

**The**  
**FINANCIAL STRATEGY**  
**2025/2030**  
**and**  
**COUNCIL TAX RESOLUTION**  
**2026/2027**

**As submitted to the**  
**Council**

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# The Financial Strategy 2025/2030 and Council Tax Resolution 2026/2027

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# The Financial Strategy 2025/2030 and Council Tax Resolution 2026/2027

## 1. Introduction

- 1.1 This report presents a summary of the Financial Strategy 2025/2030 as presented to Cabinet on 3 February 2026. It updates the revenue budgets for 2026/2027 and projections for 2027/2028, 2028/2029 and 2029/2030 for changes since the report was presented to Cabinet.
- 1.2 The report details the Council Tax Resolution for 2026/2027 as required by the Local Government Finance Act 1992.

## 2. Financial Strategy 2025/2030

- 2.1 On 3 February 2026, Cabinet was presented with details of the Council's medium-term financial strategy in the document "The Financial Strategy 2025/2030". This document set out in detail the General Fund revenue budgets and projections for 2025/2030. An updated summary of the projections can be found at Appendix 1. The report and the associated recommendations were subsequently approved by Cabinet.
- 2.2 On 9 February 2026, the Ministry of Housing, Communities and Local Government (MHCLG) published the documents online for the 2026/2027 local government finance settlement. This follows on from the provisional settlement consultation announced in December. Full details can be found on the gov.uk website at: [Local Government Final Settlement 2026/2027](#)
- 2.3 The Final Settlement included changes to the amounts from that referred to in the Provisional Settlement. In the Final Settlement MHCLG have amended the Business Rates Base Line to accurately reflect the income from Business Rates pooling. This has resulted in the Council moving from a 95% funding floor protection to a 100% funding floor protection (£191k). This also impacts futures years. Furthermore the settlement now includes a one-off Adjustment Support Grant (£563k) to help councils to adapt to the funding formula changes. The Final Settlement results in a favourable movement of £86k between the provisional and final settlement for 2026/27 as follows.

	2026/2027 Provisional Settlement	2026/2027 Final Settlement	Adverse/ (Favourable)
Funding	£	£	£
Baseline Funding Level	5,086,555	5,086,555	0
Revenue Support Grant	8,587,967	7,833,131	754,836
<b>Fair Funding Allocation</b>	<b>13,674,522</b>	<b>12,919,686</b>	<b>754,836</b>
Recovery Grant	552,329	552,329	0
Homelessness, Rough Sleeping and Domestic Abuse	926,440	1,012,713	(86,273)
100% income protection floor	-	191,234	(191,234)
Adjustment Support Grant	-	563,601	(563,601)
Crisis	219,853	219,853	0
<b>Other Government Grants</b>	<b>1,698,622</b>	<b>2,539,730</b>	<b>(841,108)</b>
<b>Total</b>	<b>15,373,144</b>	<b>15,459,416</b>	<b>(86,272)</b>

The Financial Plan 2025/2030 has been updated with these changes as reflected in Appendix 1.

- 2.4 A significant uncertainty that existed following release of the Provisional Funding Settlement and announcements to around the Business Rates Reset, was to how changes the funding of Business Rates discounts and retention of business rates growth would be impacted. On the 20<sup>th</sup> January MHCLG released a consultation indicating that the Council will be able to retain its Business Rates income from “renewables schemes”, e.g. wind farm cabling, solar farms. This clarification has enabled the Medium Term Financial Strategy to include an estimate £3.69m income.
- 2.5 Other changes to the budget position for 2026/27 are set out below:

<b>Cost of Services</b>	
<b>£</b>	
24,905,079	Reported to Cabinet
27,655,079	Reported to Council
<b>2,750,000</b>	<b>Movement in costs</b>
	<b>Amendments to Budget</b>
750,000	Provision to support implementation costs of Local Government Reorganisation.
500,000	Creation of a new Community Projects Fund.
1,000,000	An additional savings target introduced in addition of the Savings and Efficiency Plan target, removed in light of the improved funding position.
500,000	This amount provides an element of contingency, to allow for variances between the proposed Savings and Efficiency Plan and actual implementation.
<b>2,750,000</b>	<b>Total cost</b>

