

Bolsover District Council

Finance and Corporate Overview Scrutiny Committee
22nd January 2026

MEDIUM-TERM FINANCIAL PLAN 2025/26 to 2029/30

Report of the Portfolio Holder for Resources

Classification	This report is public.
Contact Officer	Theresa Fletcher Director of Finance and Section 151 Officer

PURPOSE / SUMMARY

To enable the Committee to consider the current budget for 2025/26 and the proposed budget 2026/27, for the General Fund, Housing Revenue Account and Capital Programme as part of the Council's Medium-Term Financial Plan covering the years 2025/26 to 2029/30, prior to the report being taken to Council.

To provide Elected Members with an overview of the Council's medium-term financial position in order to inform the decision-making process. Any comments expressed by the Finance and Corporate Overview Scrutiny Committee will be reported verbally to Council.

REPORT DETAILS

1 Introduction

1.1 This report presents the following budgets for Members to consider:

- General Fund – Appendix 1 and 2
- Housing Revenue Account (HRA) – Appendix 3 and 4
- Capital Programme – Appendix 5

In particular financial projections are provided for:

- 2025/26 Current Budget Position – this is the current year budget, revised to take account of changes during the financial year that will end on 31st March 2026.
- 2026/27 Original Budget – this is the proposed budget for the next financial year, on which the Council Tax will be based, and will commence from 1st April 2026.
- 2026/27 Original Budget, this includes proposed increases to rents and fees and charges for the next financial year for the Housing Revenue Account.

- 2027/28 to 2029/30 Financial Plan – In accordance with good practice the Council agrees its annual budgets within the context of a Medium-Term Financial Plan (MTFP). This includes financial projections in respect of the next three financial years.
- 1.2 Recommendations agreed by Executive and Finance and Corporate Overview Scrutiny Committee will be referred to the Council meeting on the 28th of January 2026 for Members' consideration and approval.
 - 1.3 Members will be aware that a number of Council services have been provided by Dragonfly Management (Bolsover) Ltd for the last 3 years, and that the project Eiffel Tower has been established to 'Manage the transition of Dragonfly staff and services to the Council by the 31st of March 2026.' The figures within this report for the years 2026/27 – 2029/30 have been produced as though this is successfully achieved from the 1st of April 2026. For the purposes of this report the figures have been provided under the existing reporting structure. Once the new structure is implemented the figures for all of the Council's services will be shown under the new structure.

General Fund

2025/26 Current Budget

- 1.4 In January 2025, Members agreed a budget for 2025/26 to determine Council Tax. The original budget showed a balanced budget with neither a surplus nor deficit. Throughout the year budgets have been actively managed with savings removed from the budget once they have been agreed.
- 1.5 The Revised Budget was considered by Executive at its meeting on the 1st of December 2025 and by the Finance and Corporate Overview Scrutiny Committee at its meeting on the 27th of November. There have been no material changes to the overall budget position since this time. Where budgets have been moved from Dragonfly to the Council as part of the Eiffel Tower project, a corresponding reduction has been made to the BDC budgets providing funding to the Company.
- 1.6 The final in-year position will be dependent on the actual financial performance out-turning in line with the revised budgets as there may be further costs and/or savings identified as the year progresses. Whilst these estimates reflect the position at the time of setting there can be some volatility from the budget to the outturn position.
- 1.7 It was agreed that any surplus on the Council's two main revenue accounts be transferred to reserves in preparation for future expenditure and to protect services at a time of financial uncertainty in local government.

2026/27 Original Budget and 2027/28 to 2029/30 Financial Plan

- 1.8 The financial projection for 2026/27 to 2028/29 was approved by Members in January 2025. The 2025/26 budget process has updated those projections and established a base for 2029/30.

