

Cabinet Meeting Resolution

**Executive
Forward Plan
Reference**

E3662

Budget and Council Tax 2026/27 and Financial Outlook

Date of Meeting	12-Feb-26
The Issue	This report presents the revenue and capital budgets together with proposals for increases in Council Tax and the Adult Social Care Precept for 2026/27.
The decision	<p>(1) To recommend that Council approves:</p> <ul style="list-style-type: none"> • The General Fund net revenue budget for 2026/27 of £193.17m and the individual service cash limits for 2026/27 as outlined in Annex 1 of the report. • The savings and income plans outlined in Annex 2(i), funding requirements 2(ii), in conjunction with the Equalities Impact Assessment Report in Annex 3 of the report. • An increase in general Council Tax of 2.99% in 2026/27 (an increase of £54.51 per Band D property or £1.05 per week). • An increase of 2.00% to Council Tax for the Adult Social Care Precept in recognition of the current demands and financial pressures on this service. This is equivalent to an increase of £36.46 on a Band D property or £0.70 per week. • The movement in reserves outlined in Section 5.6 and the adequacy of Un-earmarked Reserves at £12.58m within a risk assessed range requirement of £12.00m - £13.20m. • To note the Children's Services management plan update set out in paragraphs 5.2.64 to 5.2.65 of the report. • The Efficiency Strategy attached at Annex 4 of the report. • The Capital Programme for 2026/27 of £110.219m including new and emerging capital bids outlined in Annex 5(i), planned sources of funding in 5.8.10, and notes the programme for 2027/28 to 2030/31 and that any wholly funded projects coming forward during the year will be added to the Capital Programme in line with the Budget Management Scheme. • The delegation of implementation, subject to consultation where appropriate, of the capital programmes set out in Annex 5(i) to Annex 5(vi) to the relevant Director in consultation with the appropriate Cabinet Portfolio Holder. • The Community Infrastructure Levy (CIL) allocations and amendments outlined in Annex 5(vii) of the report. • The Capital & Investment Strategy attached at Annex 6 of the report. • The Minimum Revenue Provision (MRP) Policy attached at Annex 7 of the report. • The Capital Prudential Indicators outlined in paragraph 5.8.17 of the report. • The Annual Pay Policy Statement at Annex 8 of the report.

Cabinet Meeting Resolution

**Executive
Forward Plan
Reference**

E3662

	<ul style="list-style-type: none"> • The Community Contribution Fund extension outlined Section 5.5 of the report. • The Council Tax Support Scheme for 2026/27 shown in the following link: https://www.bathnes.gov.uk/sites/default/files/2026-01/Council_Tax_reduction_scheme_April_1_2026_to_March_31_2027.pdf and referred to in paragraph 5.3.10 of the report. • The Fees and Charges schedule for 2026/27 at Annex 11 of the report and support its publication following approval of the budget, with delegation to amend individual costs within the schedule in line with market needs, to the Director of Place Management, in consultation with the appropriate Cabinet Portfolio Holder. <p>(2) That the Council include in its Council Tax setting, the precepts set and approved by other bodies including the local precepts of Town Councils, Parish Councils, and Charter Trustees of the City of Bath, and those of the Fire and Police Authorities.</p> <p>(3) To note the S151 Officer’s report on the robustness of the proposed budget and the adequacy of the Council’s reserves outlined in Section 5.7 of the report.</p> <p>(4) To note the budget consultation responses in Annex 10 of the report, and the Policy Development and Scrutiny (PDS) Panel feedback in Annex 12 of the report.</p> <p>(5) To authorise the Council’s S151 Officer, in consultation with the Portfolio Holder for Resources, to make any necessary changes to the draft budget proposal for submission to Council, including any changes arising from the final local government settlement announcement. Any changes may also require the S151 Officer’s report on the robustness of the proposed budget and the adequacy of the councils’ reserves outlined in Section 5.7 of the report to be updated.</p>
<p>Rationale for decision</p>	<p>A local authority has a statutory duty to set an annual budget and Council Tax. The budget has been developed considering how to operate with a higher cost base and lower income levels whilst delivering the Corporate Strategy to meet our key principles and commitments.</p> <p>For 2026/27 the savings requirement is £7.24m after the inclusion of Council Tax increases. The assessment of the plans to close the gap do not require additional funds from the Financial Planning Reserve to smooth the delivery of savings in 2026/27 as the amounts proposed have been profiled to consider the delivery timeframe. To recognise risk the revenue budget has provided a £2.62m budget contingency to mitigate slippage on savings delivery as well as service demand & cost increases.</p> <p>The estimates for 2026/27 are robust and the budget is lawful; levels of balances have improved and are adequate and reasonable in meeting the</p>

Cabinet Meeting Resolution

Executive Forward Plan Reference	E3662
---	--------------

	Council's risks.
Other options considered	The report and annexes also contain the other options that can be considered in making any recommendations.

The Decision is subject to Call-In within 5 working days of publication of the decision