<b>Funding</b>	
24,475,309	Reported to Cabinet
28,845,006	Reported to Council
<b>(4,369,697)</b>	<b>Movement in Funding</b>
	<b>Amendments to Budget</b>
(3,693,100)	Confirmed estimate of Business Rates retained from Renewable Energy Sources.
(370,000)	Estimated Collection fund surplus
(86,272)	Other Government Grants
(219,853)	Crisis and Resilience Grant
<b>(4,369,225)</b>	<b>Total income</b>

- 2.6 The final schedule of fees and charges for 2026/2027 remain unchanged from those presented to Cabinet on 3 February 2026.
- 2.7 The Medium Term Financial Strategy and Appendices as presented to Cabinet on 3 February are updated and presented separately to Council.

### **3. Budget Amendments Received**

- 3.1 In accordance with the Council's Constitution Section 6 relating to Budget Meeting of the Council, the Leader of any opposition Political Group may propose one budget amendment that meets the following criteria
- a. It would deliver a balanced budget without requiring any further reliance on reserves over and above that which is set out in the budget approved by Cabinet
  - b. Be within the Council's powers; and
  - c. Not trigger any legal requirement for consultation.
- 3.2 There are no compliant budget amendment proposals to be considered for amendment to the budget.

### **4. Capital Programme**

- 4.1 Cabinet met on 3 February and agreed to a number of new capital projects to be added to the capital programme. These have been incorporated into the relevant tiers of the Capital Programme. There are no changes to the capital programme or the Capital Strategy that were presented to Cabinet on 3 February 2026. These are presented unchanged to Council and recommended for approval.

### **5. Treasury Management Strategy and Capital Strategy**

- 5.1 The Treasury Management Strategy is updated, at section 7 to identify that progress is being made towards facilitation of a loan agreement between the Council and West Norfolk Housing Company, which will be subject to monitoring by the Council's Shareholder Committee and Audit Committee as well as the Company's own Board.
- 5.2 The Treasury Management Strategy also notes an opportunity for the Council to refinance its long-term loans in section 3.6 of the Strategy. This report now includes a recommendation to Council to:

*Delegate authority to the Deputy Chief Executive (S151 Officer) with agreement from the Portfolio Holder (Finance) to enter into discussions and final arrangements to settle the existing long-term loans if it is considered beneficial to the council supported by the council's Treasury Advisors.*

### **6. Parish Precepts and Special Expenses 2026/2027**

- 6.1 The Council has now received all parish precept requests for 2026/2027 and figures included in the budget are now formally approved by all Parish/Town Councils as detailed in Appendix 3. There has been no change to the special expenses figures since they were presented to Cabinet on 3 February 2026 as detailed in Appendix 7.

### **7. General Fund Balances**

- 7.1 The working balances of the Council will be used to support the budget requirements during the period 2026/2029. These balances remain above the minimum required level in 2028/2029.

7.2 As reported to Cabinet and reflecting the changes set out in this report, the general fund balances are estimated as follows:

Projected Movements in General Fund Balances	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030
	£	£	£	£	£
<b>Opening Balance</b>	<b>8,208,570</b>	<b>10,401,940</b>	<b>11,591,867</b>	<b>11,157,802</b>	<b>9,855,090</b>
Pension Lump Sum Replenishment	1,810,000	0	0	0	0
Estimated contribution to / (from) GF Fund	383,370	1,189,927	(434,065)	(1,302,712)	(3,977,174)
<b>Closing Balance</b>	<b>10,401,940</b>	<b>11,591,867</b>	<b>11,157,802</b>	<b>9,855,090</b>	<b>5,877,916</b>

## 8. COUNCIL TAX RESOLUTION 2026/2027

8.1 The Council Tax Resolution 2026/2027 deals with the recommendations of the Cabinet meeting on 3 February 2026 and the resolution to set the Council Tax for 2026/2027.

8.2 Norfolk County Council have met on the 17 February 2026 to set its Council Tax and have agreed an increase of 4.99% on 2025/26 levels, in line with the Government's Capping level.

8.3 The Norfolk Police and Crime Panel met on 3 February 2026 and endorsed an increase in Council Tax for the Norfolk Police and Crime Commissioner of 4.53% (£14.94) on a Band D property.