1.9 The proposed budget for 2026/27 is balanced with a transfer to the NNDR Growth Protection Reserve of £1.030m. Estimates for future years transfers into the reserve are; 2027/28 £0.846m, 2028/29 £0.782m. It is estimated that in 2029/30 there is a shortfall in funding, and there will be a transfer back to general fund of £3.643m. This reserve will be discussed in more detail in paragraphs 1.29 – 1.32 of this report. The financial summary for each year of the MTFP is shown in **Appendix 1**. **Appendix 2** details the net cost of each cost centre by Directorate.

1.10 Table 1 below shows the updated figures resulting from the budget process.

Table 1

	2025/26 Revised Budget £000	2026/27 Forecast £000	2027/28 Forecast £000	2028/29 Forecast £000	2029/30 Forecast £000
Net Cost of Services	19,955	17,388	17,630	18,446	19,155
Net debt charges + investment interest	(1,787)	(1,729)	(2,006)	(2,200)	(2,425)
Net t/f to/(from) reserves + balances	(2,509)	1,270	1,497	957	1,469
Net t/f to/(from) NNDR Growth Protection Reserve	2,750	1,030	846	782	(3,643)
Parish Precept	5,196	5,196	5,196	5,196	5,196
Funding from council tax, business rates, and government grants	(23,605)	(23,155)	(23,163)	(23,181)	(19,752)
Shortfall	0	0	0	0	0

1.11 The main factors taken into account in developing the Council's financial plans are set out within the sections below.

Level of Government Funding

1.12 The provisional local government finance settlement for 2026/27 was issued for consultation on the 17th of December 2025. This was a three-year settlement which gives some certainty to us in the second and third year, although each of the latter 2 years will still be subject to an annual settlement process, but any changes will be upwards within the three-year settlement. We have made assumptions for 2029/30 based on our consultant's advice.

1.13 As discussed in the quarterly budget monitoring reports, on the 20th of June 2025 the government published a major consultation on the reform of local

government funding. The consultation was referred to as the Fair Funding Review 2.0, emphasising the links between this consultation and the previous government's consultation in December 2018.

- 1.14 As mentioned in previous MTFP reports, indicative results from the Fair Funding Review; the abolition of New Homes Bonus; the fundamental review of Business Rates and the baseline reset of Business Rates were all detrimental to us as a district council who has seen much growth in recent years, both in business rates and New Homes Bonus grant.
- 1.15 The estimate of our losses by the Government was such that we were included in a group of Councils, initially 49 but later 61, who were contacted by MHCLG on a number of occasions and warned about the 'larger losses we may need to manage'. This was in line with what our consultants had been predicting for many years and was the reason we established the NNDR Growth Protection Reserve many years ago.
- 1.16 The Policy Statement published by the Government on the 20th of November, provided an update on the consultation paper and gave the outline of the policy setting that would be used in the provisional settlement. This is a higher-level document that doesn't give individual authority figures, more the methodology and purely the headline figures. This gave an expansive definition of how business rates income would be calculated and included pooling gains for the first time. This was unexpected and threatened to make a huge difference to how the transitional protection payments would be calculated, and how the Business Rates baseline would be reset.
- 1.17 The following paragraphs show our government funding for the next 3 years from the provisional settlement and the assumptions we have had to make for the final year:

Council Tax

- 1.18 The settlement assumes that council tax will rise with the maximum uplift in Band D, and that the taxbase will grow in line with the 4-year increase in taxbase. The maximum increase for a district council is 2.99% or £5, whichever is the higher. Taxbase growth is based on the change between the 2021-22 and 2025-26 CTR1s, which are the council tax requirement returns submitted every October.

New Homes Bonus

- 1.19 We assumed in last years' MTFP that from 2026/27 onwards no New Homes Bonus income would be received, and this was confirmed in the settlement.

Business Rates Baseline Reset

- 1.20 As expected, the Business Rates baseline has been reset from 2026/27, and the reductions in our business rates income were largely in line with the estimates included in our 2024/25 – 2028/29 MTFP. Our estimate for income from Business Rates has changed from £10.4m in 2025/26, to £3.9m in 2026/27 increasing to £4.9m by 2029/30.

