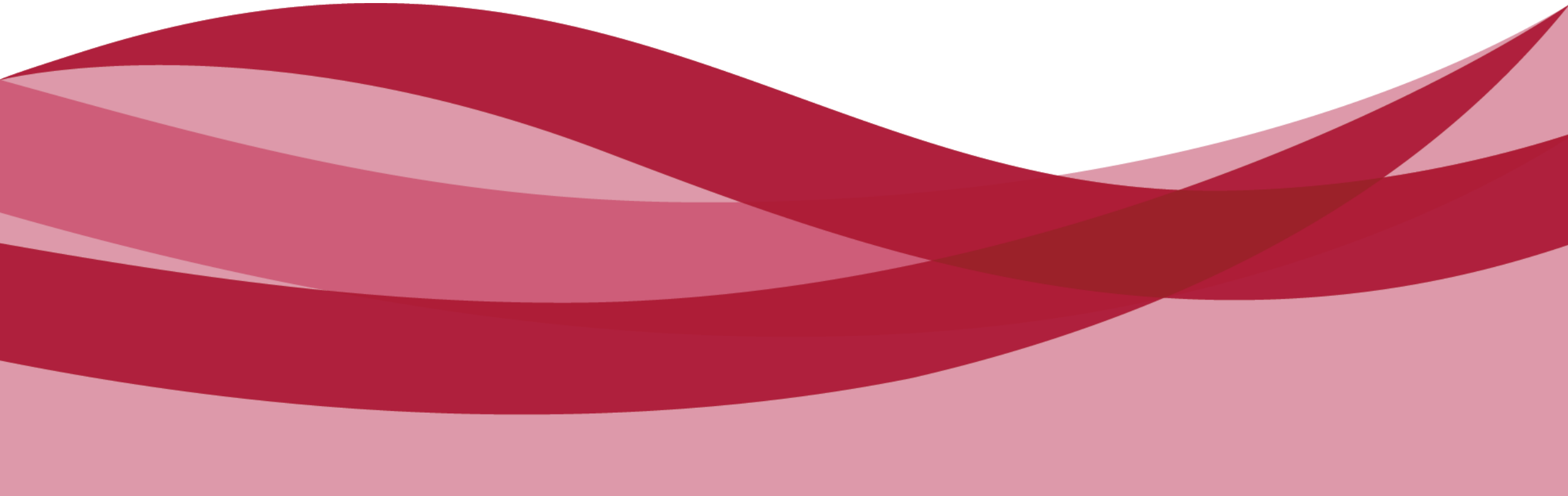


# Budget 2026/27



# Overview

- Strategic Context (including Chancellor's Budget Statement)
- Policy Statement (Fair Funding Reforms 2.0)
- Budget 2026/27
  - Strategy and Objectives
  - Budget Plans
- Timelines and Plans

# Strategic Context

- Chancellor's Budget
- Local Demographic/Resident/Legislative Expectations
- Greater Regulation (Housing Inspection/SEND)
- Local Regeneration Schemes (Civic Campus, Housing, Bridge)
- Data Security and IT Issues

# Policy Statement - Fair Funding Review

- Policy Statement Released 20 November (PLGFS on 17 December)
- Changes Made – IMD, Housing, Children Service Costs
- 3 Year Settlement and Consolidation of Grant Regimes
- Significant Pressures in 2027/28+
- Lobbying ongoing

# Revenue Budget Strategy 2026/27

- Ensure Sustainable, Legal and Balanced Budget
- Protect Key Policy and Resident Priorities
- Continued Long Term Financial Resilience
- Essential Pressures Only in 2026/27
- Service Demand Pressures Will Need To Be Mitigated
- Review of Capital Strategy To Minimise Revenue Pressures
- Focused Strategic Savings Proposals (Not A Long List)

# Budget 2026/27

	£m
Pay Inflation (2.5%)	4.0
Price Inflation (3.2%)	6.9
Essential Pressures (see later)	3.0
Impact of FFR	8.9
Collection Fund (Prior Years)	3.3
LGPS Employers % Reduction	(2.1)
Savings Proposed (see later)	(17.9)
Corporate Changes (contributions to programmes)	(1.7)
Damping Payment for FFR	(1.7)
Policy Contingency Reductions	(2.7)
<b>Net Position (after Council Tax)</b>	<b>-</b>

# Essential Pressures 2026/27

	Dec £m
Reduction in Interest Receivable due to interest rate cuts	2.4
Concessionary Fares	0.8
Collection Fund Resources	0.5
Council Tax Discretionary Reliefs (Carers/War Pensions)	0.2
Governance changes	0.3
Contribution to Reserves & One-Off Items	(0.9)
Prior Year Growth (Upstream London)	(0.3)
<b>Total</b>	<b>3.0</b>

# Savings Proposals 2026/27

		£'m
Housing	Homeless Reduction Strategy	(1.2)
People	Adult Social Care Transformation (Care Packages/New Residential Care – 4%)	(3.2)
FCS	Improving collection of Housing Benefits/Recovery of Summons Costs	(0.4)
FCS	Funding of Local Support Payments by Crisis & Resilience Fund	(0.5)
FCS	Credit Card Transactions Fees	(0.5)
Place	Commercial Income	(1.3)
All	Redesign Service Staff Teams (Agency/Vacancy Management – 1.5%)	(2.2)
Place	Waste Disposal (Increasing Recycling – 50% in street properties)	(0.2)
	<b>Total Service Savings</b>	<b>(9.5)</b>
Resources	Council Tax (Collection Rates/Reducing Arrears/Second Homes Premium - £0.9m / CTB1 Tax Base)	(4.6)
Resources	Business Rates (Collection Rates/Arrears)	(3.8)
	<b>Total</b>	<b>(17.9)</b>



# Next Steps

- PACS - End of January/Early February
- Cabinet – 9<sup>th</sup> February
- Budget Council - 25<sup>th</sup> February