

## NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

### CORPORATE LEADERSHIP TEAM'S REPORT TO COUNCIL

11 February 2026

**Report Title:** Revenue and Capital Budgets and Strategies 2026/27

**Submitted by:** Service Director for Finance (Section 151 Officer)

**Portfolios:** Finance, Town Centres and Growth

**Ward(s) affected:** All

<b><u>Purpose of the Report</u></b>	<b><u>Key Decision</u></b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
<p>This report sets out the recommendations of Cabinet for the 2026/27 General Fund Revenue Budget and the 2026/27 Capital Programme and sets out the recommendations for setting the 2026/27 Council Tax.</p> <p>It also recommends for approval the Medium Term Financial Strategy for 2026/27 to 2030/31, the Capital Strategy for 2026/36, the Treasury Management Strategy for 2026/27, the Investment Strategy for 2026/27 and the Commercial Strategy for 2026/27.</p>			
<p><b><u>Recommendation</u></b></p> <p><b>That Council:</b></p> <p><b>1. Approves the schedule of recommendations set out in Appendix 1 to this report.</b></p>			
<p><b><u>Reasons</u></b></p> <p>A robust, affordable and balanced budget is required to be set for the financial year 2026/27.</p> <p>The Council needs to have an approved Medium Term Financial Strategy for 2026/27 to 2030/31, an approved Capital Strategy for 2026/27, an approved Treasury Management Strategy for 2026/27, an approved Investment Strategy for 2026/27 and an approved Commercial Strategy for 2026/27 in place before the start of the 2026/27 financial year.</p>			

## **1. Background**

- 1.1** This report is the culmination of the 2026/27 budget process. The Cabinet and the Finance, Assets and Performance Scrutiny Committee (FAPSC) have considered the content of the 2026/27 budget and the resultant Council Tax which is recommended. Cabinet met on 3 February 2026 and recommend a Council Tax for this Council in 2026/27 of £227.48 (based on Band D), as set out in Appendix 1 and Appendix 2. This is an increase of 1.99% (£4.44) a year

from the 2025/26 amount, this is below the increase permitted without triggering the requirement for a referendum.

- 1.2** The Council is committed to the delivery of high quality services. Integral to this ambition is effective targeting of financial resources in line with the vision of “good local services, a prosperous borough and safe and welcoming places for all” and the Council’s stated aims and objectives, as set out in the Council Plan 2022-2026, which was approved by Cabinet on 6 September 2022.
- 1.3** The Medium Term Financial Strategy (MTFS) sets out the Council’s financial position over the next 5 years. This is aligned to the Council Plan 2022-2026 and is the key vehicle for ensuring efficiency in service delivery and targeting resources to priority areas.
- 1.4** There has been good progress against Council Plan objectives in the current year, with high standards of service delivery being achieved overall. Key Council Achievements, linked to the Council Plan objectives, are reported to Cabinet on a quarterly basis. (Details of the Council Plan 2022-2026 can be seen here <https://www.newcastle-staffs.gov.uk/policies-1/council-plan-2022-2026>)
- 1.5** The 2026/27 budget is based on the assumptions set out in the MTFS which was reported to the Cabinet at its meeting on 13 January 2026, scrutinised by the Finance, Assets and Performance Scrutiny Committee at its meeting on 15 January 2026 and subsequently approved by Cabinet on 3 February 2026 for recommendation to Full Council.
- 1.6** The Capital Strategy 2026/36 sets out how the Council proposes to deploy its capital resources in order to achieve its corporate and service objectives. It takes into account other relevant Council strategies, policies and plans and the views of partners and interested parties with whom the Council is involved. It also takes account of the resources which are likely to be available to the Council to fund capital investment and the effect of that investment on the Council’s revenue budget. It will serve as a useful point of reference when determining or reviewing the Council’s Capital Programme.
- 1.7** The Council has adopted the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Code of Practice. This requires approval by Full Council concerning the Treasury Management Strategy to be followed in carrying out its treasury management activities in the forthcoming financial year, 2026/27.
- 1.8** The Investment Strategy 2026/27 is compiled according to Central Government’s Guidance on Local Government Investments (‘the Guidance’) and the 2017 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes (‘the CIPFA TM Code’). It sets out the Council’s policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 1.9** The Commercial Strategy 2026/27 is aligned with the Council’s vision for Newcastle-under-Lyme to be a sustainable and business-oriented Council that maximises commercial opportunities in order to deliver long-term benefits for residents of the borough and support the Council’s Medium-Term Financial Strategy.

## 2. Issues

### **Budget 2025/26 – Provisional Outturn Forecast**

#### **Revenue**

- 2.1 The Council approved a General Fund Revenue Budget of £19.730m on 12 February 2025 for 2025/26. The actual and forecast position compared to this budget is continuously monitored by Budget Holders, the Corporate Leadership Team and Portfolio Holders in order to detect any significant variances of expenditure or income from the approved amounts contained in the budget.
- 2.2 At the close of quarter three a positive variance of £0.003m has been achieved. The projected outturn on the General Fund Revenue Account for the year is £19.726m. This represents a positive outturn of £0.004m for the year.
- 2.3 The positive variances that have occurred at the close of period 9 of 2025/26 include:
  - a. Income from planning applications at the close of quarter three amounts to £0.582m more than budgeted, it is anticipated that income for the remainder of the financial year will remain in line with that budgeted and that the variance for the financial year will stay at £0.582m.
  - b. Interest receivable on cash that the Council holds in terms of Town Deal funding totals £0.186m at the close of quarter three. It is forecast that interest receivable will amount to £0.207m for the financial year.
  - c. Interest payable on borrowing has been vastly reduced due to the cash that the Council holds in terms of Town Deal and funding, this has saved £0.436m. It is anticipated that borrowing will commence during the final quarter, as such is it estimated that this saving may amount to £0.484m for the financial year.
- 2.4 These positive variances have been offset by the following adverse variances:
  - a. Income shortfalls at the close of quarter three from car parking (£0.137m), trade waste (£0.075m), land charges (£0.044m) and bereavement services (£0.176m). It is forecast that these will total £0.504m for the financial year.
  - b. Income shortfalls at the close of quarter three relating to the closure of the main pool for maintenance and repairs at Jubilee 2 and the associated freeze in memberships amounts (£0.079m). It is forecast that this will total £0.254m for the financial year.
  - c. Use of overtime, casual and agency staff within the Household Waste and Food Waste Services along with increased contractor disposal payments has resulted in an overspend of £0.206m at the close of quarter three. It is forecast that this will amount to an overspend of £0.275m for the financial year.
  - d. A contribution to the budget support fund of £0.140m has been assumed,

dependent upon the outturn regarding interest payable and receivable.

- 2.5** Careful monitoring of the financial position will be required over coming weeks and months leading to prompt corrective action where necessary to ensure the Council remains in a position of being able to deliver a balanced budget position in the current financial year and beyond.

### **Capital**

- 2.6** A mid-year review of the Capital Programme for 2025/26 has been undertaken in order to identify any projects that may need to be re-profiled from 2025/26 into future years. The revised Capital Programme for 2025/26 totalling £35.635m was approved by Cabinet on 2 December 2025.

- 2.7** The table below shows a high level (service) summary of the Capital Programme position at the close of period 9:

<b>Priority</b>	<b>Budget at Period 9 £'000</b>	<b>Actual at Period 9 £'000</b>	<b>Variance at Period 9 £'000</b>
One Council Delivering for Local People	386	386	-
A Successful and Sustainable Growing Borough	5,514	5,522	8
Healthy, Active and Safe Communities	3,845	3,872	27
Town Centres for All	3,843	3,843	-
<b>Total</b>	<b>13,588</b>	<b>13,623</b>	<b>35</b>

### **Medium Term Financial Strategy**

- 2.8** The MTFS indicates a budget shortfall of £1.599m for 2026/27, further years funding gaps are shown on the table below and in further detail at Appendix 5.