Derbyshire Business Rates Pool

- 1.21 Members will be aware that the Council has been a member of the Derbyshire Business Rates Pool since its establishment in 2015/16. Being a member of the pool allowed us to retain more of our Business Rates income locally, and as a Council with high growth in this area, the pool has benefited us greatly over the last few years. However, the changes to the Business Rates Retention System mean there is unlikely to be enough growth transferred into the pool to cover the administrative costs of its operation. Therefore, from 2026/27 all councils have elected to cease being members. This has been the picture nationally and only a few pools now remain.

Revenue Support Grant (RSG)

- 1.22 The government has changed how this grant will be distributed in line with the consultation outcome. Allocations of RSG will reflect the net amount required to move every local authority towards its 2028/29 fair funding share in yearly increments of a third after factoring in the immediate reset of the business rates retention system in 2026/27. Only by 2028/29 will the provisional RSG allocations fully reflect the distribution of the new Fair Funding Assessment through the gradual phasing out of 2025/26 legacy funding allocations.
- 1.23 In 2025/26 we received £1.6m in revenue support grant and the estimates for future years were £0.578m 2026/27; £0.531m 2027/28 and £0.480m for 2028/29. From the settlement our provisional allocations are £7.3m for 2026/27; £5.5m for 2027/28 and £3.6m for 2028/29. We have included an estimate of £3.7m for 2029/30 based on our consultants view, and in line with neighbouring councils.

Recovery Grant

- 1.24 The Recovery Grant was introduced in last years' settlement. 'It was intended to target money towards areas with greater need and demand for services (as proxied by deprivation), and less ability to raise income locally (specifically, council tax.)' We were allocated £0.328m for 2025/26 but assumed this would be its final year. The latest settlement has this grant continuing for all years at the same level. We have assumed no grant will be received in 2029/30.

Transitional Arrangements - Blending current and proposed funding shares

- 1.25 Councils will move towards their new fair funding share across the multi-year settlement in one-third increments. In 2026/27, we will receive allocations based on one-third of the new funding share and two-thirds of the current (2025/26) share. By 2028/29, our funding will be based wholly on the new funding share. In addition, there will also be a minimum funding floor to offer further protection.

Transitional Arrangements - Funding Floors

- 1.26 For all authorities where the difference between their pre-reform and post-reform income is 15% or less of their pre-reform income, the Government will ensure they receive 100% of their 2025/26 income. For councils where the difference between their pre-reform and post-reform income is more than 15% of their pre-reform income, the government will protect only 95% of their 2025/26 income. We are in this second class of councils and are therefore going to see income protection payments at 95%. Due to there being no information

regarding these arrangements when we prepared the MTFP last year we didn't include any amounts for this. The amounts we have been provisionally allocated that can now be included are: £0.494m 2026/27; £2m 2027/28 and £3.6m for 2028/29. We have not assumed any income for 2029/30.

Extended Producer Responsibility (EPR)

- 1.27 EPR aims to create a more sustainable and circular economy by ensuring that producers take responsibility for the environmental impacts of their products throughout their lifecycle, effectively shifting responsibility for the waste management from consumers and local government to the producers. Regulations requiring reporting of packaging data have been in place for producers since 2023 and from January 2025 producers are required to pay fees to the Department of Environment, Food and Rural Affairs (DEFRA), based on this data.
- 1.28 DEFRA are redistributing these fees to waste collection and disposal authorities to cover the costs associated with the disposal of packaging waste. It is also intended to help local authorities improve recycling services and reduce waste management costs under the Government's Simpler Recycling waste reforms. 2026/27 is the second year EPR payments have been received by the Council, the notification for the anticipated payment is for £1.048m. Whilst we have not received official notification of the allocations for future years, we believe that they will remain at the 2026/27 level for the life of the MTFP.

