which equates to an average annual increase of £5.66 for a Band D property), 367 (61.3%) said that they did. 202(33.7%) did not support the proposal with the remainder choosing to answer don't know/not sure.** This is illustrated in the pie chart below:

Q1. Do you support our proposal to increase SKDC's element of Council Tax by 2.99% for the financial year 2026/27?



5. Responses were received from residents and local businesses across the district.

594 responses were received from SK residents and 21 responses from local businesses, ensuring that the legislative requirement (as set out in section 65 of The Local Government Finance Act 1992¹) to consult with local businesses was fulfilled.

6. The table below compares the number and percentage of respondents who supported the proposal to increase SKDC's element of Council Tax by 2.99% (an annual increase of £5.66 or 11p per week) in February 2026 to the previous year's results (an annual increase of £5.51 or 3%).

Do you support our proposal to increase SKDC's element of Council Tax by 2.99% for the financial year 2026/27?	Feb 2026		Feb 2025	
	No	%	No	%
Yes	367	61.3	423	55.1
No	202	33.7	281	36.7
Don't know/not sure	30	5.0	63	8.2
	599	100.0	767	100.0

¹ Section 65 of the Local Government Finance Act 1992. A relevant authority shall consult under this section persons or bodies appearing to be representative of persons subject to non-domestic rates under sections 43 and 45 of the 1988 Act as regards hereditaments situated in the authority's area

Purpose of report

7. The purpose of this report is to update Cabinet and South Kesteven District Council (SKDC) with the results of the consultation that took place with local businesses and residents during January 2026 on a proposal to increase SKDC's element of Council Tax by 2.99%. This equates to an annual increase of £5.66 or 11 p per week) for the financial year 2026/27 (per Band D).

Background

8. Respondents were told that SKDC's 2026/27 budget has been prepared against a backdrop of a fair funding review (which will determine how central government funding is allocated to local authorities in England and implemented over three years, from April 1 2026) and Local Government Reorganisation (where county, district, and borough councils with separate responsibilities may be replaced by a smaller number of new, single-tier unitary councils, responsible for all local services).
9. They were informed that the revenue the Council raises from Council Tax remains one of its main and most reliable sources of funding. To ensure that the Council is in a position where they can continue to protect and maintain the services currently provided, mitigate any impacts from the fair funding review, and enter into any new local government arrangements which might be implemented on a solid financial footing, respondents were presented with a proposal. This was to increase SKDC's element of Council Tax from April 2026 by 2.99% (an annual increase of £5.66 or 11 p per week) for the financial year 2026/27 (per Band D).
10. The increase, if approved, would generate around £405,000 of additional funding.
11. Provided with a visual explanation of how the Council is funded, and where the money it collects goes, respondents were then provided with an update of achievements under each of the Council's priorities. The survey also linked through to a spreadsheet illustrating SKDC's average Council Tax (excluding parish precepts) for 2025/26, ranking its position in relation to 163 other local authorities.

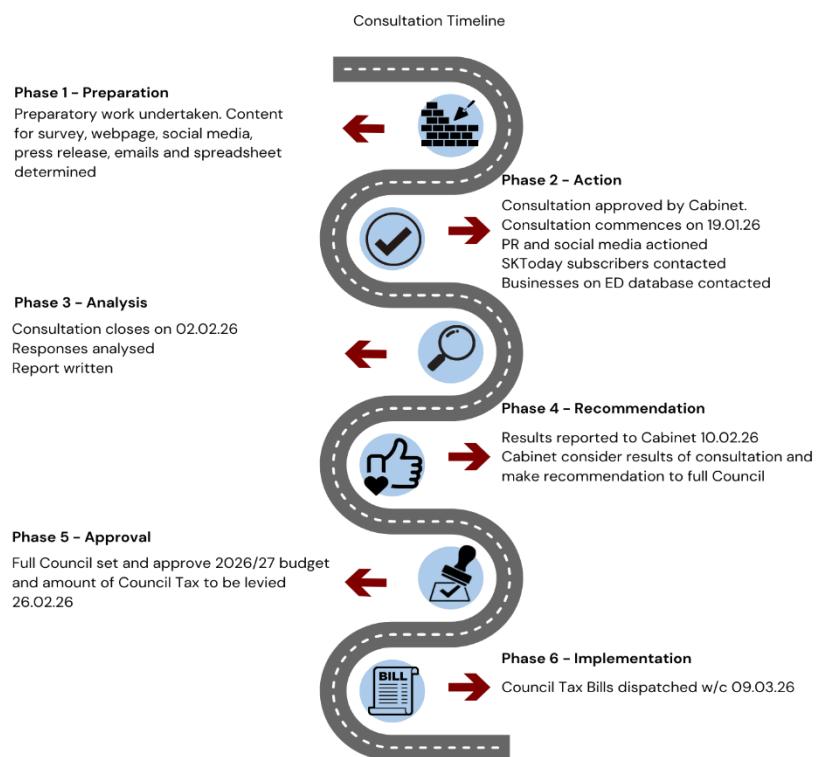
Objectives

12. The objectives of the consultation were to:

- Fulfil the requirements of section 65 of the Local Government Finance Act 1992
- Establish whether local businesses and residents support an increase of 2.99% in the district council's proportion of council tax or not
- Allow them to comment on the proposal
- Communicate the proportion of an average council tax bill that relates to SKDC
- Communicate the priorities, spending plans and actions of the Council
- Outline where the money comes from and where it goes
- Update respondents on the changes happening in April 2026 following the Fair Funding Review
- Provide an update on Local Government Reorganisation

Timescales

13. The key dates for this consultation were as follows:



Methodology

14. The survey was promoted to local householders and businesses via an email which included a link to a survey. The survey included a web link to a page which included a chart showing the district council's Band D Council Tax alongside all other districts' Band D charge. The opportunity to take part was also be promoted through the Council's social media channels- Facebook and X.