- 2.9** A number of savings and funding strategies have been identified as being both feasible and sustainable, via a vigorous Financial Efficiency Board process including challenge sessions for each of the Cabinet Portfolios involving Cabinet Members, the Corporate Leadership Team, Service Directors and the Finance Manager. The savings and funding strategies identified for the period of the MTFS have enabled a balanced financial position to be proposed for 2026/27.

<b>Detail</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>	<b>2029/30 £'000</b>	<b>2030/31 £'000</b>
<b>Income</b>	87	119	50	50	50
<b>Staffing Related</b>	781	-	-	-	-
<b>Good Housekeeping</b>	66	275	50	50	50
<b>Tax Base</b>	212	264	348	317	267
<b>Council Tax Increase</b>	179	182	186	190	193
<b>Other Financing</b>	274	-	-	-	-
<b>TOTAL SAVINGS</b>	<b>1,599</b>	<b>840</b>	<b>634</b>	<b>607</b>	<b>560</b>
<b>UPDATED MTFS GAPS</b>	<b>1,599</b>	<b>883</b>	<b>692</b>	<b>550</b>	<b>925</b>
<b>REMAINING GAP/(SURPLUS)</b>	<b>-</b>	<b>43</b>	<b>58</b>	<b>(57)</b>	<b>365</b>

## Revenue Budget 2026/27

**2.10** The MTFS provides for a gap in 2026/27 of £1.599m and a gap over the 5 year period of the MTFS of £4.649m. The table below shows the factors which give rise to the £1.599m gap for 2026/27:

	£'000
<b>Additional Income</b>	
Fees and Charges	(364)
<b>Total Additional Income</b>	<b>(364)</b>
<b>Loss of Income</b>	
Settlement Funding Assessment	126
Reduction in income from under achieved budgets	100
National Insurance – not fully reimbursed as previously assumed	233
<b>Total Loss of Income</b>	<b>459</b>
<b>Additional Expenditure</b>	
Employees (pay awards, increments, national insurance, pension)	649
Premises (business rates and utilities)	65
Transport (fuel)	21
Borrowing	90
Temporary Accommodation	194
Other (inc. software licences, Local Government Re-Organisation, restructuring)	485
<b>Total Additional Expenditure</b>	<b>1,504</b>
<b>Net Increase in Base Budget</b>	<b>1,599</b>

**2.11** The savings identified for 2026/27 are summarised at 2.9, with further detail in Appendix 4. These savings and strategies enable a balanced position for 2026/27.

**2.12** As in previous years, the first draft of the savings plan set out at Appendix 1 was made available to the Finance, Assets and Performance Scrutiny Committee for scrutiny at its meeting on 4 December 2025. The Committee also scrutinised the recommendations of the Cabinet report of 13 January 2026 at its meeting on 15 January 2026.

### Civic Growth Fund

**2.13** The Civic Growth Fund (formally the Borough Growth Fund) was established in 2020 for the purpose of enabling investment in corporate priorities. The Civic Growth Fund is required to be used to invest in initiatives that are forecast to generate on-going revenue savings through reducing the costs of service delivery or through the generation of additional income.

**2.14** Since the establishment of the Civic Growth Fund, investments have been made and committed to in the following areas:

Investment Area	£'000	Details
Council Modernisation	887	Embedding digitalisation across services and developing the skills of staff.

One Council Programme	100	Contribution to drive the digital programme which will transform public access to council services and drive efficiency savings.
Environmental Sustainability	183	Tree planting/carbon reduction
Walleys Quarry	175	Addressing community concerns regarding landfill site odour omissions.
Town Centre Support	211	Used to support the Town Deal bids for Newcastle and Kidsgrove and the rejuvenation of the Markets.
Car Parking Machines	30	Purchase of car parking machines with cashless payment options.
Commercial Property Review	20	Review to develop income generation ideas as part of the Commercial Strategy.

**2.15** The savings and funding strategies identified in the table in paragraph 2.9 and in Appendix 4 will enable continued investment of £0.250m in the Council's priorities as per the Council Plan 2022-2026 via the Civic Growth Fund. The Civic Growth Fund will continue to be used to provide investment in initiatives, including Digital Delivery, that are forecast to generate on-going revenue savings through reducing the costs of service delivery, through the generation of additional income or through the provision of wider economic and health benefits. The Council's Section 151 Officer will determine whether any proposed use of the fund complies with this guidance on a case by case basis.

**2.16** The 2026/27 Civic Growth Fund investment will be used in the following areas:

<b>Investment Area</b>	<b>£'000</b>
Environmental Sustainability	75
Digital Delivery	50
Place Development	125
<b>Total</b>	<b>250</b>

**2.17** £0.125m will be used within place development on initiatives and events for boosting footfall within the town centres and the promotion of outdoor physical activity and teamwork.

**2.18** An extension of the freeze, already announced to £1 after 1pm car parking, to all hourly car parking charges was approved by Cabinet on 3 February 2026 in support of the motion agreed by Full Council on 21 January 2026 to support the Borough's Town Centres, High Streets and Villages. The creation of free 'nipper' parking at the South High Street was also noted as an initiative to boost footfall within the town centre.

**2.19** In order to promote the benefits of outdoor sports it is was also approved by Cabinet on 3 February 2026 that a freeze in fees relating to tennis, bowls, football and rugby fees and charges be implemented for 2026/27.



- 2.20** The costs of providing a freeze in these fees and charges will be met from the Place Development element of the Civic Growth fund for 2026/27 (£0.043m), a further £0.082m will be used on further initiatives.
- 2.21** In order to boost environmental sustainability within the Borough, £0.075m per annum over the life of the MTFs continues to be ring-fenced from the Civic Growth Fund to enable such projects to be fully funded.
- 2.22** £0.050m of the 2026/27 Civic Growth Fund will continue to be allocated to the digital programme which will transform public access to Council services and drive efficiency savings.

### ***Council Tax and Collection Fund***

- 2.23** A 1.99% per Band D equivalent property Council Tax increase, producing £0.179m of additional income is proposed giving a Borough Council Tax requirement of £9,157,890. This increase in Council Tax would equate to the following monetary increases for residents:

<b>Property Band</b>	<b>Annual Increase £ p</b>	<b>Weekly Increase £ p</b>
A	2.95	0.06
B	3.46	0.07
C	3.94	0.08
D	4.44	0.09
E	5.42	0.10
F	6.42	0.12
G	7.39	0.14
H	8.88	0.17

- 2.24** In addition to the Borough Council Tax, the Council is required to levy additional charges relating to Parish Councils, Staffordshire County Council, the Staffordshire Commissioner (Fire and Rescue Authority and the Officer of the Staffordshire Police and Crime Commissioner). These amounts are shown in Appendix 1 per property band and area of the Borough.
- 2.25** Taking into account changes to the Council Tax base (i.e. new properties, empty homes premium, second home premium, single persons discount review), the Council Tax base has increased by 451 band D equivalent properties from 39,807 in 2025/26 to 40,258 in 2026/27.
- 2.26** The Council is required to declare its estimated surplus or deficit on the Collection Fund (for both Business Rates and Council Tax) to preceptors ahead of the financial year end for 2025/26. This surplus or deficit is then shared between the relevant preceptors in 2026/27 (a surplus if paid out to preceptors, including the Council, and a deficit is repaid to the collection fund from preceptors, including the Council).
- 2.27** The Council Tax Collection Fund is estimated to be in a deficit position as the close of 2025/26. This deficit is estimated to amount to £0.625m, of which the Council's share is £0.068m.