Mitigating Losses in Government Funding

- 1.29 To help mitigate losses we expected to be caused by future funding changes we set up the NNDR Growth Protection Reserve. We saved income from business rates growth, so we could plug gaps we expected to see when changes to business rates and other government funding were introduced.
- 1.30 The current balance we are expecting to have accumulated in this reserve by 31st of March 2026, is £16.9m, and we were expecting to fully utilise the reserve over the life of this new MTFP and still have a gap in funding. However, changes announced in the Policy Statement in November have made a significant difference to our actual funding, now the detail has been received in the provisional settlement.
- 1.31 As discussed in paragraph 1.16, an unexpected change in the Policy Statement has meant the growth we received each year as a result of us being in the business rates pool has been included in the estimate of our usual annual income. This inflated level of income has then been used to assess our income needs, and we, along with other high business rates growth district councils, have received much more income than was expected.
- 1.32 As there is only a limited amount of funding available, this means some councils, probably counties, have lost significant funding because of this change. Although it would be rare for the final settlement to reduce funding allocations given in the provisional settlement, it may be necessary in this instance if a mistake needs rectifying, for the Government to lower our income. It is therefore the Section 151 Officer's recommendation that until the final local government finance settlement is received in early February, that plans for the

use of the NNDR Growth Protection Reserve, other than as discussed within this report, are put on hold.

Expenditure, income levels, and efficiencies

1.33 In developing the financial projections covering the period 2025/26 to 2028/29, officers have made a number of assumptions. The major assumptions are:

- For all years of the MTFP, 3.5% has been included in staffing budgets as an estimate for a pay award.
- Investment income as a result of treasury management decisions, and debt charges resulting from capital programme financing, have both been calculated based on interest rates from our Treasury Management advisors, Arlingclose. Bank base rate is currently 3.75%, and future predictions of rates can be found within the Treasury Strategy Reports 2026/27 – 2029/30.
- An amount has been included in each year of the MTFP for the repayment of the Council's borrowing costs for the Crematorium at Shirebrook. As 2026/27 is the first year of operation, 50% of the estimated sum due has been included initially (£0.400m), with an estimate of 100% of the sum due included in every year thereafter (£0.800m). The situation will be reviewed at 2026/27 revised budgets, with a view to updating the plan to include the full cost in the year. No profit share has been included at this time.
- Inflation specific budgets such as energy costs and fuel have been amended to reflect anticipated price changes.
- With respect to planning fees, a base level for income has been included in the MTFP for all future years of £0.425m. The rules of the government's 20% increase to planning fees means we have to set-aside the additional 20% income we receive, to be spent specifically on the planning function.
- Fees and charges – service specific increases as agreed by Members.
- Local Government Reorganisation will continue to be kept under close review and will be addressed through the annual plan refresh as further information becomes available. There are currently no changes reflected in the MTFP for this.

Council Tax Implications

Council Tax Base

1.34 In preparation for the budget, the Section 151 Officer under delegated powers has determined the Tax Base at Band D for 2026/27 as 23,642.83. This is an overall increase on the 2025/26 Tax Base. However, the Tax Base of some of the Parishes have seen a decrease due to local circumstances relating to Single Person Discount, Council Tax Support claimants and/or net reductions in property numbers.

Council Tax Options

- 1.35 The Council's part of the Council Tax bill in 2025/26 was set at £208.95 for a Band D property. This was an increase of 2.99%.
- 1.36 The Council has a range of options when setting the Council Tax but in calculating our funding allocation in the settlement, the government assumes we will increase Council Tax by the maximum allowed. The government indicate what upper limit they consider acceptable. For 2026/27 District Councils are permitted to increase their share of the Council Tax by the greater of 3% or £5 without triggering the need to hold a referendum.
- 1.37 The table below shows some of the options and the extra revenue generated.

