

Budget 2026/27

The bottom half of the slide features a series of overlapping, wavy lines in various shades of red and pink, creating a dynamic, flowing background.

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) |
| Net Position (after Council Tax) | - |

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) |
| Total | 3.0 |

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) |
| | Total Service Savings | (9.5) |
| 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) |
| | Total | (17.9) |

Next Steps

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