- 2.28** The Business Rates Collection Fund is estimated to be in a deficit position at the close of 2025/26. The deficit is estimated to amount to £2.982m, of which the Council's share is £1.193m.
- 2.29** The deficit primarily relates to successful appeals in the period January to March 2025 which resulted in an actual outturn position of a surplus of £1.823m for 2024/25 compared to the forecast declared surplus position as at December 2024 of £4.114m.
- 2.30** The Council's share of the deficit for both Business Rates and Council Tax will be provided for via Business Rates Reserve which was established to ensure the Council's resilience against Business Rates volatility.

### ***Budget Consultation***

- 2.31** Public consultation has been undertaken on the budget (Appendix 13), the consultation ran between 25 November 2025 and 1 January 2026. The consultation clearly determined that residents felt that the following services were the most important to them:

- Town centre regeneration
- Street cleaning
- Refuse collection
- Parks, playgrounds and open spaces

It also showed that a greater number of residents feel that services should be protected as far as possible, even if that requires an increase in Council Tax as opposed to reducing services to a core statutory offer or reducing levels of services to ensure that Council Tax is frozen or increased at a minimal amount.

### **Capital Programme 2026/27 to 2028/29 and Capital Strategy 2026/36**

- 2.32** The Capital Programme for 2026/27 to 2028/29 (Appendix 4) is based on new schemes which are vital to ensure continued service delivery and in assisting the Council to achieve its corporate and service objectives as set out in the Council Plan 2022-26. These schemes total £110.010m including major investment into the Borough via external funding in terms of the Town Deals Fund for both Newcastle and Kidsgrove and Homes England.
- 2.33** The Capital Programme will require to be financed by borrowing, primarily for cash flow purposes, whilst assets are procured and constructed, after which time significant capital receipts are expected. The associated borrowing costs have been factored into the MTFS. The Capital Financing Requirement is set to increase to £31.279m by 2028/29 based on the 3 year Capital Programme for 2026/27 to 2028/29, the Capital Financing Requirement at 31 March 2025 (£19.893m) and the Capital Financing Requirement for capital expenditure during the current financial year and the financial years 2026/27 to 2028/29 (£11.386m).
- 2.34** The Capital Programme for 2026/27 to 2028/29 includes an estimate for the development of York Place, which has been updated to reflect an adjusted cashflow and receipt of Homes England funding (£5.076m), this assumes spend of £13.451m plus capitalised interest over the period 2026/27 to 2027/28 and a



subsequent capital receipt including capitalised interest during 2028/29 (estimated spend for 2024/25 and 2025/26 amounts to £5.282m).

- 2.35** The Capital Programme for this period also includes an estimate for the redevelopment of the Midway Carpark which has been updated to reflect an adjusted cashflow and receipt of Homes England funding (£5.689m), this assumes spend of £32.237m plus capitalised interest over the period 2026/27 to 2027/28 and a subsequent capital receipt plus capitalised interest during 2029/30 (estimated spend for 2024/25 and 2025/26 amounts to £5.282m).
- 2.36** In addition, the Capital Programme also includes an estimate for the redevelopment of the Ryecroft site which has been updated to reflect an adjusted cashflow and receipt of Homes England funding (£8.179m), this assumes spend of £29.078m plus capitalised interest over the period 2026/27 to 2027/28 and a subsequent capital receipt including capitalised interest in 2030/31 (estimated spend for 2024/25 and 2025/26 amounts to £5.366m).
- 2.37** The Capital Strategy for 2026/36 (Appendix 5) meets the requirements of statutory guidance issued by the Government in January 2018. The Council's capital investment is carried out within the statutory framework laid down by the Local Government Act 2003 and regulations under that Act. Accordingly, only expenditure which fits the definition of capital expenditure contained in the Act or Regulations pursuant to it will be capitalised.
- 2.38** The Capital Programme is produced in line with the Capital Strategy for 2026/36. In addition to the Council's corporate and service objectives, as set out in the Council Plan 2022-26, the Capital Programme is also influenced by a number of external parties and factors.
- 2.39** Delivering the capital programme for 2026/27 will require prudential borrowing to be undertaken, primarily for the purposes of the regeneration projects outlined above for which interest will be capitalised and for which capital receipts are expected, but also to reflect the Council's underlying capital financing requirement. The impact of borrowing is included in the MTFS pressures for 2026/27 and future years.
- 2.40** Advice will be sought from the Council's Treasury Management advisors, Arlingclose, as to the most beneficial timing of prudential borrowing. Their current advice to reduce interest rate risk is to borrow on a short term basis (up to 4 years) from other local authorities where possible alongside longer term Public Works Loan Board borrowing where suitable.

***Treasury Management Strategy 2026/27, Investment Strategy 2026/27 and Commercial Strategy 2026/27***

- 2.41** The Treasury Management Strategy for 2026/27 is attached at Appendix 9. The Minimum Revenue Provision Policy for 2026/27 is contained in Annex C to the strategy.
- 2.42** The Treasury Management Strategy for 2026/27 allows for borrowing and for the capitalisation of interest costs in relation to development schemes. Although not utilised in recent years, the Council has previously considered the option of long-term borrowing from the Public Works Loans Board (PWLb). After the utilisation of capital receipts and internal borrowing, the Council will look to

borrow short term (up to 4 years) from other local authorities where possible alongside longer term Public Works Loan Board borrowing where suitable.

- 2.43** The Investment Strategy for 2026/27 is attached at Appendix 10. This investment strategy meets the requirements of statutory guidance issued by the government in January 2018 and is based on guidance provided by Arlingclose, the Council's treasury management advisors. Quantitative investment indicators are included within the Strategy to allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions.
- 2.44** The Commercial Strategy for 2026/27 is attached at Appendix 11. This strategy is aligned with the Council's vision for Newcastle-under-Lyme to be a sustainable and business-oriented Council that maximises commercial opportunities in order to deliver long-term benefits for residents of the borough and support the Council's medium-term financial strategy.

### ***Balances and Reserves***

- 2.45** A review of the Council's Balances and Reserves together with a financial resilience risk assessment informing the levels of these has been undertaken by the Council's Section 151 Officer. Details of the risk factors considered and the weightings applied to each are set out at Appendix 6.
- 2.46** It is recommended that a minimum level of unallocated reserves and contingencies (i.e. the Council's Balance and Reserve Strategy for 2026/27) of £2.225m be held in 2026/27 to reflect the levels of revenue risk shown in the budget for 2026/27.
- 2.47** The increase in the minimum level will be financed from the Recovery Grant to be received in 2026/27, the balance of which will be paid into the Budget and Borrowing Support Fund to increase the Council's financial resilience, ahead of its use in 2027/28 and 2028/29 to smooth the impact of the Fair Funding Review 2.0.

### ***Localised Council Tax Support Scheme 2026/27***

- 2.48** Section 13A of the Local Government Finance Act 1992, substituted by section 10 of the Local Government Finance Act 2012 requires each billing authority in England to make a Localised Council Tax Reduction scheme, specifying the reductions which are to apply to amounts of Council Tax payable by persons or classes of person whom the authority consider are in financial need.
- 2.49** Any scheme needs to be approved by the 11 March before the start of a new financial year or a default scheme prescribed by regulations will be imposed by the Government. The scheme for 2026/27 (Appendix 12), is intended to remain as per the 2025/26 scheme.

## **3. Recommendation**

That Council:

- 3.1** Approve the schedule of recommendations set out in Appendix 1.