Increase	New Band D £	Annual Increase £	Weekly Increase £	Extra Revenue £
2.00%	213.13	4.18	0.08	98,875
2.39%	213.95	5.00	0.10	118,284
2.99%	215.20	6.25	0.12	147,783

- 1.38 The level of increase each year affects the base for future years and the proposed increase for 2026/27 is 2.99%, or £6.25 per year for this Council's part of the Council Tax bill, generating additional revenue of £147,783. This ensures we do not accidentally trigger a referendum.
- 1.39 Members will recall that in our Medium-Term Financial Strategy (MTFS) approved in October 2024, we have the strategic intention '*to raise Council Tax by the maximum allowed in any given year, without triggering a Council Tax referendum, to endeavour to continue to deliver services*'.

Financial Reserves – General Fund

- 1.40 The Council's main uncommitted Financial Reserves are the General Fund Working Balance of £2.001m, the uncommitted element of the Transformation Reserve of £0.700m and the NNDR Growth Protection Reserve which had a balance of £16.9m after the revised budget process, to fund the MTFP. Due to the uncertainty surrounding local authority income and the fact that the Council has reduced budgets to a minimal level, it is important that the Council continues to review whether we have an acceptable General Fund Working Balance.

Housing Revenue Account (HRA)

2025/26 Current Budget

- 1.41 In January 2025, Members agreed a budget for 2025/26. Rent levels were set in line with government regulations with an increase of 2.7%, effective from the 1st of April 2025. HRA fees and charges were also set, effective from the same date.

- 1.42 The Revised Budget was considered by Executive at its meeting on the 1st of December 2025 and by the Finance and Corporate Overview Scrutiny Committee at its meeting on the 27th of November. There have been no changes to the budget position since this time.
- 1.43 The revised budget for 2025/26 showed a balanced budget with neither a surplus nor deficit.

2026/27 Original Budget and 2027/28 to 2029/30 Financial Plan

- 1.44 The proposed budget for 2026/27 is balanced with a transfer into the HRA Revenue Reserve of £0.706m. Estimates for future year transfers into the reserve are; 2027/28 £0.535m, 2028/29 £0.746m and 2029/30 £0.710m. This is shown on **Appendix 3**. The proposal is to transfer any surplus that arises over these amounts into the HRA Revenue Reserve in all years. **Appendix 4** details the net cost of each cost centre.
- 1.45 The HRA budget is made up of the same assumptions as the General Fund budget for staff costs, superannuation costs, and inflation. There are, however, some assumptions that are specific to the HRA. The main factors taken into account in developing the Council's financial plans for the HRA are set out within the sections below.

Level of Council Dwelling Rents

- 1.46 The MHCLG Policy Statement on rents for social housing states:

'From 1 April 2026, providers may generally increase the rent on both Social Rent and Affordable Rent properties by up to CPI plus 1 percentage point each year. The policy is to remain in effect for at least five years; to provide the stability that providers need to borrow and invest in new and existing homes, while ensuring appropriate protection for tenants. It is the intention of the government that any rent settlement that follows the one set out in this policy will also be in place for at least five years.'

- 1.47 For 2026/27 the income for dwelling rents has been included in the budget at CPI rate 3.8% (for September 2025), plus 1% (4.8%). For future years it has been assumed the same policy will apply but 3% has been included as an estimate of the increase in income.
- 1.48 The government consultation in relation to social housing rent policy was concluded in August 2025. The proposal was to re-introduce rent convergence mechanisms whereby an optional £1 or £2 weekly convergence may be added to rent for those properties where formula rent has not been achieved. The Council has properties which are not at formula rent under the previous rent convergence system, and properties which remain reduced due to previous capped rent increases in 2023/24.
- 1.49 A report on rent convergence giving full details of the implications for tenants and the Council, will be provided to the Council meeting on 28th January 2026.

