

Meeting the challenge

Lincolnshire County Council

Meeting the challenge

This year, the council is planning to use a net budget of over £690m to continue providing its wide range of vital services, including adult care, children's services, highways and Lincolnshire Fire and Rescue.

The proposals also include the creation of a new £1m emergency flood response reserve, to help support those affected by flooding.

This remains a challenging time for the council financially, with rising demand for services and growing costs resulting from inflation and increases in the national living wage and employers' national insurance contributions.

In addition, the government is no longer providing the council's £9m Rural Services Delivery Grant, designed to help cover some of the additional costs when providing services in a sparsely populated area. It has been replaced by a new Recovery Grant, but Lincolnshire will not receive any of this funding.

To help protect frontline services, there will be a 2.99% increase in the authority's share of the council tax. This is below the 4.99% increase allowed by the government, with the council instead choosing to use nearly £8m of its reserves to balance the books.

You can find further details of the council's spending plans for the 2025/26 financial year online at www.lincolnshire.gov.uk/budget

Council tax

The authority's funding comes from a combination of council tax, business rates and government grants.

In light of increasing costs and demand for services, the council will increase its share of the council tax by 2.99% this year.

The increase is shown on your bill and will generate an extra £11.7m for the council. For a property in council tax band A, the increase would be the equivalent of an extra 60p per week.

Lincolnshire is still expected to have one of the lowest council tax rates of all 26 English shire counties.



Changes in budget requirement

Lincolnshire County Council

Reasons for change in budget requirement and effect on council tax		£m
Budget requirement 2024/25		652.5
Changes to gross expenditure	Children's Social Care pressures	12.8
	Adult Social Care pressures	21.7
	Highways Contract cost increases	0.0
	Transport pressures	9.0
	Pay Award inflation	7.9
	Other pressures	34.0
Changes to gross income	Waste Management savings	-2.0
	Energy savings	-2.5
	Other Service savings and increased income	-26.1
	Increase in Service grants	-6.1
Total change in services		48.8
Decrease in use of reserves		-7.8
Budget requirement 2025/26		693.5
Changes to funding	Increase in business rates funding	-3.2
	Increase in government grants	-20.4
	Increase in council tax	-17.4
Total change in funding		-41.0
Council tax increase of 2.0% (Adult social care precept) to support adult social care pressures		
Council tax increase of 1.0% (general) to support other service net pressures		
Total council tax increase of 3.0% (2.99%)		

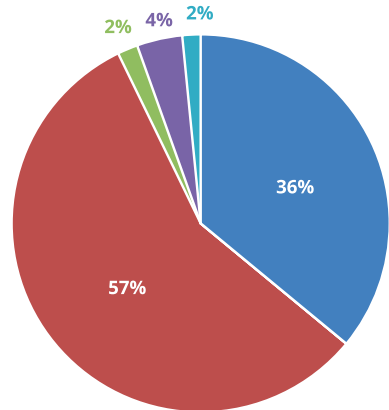
Note: The use of a minus (-) in front of a figure shows that either additional income will be received or that reserves will be used to support our spending.

Capital investment & net budget spend 2025/26

Lincolnshire County Council

2025/26 Capital Investment £236m

- Children's Services - £85.28m, 36%
- Place - £136.44m, 57%
- Fire and Rescue - £4.13m, 2%
- Resources & Corporate - £9.18m, 4%
- Adult Care & Community Wellbeing - £1.46m, 2%

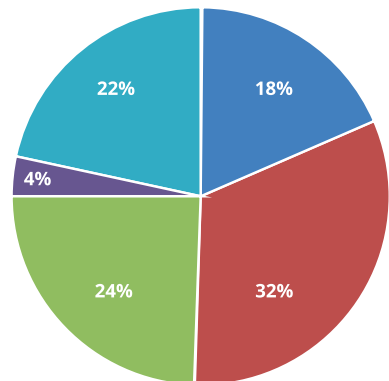


Place includes: Highways, Flood and Water Risk Management and Waste.

Resources and Corporate includes: Property Refurbishment and Information Technology.

2025/26 Net Budget Spend £694m

- Children's Services - £130.2m, 18%
- Adult Care and Community Wellbeing - £226.2m, 32%
- Place - £166.9m, 24%
- Capital Financing Charges - £25.6m, 4%
- Other Services - £144.6m, 22%



Children's Services includes: Children's Social Care and Children's Education.