#### **4. Reasons**

- 4.1** The Council has a statutory duty to set a balanced budget before 11 March in the financial year preceding the one in respect of which the budget is set, per Section 30(6) of the Local Government Finance Act 1992. Best practice is for financial planning to take place over a 5 year period in the form of a MTFS that sets out how the Council plans to allocate resources to meet its objectives.

#### **5. Options Considered**

- 5.1** None.

#### **6. Legal and Statutory Implications**

- 6.1** The Council is required to set its Council Tax for 2026/27 by 11 March 2026, per Section 30(6) of the Local Government Finance Act 1992. It is planned to approve the final budget and Council Tax rates on 11 February 2026.

#### **7. Equality Impact Assessment**

- 7.1** Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably due to protected characteristics. It is important to consider the potential impact on such groups and individuals when designing or delivering services and budgets. Budget proposals requiring changes or new services and policies will be subject to Equality Impact Assessments including consultation with affected people and organisations.

#### **8. Financial and Resource Implications**

- 8.1** These are addressed in the body of the report.

#### **9. Major Risks & Mitigation**

- 9.1** Section 25 of the Local Government Acts 2003 places a duty on the Section 151 Officer to report on the robustness of the budget. The main risks to the budget include spending in excess of budget; income falling short of the budget (including capital receipts from disposal of assets); and unforeseen elements such as changes to Government funding. In the context of uncertainty regarding Government funding reforms there are significant budget risks that will need to be managed. It will be essential the Council has sufficient reserves to call on if required.
- 9.2** Such risks require regular and robust monitoring and it is essential that the Council has sufficient useable reserves to call on if required. The review and risk assessment indicates that overall unallocated reserves and contingencies are required to be held at a minimum level of £2.225m to reflect the levels of revenue risk shown in the draft budget for 2026/27. In addition a contingency of £1m is required to provide flexibility to manage risks relating to delivery of the capital programme.
- 9.3** The assessment of the Section 151 Officer is that the proposals included in this report are robust and will ensure an adequate level of reserves.

**9.4** Treasury Management is a major area of risk for the Council in that large amounts of money are dealt with on a daily basis and there are a number of limits and indicators, which must be complied with.

**9.5** The overriding consideration in determining where to place the Council's surplus funds is to safeguard the Council's capital. Within this constraint the aim is to maximise the return on capital. Operational procedures, coupled with monitoring arrangements, are in place to minimise the risk of departures from the approved strategy.

## **10. UN Sustainable Development Goals (UNSDG)**

**10.1** In shaping detailed budget proposals consideration will be given to the need for investment in order to deliver the Council's Sustainable Environment Action Plan.



## **11. One Council**

Please confirm that consideration has been given to the following programmes of work:

One Commercial Council ☒

*We will make investment to diversify our income and think entrepreneurially.*

One Digital Council ☒

*We will develop and implement a digital approach which makes it easy for all residents and businesses to engage with the Council, with our customers at the heart of every interaction.*

One Sustainable Council ☒

*We will deliver on our commitments to a net zero future and make all decisions with sustainability as a driving principle.*

**11.1** The establishment of a viable revenue and capital budget and strategies supports delivery of these programmes of work.

## **12. Key Decision Information**

**12.1** Final approval of the budget setting process will be a key decision.

## **13. Earlier Cabinet/Committee Resolutions**

- 13.1** Medium Term Financial Strategy 2026/27 to 2030/31 (Cabinet 2 September 2025).
- 13.2** Revenue and Capital Budgets 2026/27 – First Draft Savings Plans (Cabinet 2 December 2025).
- 13.3** Draft Revenue and Capital Budgets and Strategies 2026/27 (Cabinet 13 January 2026).
- 13.4** Draft Revenue and Capital Budgets and Strategies 2026/27 (Finance, Assets and Performance Scrutiny Committee 15 January 2026).
- 13.5** Revenue and Capital Budgets and Strategies 2026/27 (Cabinet 3 February 2026).

#### **14. List of Appendices**

- 14.1** Appendix 1 – Schedule of Detailed Recommendations
- 14.2** Appendix 2 – Revenue Budget 2026/27
- 14.3** Appendix 3 – Medium Term Financial Strategy 2026/27 to 2030/31
- 14.4** Appendix 4 – 2026/27 MTFS Funding Strategy
- 14.5** Appendix 5 – 2026/27 to 2029/30 MTFS ‘Gaps’
- 14.6** Appendix 6 – Risk Assessment on Required Balances/Contingency Reserve
- 14.7** Appendix 7 – 2026/27 to 2028/29 Capital Programme and 2025/26 Mid-Year Estimate
- 14.8** Appendix 8 – Capital Strategy 2026 to 2036
- 14.9** Appendix 9 – Treasury Management Strategy 2026/27
- 14.10** Appendix 10 – Investment Strategy 2026/27
- 14.11** Appendix 11 – Commercial Strategy 2026/27
- 14.12** Appendix 12 – Local Council Tax Reduction Scheme for 2026/27
- 14.13** Appendix 13 – 2026/27 Budget Consultation Summary

#### **15. Background Papers**

CIPFA Treasury Management Code of Practice (revised December 2017)  
Council's Treasury Management Policy Statement  
Local Government Act  
Local Authorities (Capital Finance and Accounting) (England) Regulations

## **Appendix 1 – Schedule of Detailed Recommendations**

The following recommendations set out the decisions needed for the Council to set its own budgets and Council Tax for 2026/27 in addition to the Medium Term Financial Strategy for 2026/27 to 2030/31, the Capital Strategy for 2026/2036, the Treasury Management Strategy for 2026/27, the Investment Strategy for 2026/27 and the Commercial Strategy for 2026/27.

### **Recommendations**

- (a) That the Revenue Budget for 2026/27 be approved (Appendix 2).
- (b) That the updated Medium Term Financial Strategy for 2026/27 to 2030/31 be approved (Appendix 3).
- (c) That the Band D Council Tax for 2026/27 be set at £227.48 (a 1.99% increase).
- (d) That the Capital Programme to 2026/27 to 2028/29 be approved (Appendix 7).
- (e) That the Capital Strategy for 2026-36 be approved (Appendix 8).
- (f) That the Treasury Management Strategy for 2026/27 be approved (Appendix 9).
- (g) That the Investment Strategy for 2026/27 be approved (Appendix 10).
- (h) That the Commercial Strategy for 2026/27 be approved (Appendix 11).
- (i) That the Local Council Tax Reduction Scheme for 2026/27 be approved (unchanged from 2025/26) (Appendix 12).
- (j) That the un-earmarked minimum balances requirement be confirmed as £2,225,000.
- (k) That it be noted that the Service Director for Finance (Section 151 Officer), under delegated authority assigned by Cabinet on 20 January 2016 and Full Council on 18 May 2016 calculated the following amounts for the year 2026/27:
  - (i) 40,258 being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, as its council tax base for the whole Council area for the year (Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the “Act”))
  - (ii) For dwellings in those parts of the Council’s area to which a Parish precept relates as in the table below:

<b>Parish/Town Council</b>	<b>Base</b>
Audley	2,622
Betley, Balterley & Wrinehill	649
Chapel & Hill Chorlton	206
Keele	515
Kidsgrove	7,015
Loggerheads	2,242
Madeley	1,602
Maer	281
Silverdale	1,584
Whitmore	1,045



- (l) That the Council Tax requirement for the Council's own purposes for 2026/27 (excluding Parish precepts) is £9,157,890.
- (m) That the following amounts be calculated for 2026/27 per Sections 31 to 36 of the Act:
- (i) £65,796,320 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act taking into account all precepts issued by Parish Councils.
  - (ii) £55,792,800 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act.
  - (iii) £10,003,520 being the amount by which the aggregate at (m)(i) above exceeds the aggregate at (m)(ii) above, calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
  - (iv) £248.49 being the amount at (m)(iii) above (Item R), all divided by Item T (k)(i) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
  - (v) £845,630 being the aggregate amount of all special items (Parish precepts) referred to in Section 34 (1) of the Act.
  - (vi) £227.48 being the amount at (m)(iv) above less the result given by dividing the amount at (m)(v) above by item T (k)(i) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item (Parish precept) relates.