- 1.50 The table below shows the average rent increases excluding service charges, for both Social Rent and Affordable Rent, which is charged on all new build properties.

Increase	New Rent Charge	Annual Increase	Weekly Increase	Range of New Rent Charge
4.8%	£105.68	£251.68	£4.84	£73.70 - £141.10
Average for Social Rent				
4.8%	£142.64	£339.72	£6.53	£94.13 - £299.60
Average for Affordable Rent				

Empty Property Levels - Voids

- 1.51 It is inevitable during a financial year that there will be occasion when properties are empty and therefore no income will be earned. This could be the gap in the tenancy between one tenant vacating and the next one taking up the property or could be part of a management decision to leave the property empty because it is part of a capital or repair scheme which is soon to commence.
- 1.52 An estimate of the number of void properties which may occur in each financial year needs to be made so that the dwelling rent income budget can be reduced to reflect this. For 2026/27 the estimate for voids which has been included in the MTFP is 2.5%, we have used the same estimate for the years 2027/28 to 2029/30.

Fees and Charges

- 1.53 Although the main source of income for the HRA is property rents, the HRA is also dependent for its financial sustainability on a range of other charges. These charges are set on the principle that wherever possible charges for services should reflect the cost of providing those services.
- 1.54 A schedule of the proposed charges is set out at **Appendix 4, table 1**. For 2026/27 in all cases the charges are recommended to be increased by 4.8%. It is also recommended to remove the discount for paying by Direct Debit for garage rent since this is now standard practice.

Financial Reserves - HRA

- 1.55 The Council's main uncommitted Financial Reserves are the Housing Revenue Account Working Balance of £2.006m. In addition to the Working Balance there are further reserves for the HRA used to fund the Council's HRA capital programme. These are the Major Repairs Reserve, New Build Reserve, Vehicle Repair and Renewal Reserve, and Development Reserve.

Capital Programme

- 1.56 There will be three separate reports to Council on the 28th of January 2026 concerning the Council's Treasury Management Strategy, Investment Strategy

and Capital Strategy. The Capital Strategy report will consider capital financing such as borrowing which enables the proposed capital programme budgets to proceed.

2025/26 Current Budget

- 1.57 In January 2025, Members approved a Capital Programme in respect of 2025/26 to 2028/29. Scheme delays and technical problems can cause expenditure to slip into following years and schemes can be added or extended as a result of securing additional external funding. Where capital expenditure slipped into 2025/26 the equivalent amount of funding was not applied during 2024/25 and is therefore available in 2025/26 to meet the delayed payments.
- 1.58 The Revised Capital Programme was considered by Executive at its meeting on the 1st of December 2025 and by the Finance and Corporate Overview Scrutiny Committee at its meeting on 27th November. There have been no changes to the budget position since this time.

General Fund Capital Programme 2026/27 to 2029/30

- 1.59 The proposed Capital Programme for the General Fund totals £6.387m for 2026/27; £4.874m for 2027/28; £1.249m for 2028/29 and £1.929m for 2029/30 (**Appendix 5**).

Housing Revenue Account Capital Programme 2026/27 to 2029/30

- 1.60 The proposed Capital Programme for the Housing Revenue Account totals £11.608m for 2026/27; £10.303m for 2027/28; £10.898m for 2028/29 and £5.801m for 2029/30 (**Appendix 5**).
- 1.61 A list of all the schemes and associated funding are attached as **Appendix 5** to this report.

Robustness of the Estimates – Section 25 Local Government Act 2003

- 1.62 This section of the report is prepared in accordance with Section 25 of the Local Government Act 2003, which requires the Council's Section 151 Officer to report on the robustness of the estimates made for the purposes of budget setting and on the adequacy of the financial reserves.
- 1.63 In forming an opinion on the robustness of the estimates, the Section 151 Officer has considered the following factors:
- The robustness of the budget setting process and the assumptions underpinning the budget such as inflation. This includes the consultation with all budget managers and senior management.
 - Employee costs are based on an approved establishment.
 - Investment income is in line with the Treasury Management Strategy.
 - Income budgets are achievable.
 - The financial management and control frameworks in place.
 - The risks associated with the budget and the measures in place to mitigate those risks.