The survey was promoted to residents and businesses through the following channels:

- Press release to the local press
- SKDC's social media channels
- SKToday subscribers who have agreed to receive communication from the Council (approx. 3,600 households)
- Economic Development's Business Database (approx. 4,300 businesses)

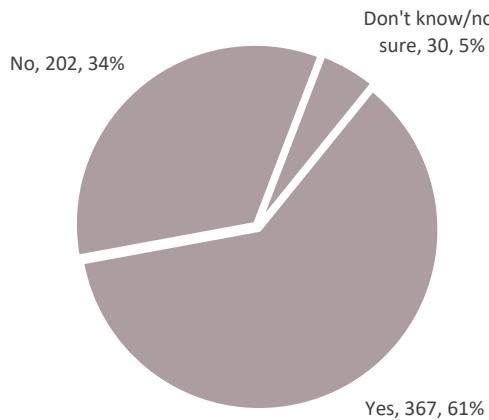
Results

15. Respondents were told that SKDC is currently considering a proposal to increase its element of Council Tax by 2.99%, which equates to an average annual increase of £5.66 (or 11 p per week) for a Band D property in 2026/27.

16. They were informed that this proposal will be considered by SKDC when it meets on 26 February 2026 to set its budget for the 2026/27 financial year. If approved, this would increase the District's Band D average annual Council Tax from £189.37 to £195.03.

17. When asked if they support the proposal to increase SKDC's element of Council Tax by 2.99% for the financial year 2026/27, three fifths of respondents (367 or 61.3%) said that they did. A third of respondents (202 or 33.7%) did not support the proposal. 30 respondents (5.0%) didn't know or weren't sure. This is illustrated in the graph overleaf:

Q1. Do you support our proposal to increase SKDC's element of Council Tax by 2.99% for the financial year 2026/27?



18. To ensure that the legislative requirement to consult with businesses was fulfilled, respondents were asked to state if they were responding as a resident and/or a business. 594 responses were received from residents. 21 responses were received from businesses. 6 respondents chose to answer other and described themselves as either a homeowner, a householder, a private landlord or a second home owner.

19. An analysis of the postcodes provided by respondents revealed responses were received from households across the district. The distribution of responses is as follows:

Postcode Sector	Number	%
NG23	23	3.8
NG31	166	27.7
NG32	66	11.1
NG33	50	8.3
NG34	28	4.7
PE6	82	13.7
PE9	100	16.7
PE10	82	13.7
OTHER	2	0.3
	599	100.0

20. The fourth question on the survey asked respondents if they had any questions or wanted to comment on anything included in the survey. An analysis of the comments made by those supporting the increase included:

- Protecting/improving services

“I'd much rather have good services than low tax. Please collect whatever you need to keep everything working.”

“I support an increase, but I would like to see improved services.”

- Concerns about Local Government Reorganisation

“I do not like the idea of big unitary authorities. They have little knowledge of the requirements of the outlying areas and therefore they get poorer services.”

“Sad to see SKDC disappear. Why change the status quo if it's not broke.”

“Personally, I would have prefered SKDC to remain just that. SKDC and not part of some new super council.”

- To provide a new leisure centre in the Deepings

“I would like money spent to provide a new swimming pool at Market Deeping...”

- Viewed as being reasonable

“Services have to be funded, one way or the other. I think this is a very fair amount.”

“The increase is reasonable, given that there is bound to be an increase...”

21. Reasons for objecting to the increase included:

- Concerns about perceived inefficiencies /excessive bureaucracy

“Easy to increase taxes and lazy. Look to reducing the bureaucracy and unnecessary spending and expenses including salary levels.”

“You need to be more efficient and do more with less money, as everyone in business has to these days.”

- Cost of living concerns

“I strongly oppose the proposed council tax increase. Residents are already struggling with rising costs across every part of daily life, including energy, food, and housing...”

“Can’t afford another bill going up”

“Increasing taxes only puts more pressure on households.”

- Lack of tangible benefits

“We do not seem to see any benefits. Council Tax goes up without any benefits for the community.”

Conclusion

22. This consultation shows support for SKDC’s proposal to increase its element of Council Tax by 2.99%. When told that this equates to an average annual increase of £5.66 (or 11 p per week) for a Band D property in 2026/27, three fifths of respondents (367 or 61.3%) were in favour. Around a third of respondents (202 or 33.7%) did not support the proposal. 30 respondents (5.0%) didn’t know or weren’t sure.

23. The reasons given by respondents in favour of the proposed increase included protecting services, concerns about Local Government Reorganisation and because the increase was perceived as being reasonable, as illustrated in the quote below:

“I accept that there has to be increases in running costs in all organisations, there is only so much fat on the bone for so long. We are very happy with the services that we currently receive from our council and thank you for this, which is why I base our household decision to support the proposed increase....”

24. Those objecting to the proposal did so for a variety of reasons including respondents who were struggling to see how they would benefit from the increase, concerns about excessive bureaucracy or because of cost-of-living constraints. The quote overleaf is an example of the feedback received from those who did not support the proposal to increase SKDC’s element of Council Tax.

“Cost of living prices are too high. Give people a break? We had increase after increase....”

25. Asking those taking part in the survey to state if they were responding as a business or as a local resident revealed most of the responses (594) were from local households. This is perhaps not surprising given the subject matter of the consultation. 21 responses were received from local businesses – ensuring the legislative requirement to consult with business rate payers has been fulfilled.
26. Respondents were also asked for the outward code part of their postcode. Grouping these together revealed all areas of South Kesteven have been represented in the results.
27. Members are asked to note the results of this consultation.

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