(vii) **Part of the Council's Area**

Parish/Town Council	£
Audley	314.18
Betley, Balterley & Wrinehill	263.61
Chapel & Hill Chorlton	260.20
Keele	279.95
Kidsgrove	261.53
Loggerheads	291.57
Madeley	287.50
Maer	254.79
Silverdale	247.82
Whitmore	268.17

Being the amounts given by adding to the amount at (m)(vi) above, the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above, divided in each case by the amount at (k)(ii) above calculated by the Council in accordance with Section 34(3) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

(viii) **Valuation Bands**

Parish/Town Council	Valuation Bands (£)							
	A	B	C	D	E	F	G	H
Audley	209.45	244.35	279.27	314.18	384.00	453.80	523.63	628.36
Betley, Balterley & Wrinehill	175.74	205.02	234.32	263.61	322.19	380.76	439.35	527.23
Chapel & Hill Chorlton	173.46	202.37	231.28	260.20	318.02	375.83	433.66	520.40
Keele	186.63	217.73	248.84	279.95	342.16	404.36	466.58	559.90
Kidsgrove	174.35	203.40	232.47	261.53	319.65	377.75	435.88	523.06
Loggerheads	194.38	226.77	259.17	291.57	356.36	421.14	485.95	583.14
Madeley	191.66	223.60	255.55	287.50	351.39	415.27	479.16	575.00
Maer	169.86	198.16	226.48	254.79	311.41	368.02	424.65	509.58
Silverdale	165.21	192.74	220.28	247.82	302.89	357.95	413.03	495.64
Whitmore	178.78	208.57	238.37	268.17	327.76	387.34	446.95	536.34
Other Parts of Borough	151.65	176.92	202.20	227.48	278.03	328.57	379.13	454.96

Being the amounts given by multiplying the amounts at (m)(vi) and (m)(vii) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (n) That it be noted that for 2026/27 the major precepting authorities have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwelling shown:

Preceptor	Valuation Bands (£)							
	A	B	C	D	E	F	G	H
Staffordshire County Council	1,124.28	1,311.66	1,499.04	1,686.42	2,061.18	2,435.94	2,810.70	3,372.84
Staffordshire Commissioner Fire & Rescue Authority	64.51	75.27	86.02	96.77	118.27	139.78	161.28	193.54
Staffordshire Police & Crime Commissioner	201.71	235.33	268.95	302.57	369.81	437.05	504.28	605.14

- (o) That having calculated the aggregate in each case of the amounts at (m)(viii) and (i) above, the Council, in accordance with Section 30(2) of the Act, hereby sets the following amounts as the amounts of Council Tax for the year 2026/27 for each of the categories of dwelling shown below:

Parish/Town Council	Valuation Bands (£)							
	A	B	C	D	E	F	G	H
Audley	1,599.95	1,866.61	2,133.28	2,399.94	2,933.26	3,466.57	3,999.89	4,799.88
Betley, Balterley & Wrinehill	1,566.24	1,827.28	2,088.33	2,349.37	2,871.45	3,393.53	3,915.61	4,698.75
Chapel & Hill Chorlton	1,563.96	1,824.63	2,085.29	2,345.96	2,867.28	3,388.60	3,909.92	4,691.92
Keele	1,577.13	1,839.99	2,102.85	2,365.71	2,891.42	3,417.13	3,942.84	4,731.42
Kidsgrove	1,564.85	1,825.66	2,086.48	2,347.29	2,868.91	3,390.52	3,912.14	4,694.58
Loggerheads	1,584.88	1,849.03	2,113.18	2,377.33	2,905.62	3,433.91	3,962.21	4,754.66
Madeley	1,582.16	1,845.86	2,109.56	2,373.26	2,900.65	3,428.04	3,955.42	4,746.52
Maer	1,560.36	1,820.42	2,080.49	2,340.55	2,860.67	3,380.79	3,900.91	4,681.10
Silverdale	1,555.71	1,815.00	2,074.29	2,333.58	2,852.15	3,370.72	3,889.29	4,667.16
Whitmore	1,569.28	1,830.83	2,092.38	2,353.93	2,877.02	3,400.11	3,923.21	4,707.86
Other Parts of Borough	1,542.15	1,799.18	2,056.21	2,313.24	2,827.29	3,341.34	3,855.39	4,626.48

## Appendix 2 – Revenue Budget 2026/27

Area	2025/26 General Fund		2026/27 General Fund	
	Estimate £	Band D Council Tax £	Estimate £	Band D Council Tax £
Central Services	2,449,120	61.52	2,791,910	69.35
Cultural Services	3,513,630	88.27	3,425,820	85.10
Environmental Services	8,701,440	218.59	8,735,200	216.98
Planning	1,673,670	42.04	1,733,680	43.06
Transport	(238,330)	(5.99)	(179,750)	(3.40)
Housing	2,326,630	58.45	2,406,170	59.77
<b>Net Cost of Services</b>	<b>18,426,160</b>	<b>462.88</b>	<b>18,956,030</b>	<b>469.80</b>
Pensions Liabilities Account	400,000	10.05	400,000	9.94
Investment Properties	(101,270)	(2.54)	(66,060)	(1.64)
Interest	588,000	14.77	711,000	17.66
<b>Net Operating Expenditure</b>	<b>19,312,890</b>	<b>485.16</b>	<b>20,000,970</b>	<b>496.82</b>
Contribution to/(from) Revenue Reserves	2,683,000	67.40	225,880	5.61
Contribution to/(from) Capital Reserves	(2,266,000)	(56.92)	(2,585,300)	(64.22)
<b>Amount to be met from Government Grant and Local Taxpayers</b>	<b>19,729,890</b>	<b>495.64</b>	<b>17,641,550</b>	<b>438.21</b>
Revenue Support Grant	(255,000)	(6.41)	(5,534,660)	(137.48)
Other Non-Specific Grants	(1,087,000)	(27.31)	(398,000)	(9.88)
Business Rates Retention Funding	(7,831,340)	(196.73)	(3,812,000)	(94.69)
Collection Fund Deficit/(Surplus)	(1,678,000)	(42.15)	1,261,000	31.32
<b>Borough Council Tax Requirement</b>	<b>8,878,550</b>	<b>223.04</b>	<b>9,157,890</b>	<b>227.48</b>
Staffordshire County Council Precept		1,621.71		1,682.42
Fire Authority Precept		91.77		96.77
Police Authority Precept		287.57		302.57
<b>Total Council Tax Requirement</b>		<b>2,224.09</b>		<b>2,313.24</b>

The Council Tax Base used for 2026/27 in the above table is 40,258.

### GLOSSARY OF TERMS

**Collection Fund.** A fund accounting for Council Tax and Non-Domestic Rates received by the Council and the payments which are made from the fund including precepts to other authorities, the Council's own demand and shares of business rates receipts. The surplus or deficit for the year (essentially the difference between the amounts collected and the amounts paid out of the Fund) must be cleared by a transfer out of or into the Fund in the following year by the Council and the other major precepting authorities.