- The alignment of the budget with the Council's strategic priorities and objectives.
- The impact of external influences on the estimates such as changes in government policy or legislation.

1.64 In consideration of the above, the Council's Section 151 Officer (The Director of Finance) is satisfied that the estimates are robust and prudent. Estimates in respect of national policy change are based on best available data at the time of setting the budgets and funding has not been included where there is insufficient certainty to do so.

1.65 Likewise, the Section 151 Officer is satisfied that the levels of reserves are considered to be adequate to fund planned expenditure and potential issues and risks that face the Council.

1.66 Financial Resilience has become a significant issue for local authorities over recent years. CIPFA issued their Financial Management Code in 2019, designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. One of the key areas of focus in the Code is financial performance monitoring and demonstrating that financial resilience is being assessed on an ongoing basis. Three key areas are analysed to aid this:

- Revenue Health
- Capital Health
- Funding Sensitivities

1.67 Performance against these metrics will be monitored and benchmarked on a regular basis and reported to the Members as part of the quarterly budget monitoring process.

2 Reasons for Recommendation

2.1 This report presents a budget for approval by Council. It seeks to ensure approval to budgets in respect of the General Fund, the Housing Revenue Account, and the Capital Programme.

3 Alternative Options and Reasons for Rejection

3.1 Alternative options are considered throughout the report.

RECOMMENDATIONS

- 1 That Finance and Corporate Overview Scrutiny Committee note the report and make any comments that they believe to be appropriate to be given verbally at the Council meeting on 28th of January 2026.

The Executive report recommendations are as follows:

- X1 That all recommendations below are referred to the meeting of Full Council on the 28th of January 2026.

The recommendations to Council are:

- X2 That in the view of the Section 151 Officer, that the estimates included in the Medium-Term Financial Plan 2025/26 to 2029/30 are robust and that the level of financial reserves whilst at minimum levels are adequate, be accepted.
- X3 That officers report back to Executive and to the Finance and Corporate Overview Scrutiny Committee on a quarterly basis regarding the overall position in respect of the Council's budgets.

GENERAL FUND

- X4 A Council Tax increase of £6.25 is levied in respect of a notional Band D property (2.99%).
- X5 The Medium-Term Financial Plan in respect of the General Fund as set out in Appendix 1 of this report be approved as the Revised Budget 2025/26, as the Original Budget in respect of 2026/27, and the financial projection in respect of 2027/28 to 2029/30.
- X6 That any further under spend in respect of 2025/26 is transferred to the Council's General Fund Reserves.
- X7 On the basis that income from Planning Fees may exceed £0.500m in 2025/26, the Head of Paid Service in consultation with the Leader be granted delegated powers to authorise such additional resources as are necessary to effectively manage the resultant increase in workload.

HOUSING REVENUE ACCOUNT

- X8 That Council increases its rent levels by 4.8% to apply from 1st April 2026.
- X9 That the increase in respect of other charges as outlined in **Appendix 4 Table 1** be implemented with effect from 1st April 2026.
- X10 The Medium-Term Financial Plan in respect of the Housing Revenue Account as set out in **Appendix 3 and 4** of this report be approved as the Revised Budget in respect of 2025/26, as the Original Budget in respect of 2026/27, and the financial projection in respect of 2027/28 to 2029/30.
- X11 That under spends in respect of 2025/26 to 2029/30 are transferred to the HRA Development Reserve.

CAPITAL PROGRAMME

- X12 That the Capital Programme as set out in **Appendix 5** be approved as the Revised Budget in respect of 2025/26, and as the Approved Programme for 2026/27 to 2029/30.