8.4 The Referendums Relating to Council Tax Increases (Principles) (England) Report 2026/2027 presented to the House of Commons pursuant to section 52ZD (1) of the Local Government Finance Act 1992 as inserted by Schedule 5 to the Localism Act 2011 makes provision for Council Tax referendums to be held if an authority increases its basic amount of Council Tax in excess of principles determined by the Secretary of State.

8.5 The excessiveness principles are set each year and the Secretary of State has determined that:

- For 2026/2027, the relevant basic amount of council tax for Norfolk County Council is excessive if the authority's relevant basic amount of council tax for 2026/2027 is 5% (comprising 2% for expenditure on adult social care, and 3% for other expenditure), or more than 5% greater than its relevant basic amount of council tax for 2025/2026.
- For 2026/2027, the relevant basic amount of council tax for the Borough Council of King's Lynn and West Norfolk is excessive if the authority's relevant basic amount of council tax for 2026/2027 is:
  - 3%, or more than 3%, greater than its relevant basic amount of council tax for 2025/2026; and
  - more than £5.00 greater than its relevant basic amount of council tax for 2025/2026.

- For 2026/2027, the relevant basic amount of council tax for the Norfolk Police and Crime Commissioner is excessive if the authority's relevant basic amount of council tax for 2026/2027 is more than £15.00 greater than its relevant basic amount of council tax for 2025/2026.
- Local precepting authorities (parish and town councils) are not subject to Council Tax referendums in 2026/2027.

- 8.6 The following recommendations 1 to 9 deal with the approval of the Budget, the Policy on Earmarked Reserves and the General Fund Balance, Fees and Charges, minimum requirement of the general fund balance and the pay policy.
- 8.7 The recommendations 10 to 12 deal with the final recommendation of the Cabinet – the setting of the council tax. Recommendations 13 and 14 provide for officers to properly demand and take action to recover council tax.

**Pursuant to Agenda Item 10: Financial Strategy 2025/2030, of the Cabinet Meeting held on 3 February 2026 Council is requested to:**

- 1) Approve the Policy on Earmarked Reserves and General Fund Balance and the maximum balances set for the reserves as detailed in Appendix 8 of “The Financial Strategy 2025/2030” as reported to Cabinet on 3 February 2026**
- 2) To delegate authority to the Chief Executive, in consultation with the Leader, to approve the contract for the appointment of a strategic partner to implement Local Government Reorganisation**
- 3) Approve the revision to the Budget for 2025/2026 (as set out in Appendix 1 of this report).**
- 4) Approve the Fees and Charges for 2026/2027 as detailed in Appendix 4a of “The Financial Strategy 2025/2030” and approves the amended Fees and Charges Policy in Appendix 4b, as reported to Cabinet on 3 February 2026**
- 5) Approve the Pay Policy as detailed in Appendix 5 of “The Financial Strategy 2025/2030” as reported to Cabinet on 3 February 2026.**
- 6) Approve a minimum requirement of the General Fund balance for 2026/2027 of £1,382,750.**
- 7) Approve the budget of £28,845,006 for 2026/2027 and note the projections for 2027/2028, 2028/2029 and 2029/2030 (as set out in Appendix 1 of this report).**
- 8) Pursuant to Section 25 of the Local Government Act, Council is asked to have due regard to this statement at Section 9 of this report when considering and approving the budget and the level of council tax for 2026/2027**
- 9) The Local Authorities (Calculation of Tax Base) (England) Regulations 2012 contain rules for the calculation of the Council Tax Base, which is an amount required by the Local Government Finance Act 1992 to be used in the calculation of the tax by the Council as the billing authority, and Norfolk County Council and the Norfolk Police and Crime Commissioner as major precepting authorities, and in the calculation of the precept payable by the Council to the County Council and Norfolk Police and Crime**

Commissioner. **Under Officer Delegated Decision the Council Tax Base was calculated as follows for the year 2026/2027:**

**Number of dwellings in each Council Tax band; taking into account the discounts, exemptions, premiums, rate of collection and Council Tax Support.**

- (a) 57,305 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 year.