**Contributions to/(from) Capital Reserves.** Comprises transfers to or from the Capital Adjustment Account. This account is used to eliminate capital transactions, such as depreciation and impairment charges, which have to be debited or credited to the revenue account in order to comply with proper accounting practice but which statutorily cannot count against the council tax.

## Appendix 4 – 2026/27 MTFS Funding Strategy



Ref	Service Area	Description	£000's	Detail
<b>Income</b>				
I1	Regulatory Services	Navigation House Rent	8	Rent contribution from contractor
I2	Commercial Delivery	Pet Cremations	10	Initial net income from the introduction of pet cremations
I3	Commercial Delivery	Museum Rent	10	Rental income from the Museum café
I4	Commercial Delivery	Electrical Works	12	Recharging of time spent by Electrician at non Council managed buildings
I5	Planning	Fees	15	Introduction of new fees and cost recovery for pre-planning application advice
I6	Neighbourhood Delivery	Digital Screen Advertising	8	Net income from advertising on Town Centre digital screen
I7	Sustainable Environment	Food Waste Transfer Station	19	Operating charge to users of the Waste Transfer Station
I8	Legal and Governance	Legal Costs	5	Recharging of legal costs relating to deed variations and Section 106 agreements
			<b>87</b>	
<b>Staffing Related Efficiencies</b>				
S1	Finance	Pension Contributions	744	Reduction in contributions to reflect improved funding levels
S2	Neighbourhood Delivery	Markets	37	Restructure of Markets and Events team to reflect the Markets operating model
			<b>781</b>	
<b>Good Housekeeping/More Efficient Processes</b>				
G1	Corporate	Printing and Postage	14	Reduction in printing and postage across the Council
G2	Legal and Governance	Contract Register Review	32	Savings from review of contracts including janitorial supplies, software, cash collections and licences
G3	Sustainable Environment	Sustainable Bedding Plants	20	Saving in bedding contract costs following the introduction of sustainable bedding plants
			<b>66</b>	
<b>Alternative Sources of Finance/Other</b>				
A1	Corporate	Tax base – Council Tax	100	Increase in tax base based on market housing supply requirement and current year tax base forecasts
A2	Corporate	Tax base – Business Rates	112	Assumed increase in tax base of 3%
A3	Corporate	Council Tax increase	179	Assumed increase of 1.99% per Band D property
A4	Sustainable Environment	Extended Producer Responsibility	274	Additional funding to be received during 2026/27, this enables a continued contribution of £200k to the Waste Reserve
			<b>665</b>	
<b>Grand Total</b>			<b>1,599</b>	

## Appendix 5 – 2026/27 to 2030/31 MTFS ‘Gaps’

Detail	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000	Description
<b>Employees:</b>						
Increments	68	45	17	4	-	Employees due an increment
Pay awards	396	465	479	494	509	3% pay award assumed for all years (2026/27 includes 2025/26 difference)
Members pay awards	8	9	9	9	10	3% pay award assumed for all years
Superannuation increases	99	97	94	95	97	19% of salary increases
Superannuation lump sum increases	-	33	35	37	39	Net increase of lump sum pension payment
National Insurance	78	77	74	75	76	15% of salary increases
<b>Premises:</b>						
Business Rates	28	23	24	25	25	Inflationary increase in business rates payable (per CPI)
Utilities	37	30	31	32	33	Inflationary increase in gas and electric (per CPI)
<b>Transport:</b>						
Fuel	21	17	17	18	18	Inflationary increase in fuel/HVO (per CPI)
<b>Financing:</b>						
Borrowing costs	90	175	38	(4)	363	Borrowing costs regarding the financing of capital expenditure
<b>New Pressures:</b>						
ICT software	10	10	10	10	10	Inflationary costs re. systems maintenance and software licences
Restructuring	25	-	-	-	-	Additional resource requirement
Inflationary pressures (contracts)	50	50	50	50	50	Inflationary uplifts allowance
Local Government Re-organisation	400	(200)	(200)	-	-	One off costs re. re-organisation (£400k in 2026/27, spend reduced to £200k in 2027/28 and nil in 2028/29)
Temporary Accommodation	194	-	-	-	-	Contribution towards costs of temporary accommodation
Recycling	-	195	250	-	-	Potential loss of recycling credits and income if contractor disposal undertaken by the County Council
<b>Income:</b>						
Fees and charges	(364)	(299)	(308)	(317)	(326)	Inflationary increase in fees and charges (per CPI)
Settlement Funding Assessment baseline funding level	126	454	472	(78)	(79)	Settlement Funding Assessment reductions per provisional settlement
Recovery Grant/Allowance for funding impact	-	(398)	(500)	-	-	Use of Recovery Grant to offset the reduction in the settlement in 2027/28. £0.5m included in the base budget for 2025/26 to allow for a reduction in the settlement, will be applied in 2028/29
National Insurance reimbursement	233	-	-	-	-	Shortfall in grant re. National Insurance rises in 2025/26
Income pressures	100	100	100	100	100	General income shortfalls
<b>TOTAL GAPS</b>	<b>1,599</b>	<b>883</b>	<b>692</b>	<b>550</b>	<b>925</b>	



## **Appendix 6 – (i) Risk Assessment on Required Balances/Contingency Reserve (£2.225m) and (ii) Actual/Forecast Reserve Balances at 31 March 2024 to 2026**

### **Risk Assessment on Required Reserves Balances (£2.225m)**

Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Balance Needed £
1	Increase in fees and charges does not result in higher income levels	Shortfall in income leading to overspends	3 x 4	High	Included in calculation of minimum balances	3 x 3	High	Regular monitoring of income levels	275,000
2	Reduced Income due to non-availability of service (e.g. COVID-19 related or similar)	Shortfall in income leading to overspends	3 x 3	High	Included in calculation of minimum balances	3 x 3	High	Regular monitoring of income levels	285,000
3	Bad debts reduce the Council's income	Shortfall in income leading to overspends and need to top up provision	3 x 4	High	A contribution to the bad debts provision is budgeted for	3 x 3	High	Increase monitoring of collection rates	205,000
4	Employee budgets – the budget is discounted on the assumption there will be vacancies	Vacancies do not occur leading to additional costs	3 x 3	High	The budget assumes a vacancy factor of 3.5%, this is realistic compared with previous years	2 x 3	Moderate	Regular monitoring of vacancy levels	50,000
5	Employee budgets - the 2024/25 employee pay settlement results in an increase higher than included in the budget	Additional unbudgeted costs	2 x 3	Moderate	Balances sufficient to deal with any additional costs, plus reduced job security in economy	2 x 3	Moderate	None	100,000
6	Problems with staff recruitment/retention resulting in the payment of market supplements at extra cost	Additional unbudgeted costs	3 x 3	High	Subject to ongoing review	3 x 3	High	None	75,000
7	Problems with staff sickness/suspensions resulting in the needs	Additional unbudgeted costs	3 x 3	High	Absence management procedures in place	3 x 3	High	Monitoring of sickness levels	150,000





Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Balance Needed £
	to use agency/interim staff								
8	Council becomes liable to pay compensation or legal fees or another unforeseen commitment arises	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances	3 x 2	Moderate	None	125,000
9	Inflation relating to supplies and services exceeds the allowance in the budget	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances. Regular review of inflation levels	3 x 3	High	None	100,000
10	Existing commitment(s) missed out of budget	Additional unbudgeted costs	3 x 3	High	Budgets subject to checking at several levels. Preparation of standstill budget for comparison	3 x 3	High	None	75,000
11	Additional interest costs incurred resulting from loss of income and additional expenditure	Additional unbudgeted borrowing costs	3 x 3	High	Capital Budgets and receipt expectations have been realistically set. Allowance provided for in calculation of minimum balances	3 x 3	High	None	220,000
12	Fuel costs increase by more than allowed for in budget	Additional unbudgeted costs	3 x 3	High	Realistic increases included in base budget	3 x 3	High	None	20,000
13	Energy costs increase by more than allowed for in budget	Additional unbudgeted costs	3 x 3	High	Realistic increases included in base budget	3 x 3	High	None	40,000
14	Unforeseen major repairs needed to Council properties	Additional unbudgeted costs	2 x 3	Moderate	Planned maintenance programme in place and stock condition survey.	2 x 3	Moderate	None	50,000
	Insurances – unexpected increases in premiums	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances	2 x 3	Moderate	None	15,000

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Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Balance Needed £
16	Insurances - high level of excesses to be met by Council or uninsured losses	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances. Insurance Provision established	2 x 3	Moderate	Monitor level of Insurance Provision	40,000
17	Government further increase NI rates during 2026/27	Additional unbudgeted costs	2 x 3	Moderate	Included in calculation of minimum balances. Increased rate built into budget	2 x 3	Moderate	None	65,000
18	Savings built into Budget are not realised	Additional unbudgeted costs	3 x 3	High	Regular Budget Monitoring	3 x 2	Moderate	None	80,000
19	New Legislation imposes extra costs but provides insufficient resources	Additional unbudgeted costs	3 x 3	High	Contingency Reserve available. Included in calculation of minimum balances	3 x 2	Moderate	None	25,000
20	Partnerships - expenses falling on Council as accountable body	Additional unbudgeted costs	2 x 3	Moderate	Monitor partnership activities and ensure carried out according to agreements	2 x 1	Low	None	5,000
21	Civil Emergency	Additional unbudgeted costs	5 x 2	High	Bellwin Scheme will meet 100% of eligible expenditure within 1 month of an emergency	4 x 2	Moderate	None	60,000
22	Municipal Mutual Insurance (MMI) Clawback	Additional unbudgeted costs	3 x 3	High	MMI Provision	2 x 1	Low	Consider increasing amount of provision if necessary	15,000
23	Data Protection breach resulting in fine	Additional unbudgeted costs	3 x 3	High	Data Protection Policy Reminders to staff. All staff complete mandatory e-learning module	3 x 3	High	None	75,000
24	Members act against officer advice resulting in cost to the Council	Additional unbudgeted costs	3 x 3	High	Agenda pre-meetings. Liaison with members. Monitoring Officer	3 x 3	High	None	75,000

**b. Actual/Forecast Reserve Balances at 31 March 2024 to 2026**

Reserve	Actual Balance at 31/3/25 (£000's)	Forecast Change in 2025/26 (£000's)	Forecast Balance at 31/3/26 (£000's)	Forecast Change in 2026/27 (£000's)	Forecast Balance at 31/3/27 (£000's)	Purpose
General Fund Balance	2,007	-	2,007	218	2,225	Working balance to cover unforeseen adverse events affecting the budget. Recommended minimum balance of £2.225m for 2026/27
Walley's Quarry Reserve	591	(150)	441	(41)	400	To assist with the Council's actions regarding air quality issues at Walley's Quarry
Budget and Borrowing Support Fund	503	(63)	440	80	520	To support the General Fund revenue budget or to meet costs approved by Council
Budget Support Fund (Local Plan)	185	(185)	-	100	100	To fund the Borough Local Plan in addition to a base budget allocation and transfer of vacant post funding. This fund is fully committed
Budget Support Fund (Homelessness)	324	(172)	152	(50)	102	To hold homelessness grants to be used in future periods. This fund is fully committed
Civic Growth Fund	19	(19)	-	-	-	To fund investment in corporate priorities. This fund is fully committed
Conservation & Heritage Fund	31	(11)	20	-	20	To provide repair grants to owners of historic buildings
Mayor's Charity Reserve	7	(7)	-	-	-	To hold funds on behalf of the Mayor's Charity
Museum Purchases Fund	34	21	55	10	65	To purchase, conserve and enhance exhibits
Business Rates Reserve	1,363	1,312	2,675	(761)	1,914	To equalise any surplus or deficit on the collection fund and to provide contingency for appeals and future funding reviews
Elections Reserve	129	50	179	(179)	-	To provide budget on a 4 year cycle for Borough Elections
Small Repairs Reserve	28	(28)	-	-	-	To provide small repairs to Council maintained highways and footpaths
Maintenance Fund	283	(83)	200	-	200	To provide revenue fund maintenance per Section 106 agreements
Planning Appeals Reserve	-	100	100	-	100	To provide for costs associated with planning appeals
Waste and Recycling Reserve	-	329	329	(79)	250	To provide for service changes including route optimisation
Coyton Community Centre	13	(5)	8	-	8	Sinking fund held on behalf of Committee (contributions made by Committee)
<b>Totals</b>	<b>5,517</b>	<b>1,089</b>	<b>6,606</b>	<b>(702)</b>	<b>5,904</b>	

# Appendix 7 2026/27 to 2028/29 Capital Programme and 2025/26 Mid-Year Estimate



CAPITAL PROGRAMME	2025/26 MID YEAR	2026/27	2027/28	2028/29	TOTAL 2026/27 to 2028/29
	£	£	£	£	£
<b>PRIORITY – One Council Delivering for Local People</b>					
Service Area – Council Modernisation	922,120	705,000	80,000	351,000	1,136,000
<b>Total</b>	<b>922,120</b>	<b>705,000</b>	<b>80,000</b>	<b>351,000</b>	<b>1,136,000</b>
<b>PRIORITY – A Successful and Sustainable Growing Borough</b>					
Service Area – Housing Improvements	3,474,641	3,096,363	1,770,000	1,770,000	6,636,363
Service Area – Managing Property & Assets	14,183,389	54,763,532	23,595,235	466,053	78,824,820
<b>Total</b>	<b>17,658,030</b>	<b>57,859,895</b>	<b>25,365,235</b>	<b>2,236,053</b>	<b>85,461,183</b>
<b>PRIORITY – Healthy, Active and Safe Communities</b>					
Service Area – Streetscene	536,760	542,419	130,000	130,000	802,419
Service Area – Bereavement Services	164,200	141,950	5,000	5,000	151,950
Service Area – Recycling and Fleet	3,717,650	3,049,661	6,279,419	2,323,428	11,652,508
Service Area – Leisure and Cultural	475,763	1,604,998	1,373,936	-	2,978,934
Service Area – Engineering	310,600	200,000	-	-	200,000
<b>Total</b>	<b>5,204,973</b>	<b>5,539,028</b>	<b>7,788,355</b>	<b>2,458,428</b>	<b>15,785,811</b>
<b>PRIORITY – Town Centres for All</b>					
Public Realm	10,000	-	-	-	-
Town Deals – Newcastle	8,040,484	3,432,755	-	-	3,432,755
Town Deals – Kidsgrove	3,318,343	1,955,030	1,239,313	-	3,194,343
<b>Total</b>	<b>11,368,827</b>	<b>5,387,785</b>	<b>1,239,313</b>	<b>-</b>	<b>6,627,098</b>
<b>CONTINGENCY (assumes unspent contingency is carried forward from 2026/27)</b>	<b>480,954</b>	<b>1,000,000</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>
<b>TOTAL</b>	<b>35,634,904</b>	<b>70,491,708</b>	<b>34,472,903</b>	<b>5,045,481</b>	<b>110,010,092</b>
<b>FUNDING</b>					
Capital Receipts	1,530,000	5,050,000	4,350,000	4,350,000	13,750,000
Regeneration Receipts	-	-	-	13,367,039	13,367,039
External Contributions	26,590,251	16,582,528	3,871,155	1,675,000	22,128,683
Borrowing	7,514,653	1,633,832	3,216,988	(979,519)	3,871,301
Regeneration Borrowing	-	47,225,348	23,034,760	(13,367,039)	56,893,069
<b>TOTAL</b>	<b>35,634,904</b>	<b>70,491,708</b>	<b>34,472,903</b>	<b>5,045,481</b>	<b>110,010,092</b>

