

## Annex E

### Council Tax Requirement

1. In January 2025, the District and Borough Councils informed Surrey County Council of the Council Tax base for 2025/26. The tax base provided is presented as the number of Band D equivalent properties. The total tax base for 2025/26 is 526,600.7; an increase of 1.22% from 2024/25.
2. At the same time, the District and Borough Councils provided estimates of the Council Tax Collection Fund balance, the 2025/26 surplus is £13.5m. Volatility in future collection fund figures is exacerbated by economic uncertainty and increased cost of living which could impact collection rates. The Council therefore takes a prudent approach, making a transfer to reserves where forecasts are unusual, as there is a high possibility of a correction next financial year. There is a proposed transfer of £8m for 2025/26.
3. Each year the Council must decide if its proposed Council Tax increase is excessive. If deemed excessive, a referendum must be held. This decision must be made in accordance with a set of principles determined by the Secretary of State (SoS), referred to as the referendum principle.
4. Since 2016/17, authorities with social care responsibilities have been allowed additional flexibility on their core Council Tax referendum principle so long as the additional money raised is used entirely for adult social care services. This is referred to as the Adult Social Care (ASC) precept.
5. On 18 December 2024, as part of the Provisional Local Government Finance Settlement, Government laid out the referendums relating to council tax increases for 2025/26. They stated that county councils can increase core council tax by up to 3% without the need for a referendum and can raise 2% in an additional adult social care precept.
6. Increases in the core Council Tax and ASC precept are calculated based on the full Council Tax precept for the preceding year.
7. Council is asked to approve the increase to core Council Tax by 2.99% and the ASC precept by 2%; an overall increase of 4.99%, for 2025/26. The Council Tax precept is the Council Tax requirement divided by the tax base.

**Table 1 – Council Tax Requirement**

	2025/26 £
<b>(Income)/Expenditure</b>	
Gross expenditure	2,041,738,000.00
Other income	777,591,815.36
<b>Budgeted revenue expenditure</b>	<b>1,264,146,184.64</b>
Contribution to reserves	8,029,797.91
Business rates income	(80,345,000.00)
Business rates top up	(67,887,241.00)
Other Government grants	(138,172,299.19)
Council tax collection fund balance (surplus)	(13,482,239.91)
<b>Council tax requirement</b>	<b>972,289,202.45</b>

8. The tax base is the number of Band D equivalent properties for precepting purposes. The tax base for 2025/26 is as follows, showing an increase of 1.22% from 2024/25:

**Table 2 – 2025/26 Taxbase**

Billing Authority	No. of Band D equivalent properties 2025/26	No. of Band D equivalent properties 2024/25	Change
Elmbridge	67,249.0	66,517.0	1.09%
Epsom & Ewell	33,846.9	33,762.4	0.25%
Guildford	60,636.1	59,890.4	1.23%
Mole Valley	42,386.9	41,693.1	1.64%
Reigate & Banstead	64,564.3	64,252.3	0.48%
Runnymede	35,814.4	35,495.8	0.89%
Spelthorne	40,619.9	39,241.0	3.39%
Surrey Heath	40,049.0	39,749.5	0.75%
Tandridge	39,457.7	39,128.0	0.84%
Waverley	59,096.7	58,262.3	1.41%
Woking	42,879.8	42,255.4	1.46%
<b>Total</b>	<b>526,600.7</b>	<b>520,247.2</b>	<b>1.22%</b>

9. The Council is required to provide, separately, information on the amount by which Council Tax is raised in order to fund Adult Social Care services. The Band D Council Tax precept for 2025/26 is calculated as follows:

**Table 3 – Band D precept**

Council Tax Precept	CTR	÷	taxbase	=	Level
Core precept	£ 821,360,175.82	÷	526,600.7	=	£ 1,559.74
Adult Social Care precept*	£ 150,929,026.63	÷	526,600.7	=	£ 286.61
<b>Council tax precept</b>	<b>£ 972,289,202.45</b>	<b>÷</b>	<b>526,600.7</b>	<b>=</b>	<b>£ 1,846.35</b>

\*The amount charged for the ASC precept is the sum of the ASC precept increases since 2016/17.

10. The proposed increase is not considered excessive in accordance with the set of principles determined by the SoS.

**Table 4 – Increase in Council Tax**

Band D	A 2024/ 25	B 2025/26	C Base to measure increase (2024/25)	D Increase (B-A) ÷ C	Referendum Principle
Core precept	£1,507.16	£1,559.74	£1,758.60	2.99%	3%
ASC precept	£251.44	£286.61	£1,758.60	2.00%	2% on top of the core principle
Council tax precept	£1,758.60	£1,846.35	£1,758.60	<b>4.99%</b>	<b>Up to 5%</b>

11. The proposals result in an overall increase of £87.75 per annum, £1.69 per week, for a Band D dwelling.

12. Surrey County Council's level of Council Tax for each category of dwelling in its area will be as follows:

**Table 5 – Council tax by valuation band**

Valuation band	Core precept	ASC precept	Overall precept
A	£1,039.83	£191.07	£1,230.90
B	£1,213.13	£222.92	£1,436.05
C	£1,386.44	£254.76	£1,641.20
D	£1,559.74	£286.61	£1,846.35
E	£1,906.35	£350.30	£2,256.65
F	£2,252.96	£413.99	£2,666.95
G	£2,599.57	£477.68	£3,077.25
H	£3,119.48	£573.22	£3,692.70

13. The payment for each billing authority including any surplus or deficit balances on the Collection Fund is set out below:

**Table 6 – Payment for each billing authority**

Billing Authority	Payment
Elmbridge	124,705,510.15
Epsom & Ewell	62,878,313.34
Guildford	111,636,533.24
Mole Valley	79,055,822.82
Reigate & Banstead	119,918,088.90
Runnymede	66,841,591.44
Spelthorne	81,930,487.37
Surrey Heath	73,548,304.95
Tandridge	74,579,841.40
Waverley	111,219,562.05
Woking	79,457,386.73
<b>Total*</b>	<b>985,771,442.36</b>

\* The total includes all council tax collection fund balances.

14. The billing authority payments are to be made in ten equal instalments on the following dates agreed with the District and Borough Councils.

**Table 7 – Payment Dates**

Payment dates	
16/04/2025	13/10/2025
20/05/2025	19/11/2025
30/06/2025	06/01/2026
29/07/2025	19/02/2026
15/09/2025	12/03/2026

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