**The tax base for each Parish**

- (b) the amounts listed in Appendix 3 Parish Taxbases & Precepts, (Column headed - Taxbase) being the amounts calculated by the Council, in accordance with Regulation 6 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, as the amount of its Council Taxbase for the year for dwellings in those parts of its area to which one or more special items relate.

- 10) Approve that the following amounts be now calculated by the Council for the year 2026/2027 in accordance with Sections 31A to 36 of the Local Government Finance Act 1992 (as amended by S74 of the Localism Act 2011):**

**Total expenditure**

- (a) £116,592,221 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act. (See Appendix 2 of this report).

**Total income**

- (b) £102,726,822 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act. (See Appendix 2 of this report).

**The difference between expenditure and income**

- (c) £13,865,399 being the amount by which the aggregate at 10(a) above exceeds the aggregate at 10(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its total budget for the year. (See Appendix 2 of this report).

**Average Council Tax for Band D property (Borough and Parish)**

- (d) £241.96 being the amount at 10(c) above divided by the amount at 10(a) above, calculated by the Council in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year.

**The total of Parish Precepts and Special Expenses**

- (e) £4,843,313 being the aggregate amount of all special items referred to in Section 34(1) of the Act.

**The Borough Council's Council Tax for a Band D property (excluding Parish Precepts and Special Expenses)**

- (f)(1) £157.44 being the amount at 10(d) above less the result given by dividing the amount at 10(e) above by the amount at 9(a) 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 relates.

**The Borough Council's Council Tax for each valuation band**

- (f)(2)

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
£	£	£	£	£	£	£	£
104.96	122.45	139.95	157.44	192.43	227.41	262.40	314.88

**The Borough, Special Expenses and Parish Councils' Council Tax for a Band D property in each Parish**

- (g) the amounts listed in Col (4), Appendix 4 Special Expenses and Appendix 3 Parish Precepts, when added to the amount at 10 (f)(1) above being the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned divided in each case by the taxbases in Appendix 3 calculated by the Council, in accordance with Section 34(3) of the Act, gives the basic amounts of its Council Tax for the year for dwelling in those parts of its area to which one or more special items relate.

**The Borough and Parish Councils' Council Tax for each tax band in each Parish**

- (h) the amounts listed in Cols (1) to (8), Appendix 4 Special Expenses and Appendix 5 Parish Precepts, together with the amounts shown above in 10(f)(2) as valuation bands A to H - being the amounts given by multiplying the amounts at 10(g) 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 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.

- 11) Note that for the year 2026/2027 Norfolk County Council and the Norfolk Police and Crime Commissioner 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 dwellings shown below:

Valuation Band	Norfolk County Council	Norfolk Police and Crime Commissioner	Charge in Relation to Band D
A	£1,228.92	£229.86	6/9ths
B	£1,433.74	£268.17	7/9ths
C	£1,638.56	£306.48	8/9ths
D	£1,843.38	£344.79	9/9ths
E	£2,253.02	£421.41	11/9ths
F	£2,662.66	£498.03	13/9ths
G	£3,072.30	£574.65	15/9ths
H	£3,686.76	£689.58	18/9ths

The total Council Tax for each band in each parish (Appendix 6)

- 12) Approve that, having calculated the aggregate in each case of the amounts at 10h and 11 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets these as the amounts of Council Tax for the year 2026/2027 for each of the categories of dwellings shown.
- 13) Approve that the Deputy Chief Executive (S151 Officer), Assistant Director Finance (Deputy S151 Officer), Revenues and Benefits Manager, Revenues Manager, Assistant Revenues Manager, Revenues Team Leaders, Committal Manager, Committal Officer, Non-Domestic Rates Officer, Generic Revenues and Benefits Officers, Revenues Officers and Revenues Assistants be authorised to demand and recover, in accordance with the Local Government Finance Act 1992, the Council Tax set by this resolution, the Non Domestic Rates payable by Ratepayers and the annual Business Improvement District Levy, and be authorised to appear on behalf of the Council in Magistrates' Courts in respect of recovery proceedings.
- 14) Approve that the Officers be authorised to give notice of the setting of the Council Tax in accordance with Section 96 of the Local Government Finance Act 1992.