## Appendix 12 – Local Council Tax Reduction Scheme for 2026/27

<b>Claim Type</b>	<b>Council Tax Support Scheme</b>
<b>Pensioner Claimants</b>	
No scope for changes within LCTS	Up to 100% of Council Tax Bill
<b>Working Age Claimants</b>	
Claims will be based on a max of 80% Council Tax Liability (unless in a protected group)	Up to 80% of Council Tax Bill
Properties in bands higher than Band D will be based on 80% Band D Council Tax	Up to 80% of band D rate
Second Adult Rebate will not be retained in the Local Scheme	Nil
Capital Cut off at £6k (non-passported)	No Council Tax Support if capital exceeds £6k
Earnings Disregards	Flat rate of £25 if claimant working
<b>Claimants who are eligible to Severe Disability Premium (SDP)</b>	
May allow up to 100% LCTS as protected group	Up to 100% of Council Tax Bill
<b>Claimants who are eligible to receive War Disablement Pensions, War Widow's Pensions and Armed Forces Compensation Scheme Payments</b>	
May allow up to 100% LCTS as protected group	Up to 100% of Council Tax Bill

### Discretionary Payments

The Council has discretion to award Council Tax Support, in excess of the accounts determined by this framework, where it is satisfied that exceptional circumstances exist.



## **2026/27 Budget Consultation report**

### **Headline findings**

- 25 responses – a significant decrease from 82 responses last year
- Parks, playgrounds and open spaces, followed by street cleaning, were seen as the two most important council services
- Town centre regeneration was the most important service that the Council did not have to provide
- 52 per cent of respondents chose to protect services, even if this means we will need to increase Council Tax and charges to service users because of central funding reductions
- A small majority said the Council should seek to generate additional revenue from arts development, leisure facilities or open spaces
- 52 per cent of respondents were aged between 41 and 60.

### **Background**

This survey was available online from 26 November 2025 to 1 January 2026 via an online form on the Council's 'Have Your Say' web page, and was publicised by the Communications Team via social media. There were 25 responses – a significant decrease on the 82 received last year.



**Q1) Are you a resident of the borough of Newcastle-under-Lyme?**

84 per cent of respondents said that they were a resident of the borough, with the remaining 16 per cent saying they were not.

**Q2) What is the single most important thing the Council could do differently to improve the quality of life for your local community?**

This was a purely open question – an open text box was provided for respondents to answer, unprompted, with no suggested answers to choose from. Note in particular the prominence of the words ‘town’ and ‘centre’.



**Q3) Which of these Council services are the most important to you?**

For this question, respondents were asked to choose up to 5 services from a list of 17 services. As respondents could choose up to 5 options, totals will add up to considerably more than 100 per cent.

Two services were by far more popular than the other options:

- Parks, playgrounds and open spaces 68 per cent of respondents
- Street cleaning 60 per cent

More than one quarter of respondents chose the following options:

- Town centre regeneration 44 per cent
- Refuse collection 40 per cent

**Q4) Out of the following services which the Council is not required by law to provide would you most like to see protected? Please tick up to five boxes.**

Respondents were asked to choose up to 5 options out of a list of 10 services.

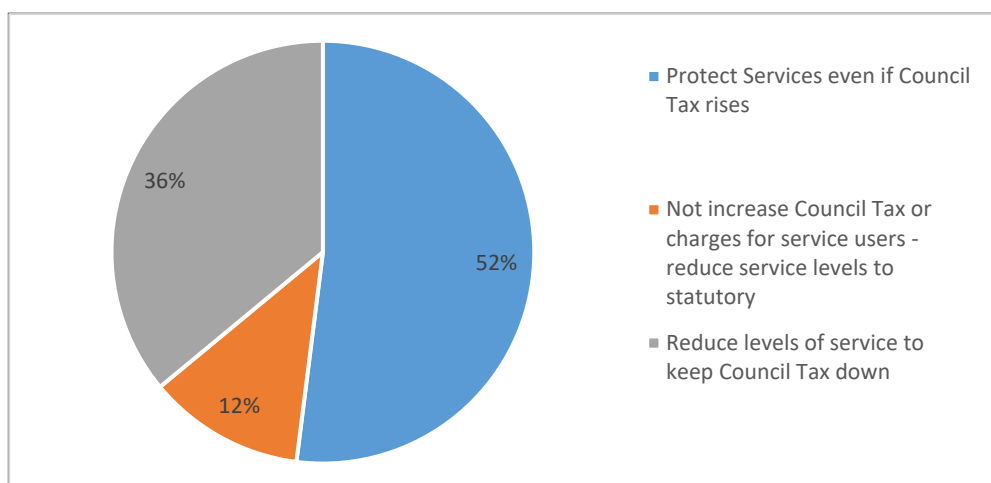
Four were chosen by more than 40 per cent of respondents:

- Town centre regeneration 65 per cent
- CCTV 52 per cent
- Outdoor leisure facilities 48 per cent
- Outdoor markets 44 per cent

**Q5) When making decisions about spending plans for next year and beyond, should we...**

Respondents were asked to choose from a set list of three options, and they were chosen as follows:

- *Protect services, even if this means we will need to increase Council Tax and charges to service users because of central funding reductions.* This was picked by more than half (52 per cent) and was the most popular choice.
- *To not increase Council Tax or charges for service users, but instead look to reduce service levels towards a core statutory offer - that is, excluding those listed in question 3.* This was the least popular choice, picked by only 12 per cent of respondents.
- *Reduce levels of service to make sure that Council Tax rises and fee increases for service users are kept to a minimum.* This was selected by 36 per cent of respondents.



**Q6) Are there any particular service areas where you feel Newcastle-under-Lyme Borough Council should not reduce its funding?**

The following word cloud shows the key themes.



**Q7) Which service areas should the Council seek to generate additional income from service users in order to help balance the budget? Please tick as many as you feel are appropriate.**

Respondents were asked to choose from a list of six options, and they could select as many of these six as they wanted to – explaining why percentages add up to considerably more than



31-40	16%	15%
41-50	24%	15%
51-60	28%	17%
61-70	16%	14%
71+	4%	18%

## Location of respondents

20 respondents did provide their postcodes, with 3 others providing the first part of theirs, enabling the following matching to take place. There were four responses from each of May Bank and Westlands, but none from the north-east of the borough. Three responses were received from residents of Stoke-on-Trent.

**Table 2: Respondents by ward or other area - 23 respondents**

Ward/area	Respondents
Audley	1
Bradwell	0
Clayton	1
Crackley and Red Street	0
Cross Heath	2
Holditch and Chesterton	0
Keele	0
Kidsgrove and Ravenscliffe	0
Knutton	0
Loggerheads	0
Madeley and Betley	1
Maer and Whitmore	1
May Bank	4
Newchapel and Mow Cop	0
Silverdale	0
Talke and Butt Lane	0
Thistleberry	1
Town	1
Westbury Park/Northwood	0
Westlands	4
Wolstanton	1
ST5 (incomplete postcode)	2
ST7 (incomplete postcode)	1
Stoke-on-Trent (Hartshill)	3