

<b>Council Meeting</b>	
<b>Meeting Date</b>	19 February 2025
<b>Report Title</b>	Budget and Council Tax for 2025/26
<b>EMT Lead</b>	Lisa Fillery, Director of Resources
<b>Head of Service</b>	Claire Stanbury, Head of Finance and Procurement
<b>Lead Officer</b>	Lisa Fillery, Director of Resources Claire Stanbury, Head of Finance and Procurement
<b>Classification</b>	<b>Open</b>
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. That members note the Director of Resources opinion on the robustness of the budget estimates and the adequacy of reserves.</li> <li>2. That the minutes of the Policy and Resources committee of 5 February 2025 agenda item 5 on the report on the Medium Term Financial Plan and the 2025/26 revenue and capital budgets be approved.</li> <li>3. That the resolutions contained in Appendix I be approved.</li> <li>4. That in accordance with the proposals contained within SI 2014 No. 165 that a recorded vote be taken on the 2025/26 Budget and Council Tax.</li> </ol>

## 1 Purpose of Report and Executive Summary

- 1.1 At their meeting on 5 February 2025, Policy and Resources Committee recommended the 2025/26 Revenue Budget, the Capital Programme for 2025/26 to 2028/29, and the Medium Term Financial Plan (MTFP) for 2025/26.
- 1.2 The purpose of this report is for the Council to approve the Council Tax Requirement, Revenue Budget and Capital Programme, and Council Tax for the year 2025/26 as set out in the report to the Policy and Resources Committee on 5 February 2025, subject to any amendments, and to approve the Council Tax Resolutions set out in Appendix I.
- 1.3 This report reflects the latest information available for the preceptors at the time of writing (11 February 2025). Should there be any changes to these, members will be informed.

## **2 Background**

- 2.1 As part of the 2025/26 budget setting process, the Policy and Resources Committee first received a report on the budget proposals for 2025/26 and an update on the Medium Term Financial Plan on 27 November 2024. The draft budget, following public consultation, was then considered again by Policy and Resources Committee on 5 February 2025.
- 2.2 The final settlement published on 3 February 2025 confirmed the grants from Central Government, and this was verbally communicated to Policy and Resources committee at the February meeting. There were no changes for Swale to the provisional allocations of the core settlement grants, however the National Insurance Contribution grant was announced and the allocation is £50,000 lower than estimated, which will require a change to the budget presented to P&R on 5 February 2025 to increase the use of reserves from £416,000 to £466,000.

## **3 Proposals**

- 3.1 In accordance with Section 25 of the Local Government Act 2003 the Council's Section 151 Officer is required to report formally to the Council on the robustness of the estimates and the adequacy of the reserves. It should be noted that Section 26 of the Act gives the Secretary of State power to set a minimum level of reserves for which an authority must provide in setting its budget. The Section 151 Officer (the Director of Resources), in accordance with the Local Government Act 2003, has produced a statement to confirm her opinion on the robustness of the budget and the adequacy of reserves (App III – App III)
- 3.2 All councils have to provide the Government with a forecast for their business rates to be collected for the forthcoming financial year (NNDR1), which has a statutory deadline of 31 January. For 2025/26 the Council is part of the Kent Business Rate Pool and the NNDR1 forms for the other Pool authorities are being collated and any significant changes will be reported to members as part of the monitoring reports during 2025/26.
- 3.3 Details of the Town and Parish Council Precepts for 2025/26 that had been received at the time of publication are detailed in Appendix I and currently total £2,166,353 and average increase of 10.46% from 2024/25. At the time of writing the council was awaiting the formal confirmation of Hartlip's parish precept, any changes to the details in this report will be updated for Full Council as required.
- 3.4 As well as its own Council Tax, Swale Borough Council collects on behalf of the other 'precepting authorities', i.e. Kent County Council, the Kent and Medway Fire and Rescue Authority, and the Kent Police and Crime Commissioner.

- 3.5 At the time of writing this report, Kent and Medway Fire and Rescue Authority were due to meet on 18 February 2025. This report is based upon a precept of £4,792,156 which results in a Band D Council Tax of £94.86 (5.51% or £4.95 increase).
- 3.6 The Police and Crime Panel met on 4 February 2025 to consider the budget proposals from the Kent Police and Crime Commissioner. The decision was for a precept of £13,647,492 which results in a Band D Council Tax of £270.15 (5.47% or £14.00 increase).
- 3.7 Kent County Council are due to meet on 13 February 2025 and set their precept. This report is based upon a precept of £85,435,875 resulting in a Band D Council Tax of £1,691.19 (4.989% or £80.37 increase including the Adult Social Care precept).
- 3.8 Appendix II provides more detail on the calculation of the Council Tax requirement and a summary of the calculation of Band D Council Tax.
- 3.9 Appendix III is the Budget report recommend by Policy and Resources committee on 5 February 2025.

## 4 Alternative Options Considered and Rejected

- 4.1 Do nothing – this is not recommended as the Council is legally required to set a balanced budget.

## 5 Consultation Undertaken or Proposed

- 5.1 The budget proposals were reported to Policy and Resources Committee on 27 November 2025.
- 5.2 An online budget consultation exercise took place from 28 November 2024 to 8 January 2025, the results of which were reported to Policy and Resources committee on 5 February 2025.

## 6 Implications

Issue	Implications
Corporate Plan	The budget proposals support the achievement of the Council's corporate priorities.
Financial, Resource and Property	The report sets out the Council's resourcing position.
Legal, Statutory and Procurement	The Council is required to set a Council Tax and a balanced budget.

Crime and Disorder	Any potential implications will be addressed by service managers in their budget proposals.
Environment and Climate/Ecological Emergency	The proposals support the Climate Change and Ecological motion previously agreed.
Health and Wellbeing	Any potential implications will be addressed by service managers in their budget proposals.
Safeguarding of Children, Young People and Vulnerable Adults	Any potential implications will be addressed by service managers in their budget proposals.
Risk Management and Health and Safety	Any potential implications will be addressed by service managers in their budget proposals.
Equality and Diversity	Any potential implications will be addressed by service managers in their budget proposals.
Privacy and Data Protection	Any potential implications will be addressed by service managers in their budget proposals.

## **7 Appendices**

- 7.1 The following documents are to be published with this report and form part of the report:
- Appendix I: Council Tax Resolutions
  - Appendix II: (i) Council Tax Requirement 2025/26  
(ii) Calculation of Band D Council Tax 2025/26
  - Appendix III: Budget report and appendices to Policy and Resources Committee 5 February 2025

## **8 Background Papers**

- 8.1 As detailed in the budget report to the Policy and Resources committee on 5 February 2025.