Adult Care and Community Wellbeing includes: Adult Frailty & Long Term Conditions, Adult Specialties, Public Health & Community Wellbeing, Public Protection.

Place includes: Communities (which includes Cultural Services, Waste Management, Environment and Flood Management, Transport (including Home to School/College), Sustainable Planning), Lincolnshire Local Enterprise Partnership, Growth and Highways.

Other Services includes: Fire and Rescue; Resources; Corporate Services; Other Budgets: Contribution from Reserves.

Our share of the council tax

Lincolnshire County Council

The table below shows the amount you pay towards Lincolnshire County Council's services. (This does not include the amounts you pay for District Councils, Parish Councils or the Police and Crime Commissioner for Lincolnshire).

	Amount 2024/2025	Amount 2025/2026
Band A	£1052.46	£1,083.90
Band B	£1,227.87	£1,264.55
Band C	£1,403.28	£1,445.20
Band D	£1,578.69	£1,625.85
Band E	£1,929.51	£1,987.15
Band F	£2,280.33	£2,348.45
Band G	£2,631.15	£2,709.75
Band H	£3,157.38	£3,251.70

Flood defence

The Environment Agency is responsible for protecting people and property against flooding from sea and rivers. The majority of its funding comes from the Department for Environment, Food and Rural Affairs (Defra), but Lincolnshire County Council is also making a contribution of £0.705m for 2025/26 (£0.687m for 2024/25).

Funding and spending in 2025/26

Lincolnshire County Council

Services	Gross £m	Income £m	Net £m	Cost per Resident £
Children's Services	1,074.5	944.2	130.2	165.4
Adult Care & Community Wellbeing	423.1	196.9	226.2	287.3
Place	215.5	48.6	166.9	212.0
Capital Projects Charges	25.9	0.3	25.6	32.5
Other Services	185.1	32.8	152.4	193.5
Total planned spending	1,924.1	1,222.8	701.3	890.7
Contributions to/-from reserves	0.0	7.8	-7.8	N/A
Budget requirement	1,924.1	1,230.7	693.5	890.7
Resourced by:				
Business Rates Local Retention			155.8	
Revenue Support Grant			28.9	
Other Grants			103.1	
County Precept			405.7	
Total Funding			693.5	

Children's Services includes: Children's Social Care and Children's Education.

Adult Care and Community Wellbeing includes: Adult Frailty & Long Term Conditions, Adult Specialties, Public Health & Community Wellbeing, Public Protection.

Place includes: Communities (which includes Cultural Services, Waste Management, Environment and Flood Management, Transport (including Home to School/College), Sustainable Planning), Lincolnshire Local Enterprise Partnership, Growth and Highways.

Other Services includes: Fire and Rescue; Resources; Corporate Services; Other Budgets, Contribution from Reserves.

Funding and spending in 2024/25

Lincolnshire County Council

Services	Gross £m	Income £m	Net £m	Cost per Resident £
Children's Services	974.8	861.1	113.7	144.4
Adult Care & Community Wellbeing	396.6	191.0	205.6	261.2
Place	203.5	43.8	159.7	202.8
Capital Projects Charges	43.4	0.3	43.1	54.7
Other Services	161.9	29.9	132.0	167.7
Total planned spending	1,780.1	1,126.0	654.1	830.8
Contributions to/-from reserves	0.0	0.0	0.0	N/A
Budget requirement	1,780.1	1,126.0	654.1	830.8
Resourced by:				
Business Rates Local Retention			152.7	
Revenue Support Grant			26.4	
Other Grants			86.8	
County Precept			388.3	
Total Funding			654.1	

This year, the council is planning to use a net budget of over £690m to continue providing its wide range of vital services, including £226m for adult care and community wellbeing, £130m for children's services and around £28m for the fire service.

The Secretary of State made an offer to adult social care authorities. ("Adult social care authorities" are local authorities which have functions under Part 1 of the Care Act 2014, namely county councils in England, district councils for an area in England for which there is no county council, London borough councils, the Common Council of the City of London and the Council of the Isles of Scilly.)

The offer was the option of an adult social care authority being able to charge an additional "precept" on its council tax without holding a referendum, to assist the authority in meeting its expenditure on adult social care from the financial year 2016-17. It was originally made in respect of the financial years up to and including 2019-20. If the Secretary of State chooses to renew this offer in respect of a particular financial year, this is subject to the approval of the House of Commons.

The offer has been extended to cover the financial years 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25.