IMPLICATIONS:

Finance and Risk: Yes ☒ No ☐

Details:

The issue of Financial Risk is covered throughout the report. In addition, the Council has a risk management strategy and associated framework in place, and the Strategic Risk Register is regularly reviewed through the Council's performance management framework. The risk of not achieving a balanced budget is outlined as a key risk within the Council's Strategic Risk Register and is therefore closely monitored through these practices and reporting processes.

The reductions in government funding on the general fund are currently being managed by contributions to and from the National Non-Domestic Rates (NNDR) Growth Protection Reserve. The HRA does not have the use of this general fund reserve and needs to be carefully managed to ensure it continues to be sustainable over the life of the 30-year business plan.

The capital programme identifies and recognises the need to maintain the Council's assets in a fit for purpose state, and to retain and attract income streams for the Council. The financing of the capital programme is secured for the duration of the MTFP, minimising the risk of any additional unplanned borrowing.

Section 25 of the Local Government Act 2003 requires that the Section 151 Officer reports on the robustness of the estimates made and the adequacy of reserves in this financial plan. These requirements are addressed at 1.62 – 1.67 of this report.

All other financial implications are covered in the relevant sections throughout the report.

On behalf of the Section 151 Officer

Legal (including Data Protection): Yes ☐ No ☒

Details:

The Council is legally obliged to set and deliver a balanced budget prior to the commencement of the new financial year in April 2026, which shows how income will equal spend over the short and medium term. This can take into account deliverable cost savings and/or local income growth strategies as well as useable reserves. However, a budget will not be balanced where it reduces reserves to unacceptably low levels. This report together with the associated budget timetable has been prepared in order to comply with our legal obligations.

There are no Data Protection issues arising directly from this report.

On behalf of the Solicitor to the Council

Staffing: Yes ☐ No ☒

Details:

These are covered in the main report and supporting Appendices where appropriate.

On behalf of the Head of Paid Service

Equality, Diversity, and Consultation: Yes ☐ No ☒

Details:

Not applicable to this report.

Environment: Yes ☐ No ☒

Details:

Not applicable to this report.

DECISION INFORMATION

☒ ***Please indicate which threshold applies:***

Is the decision a Key Decision?

A Key Decision is an Executive decision which has a significant impact on two or more wards in the District, or which results in income or expenditure to the Council above the following thresholds:

Yes ☐ No ☒

Revenue (a) Results in the Council making Revenue Savings of £75,000 or more or **(b)** Results in the Council incurring Revenue Expenditure of £75,000 or more.

(a) ☐ (b) ☐

Capital (a) Results in the Council making Capital Income of £150,000 or more or **(b)** Results in the Council incurring Capital Expenditure of £150,000 or more.

(a) ☐ (b) ☐

District Wards Significantly Affected:

(to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the District)

Please state below which wards are affected or tick **All** if all wards are affected:

All ☒

Is the decision subject to Call-In? <i>(Only Key Decisions are subject to Call-In)</i> If No, is the call-in period to be waived in respect of the decision(s) proposed within this report? <i>(decisions may only be classified as exempt from call-in with the agreement of the Monitoring Officer)</i> Consultation carried out: <i>(this is any consultation carried out prior to the report being presented for approval)</i> Leader <input type="checkbox"/> Deputy Leader <input type="checkbox"/> Executive <input type="checkbox"/> SLT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
	Yes <input type="checkbox"/> No <input type="checkbox"/>
Portfolio Holder for Resources	

Links to Council Ambition: Customers, Economy, and Environment.

DOCUMENT INFORMATION	
Appendix No	Title
1	General Fund Summary
2	General Fund Detail
3	Housing Revenue Account Summary
4	Housing Revenue Account Detail
4 table 1	HRA – Fees and Charges 2026/27
5	Capital Programme

Background Papers <i>(These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Executive you must provide copies of the background papers).</i>
None