

Minute No 62 of Executive Board

Meeting of the Council

19 February 2025

**Report of the
Interim Corporate Director – Resources
(Section 151 Officer)**

Council Tax Set 2025/26

1 Summary

- 1.1 The purpose of this report is to enable the Council to calculate and set the Council Tax for 2025/26.

Recommendation

- a To approve the formal Council Tax resolution at Appendix A; and**
b To approve the updated strategy set out in paragraph 8.1.1.

2 Background

- 2.1 The Local Government Finance Act 1992 requires the billing authority to calculate a Council Tax requirement for the year.
- 2.2 Since the meeting of the Executive Board the precept levels of other precepting bodies have been received. These are detailed below.

3 Town & Parish Councils

- ... 3.1 The Town and Parish Council Precepts for 2025/26 are detailed in **Appendix B** and total £1,366,598.50. The increase in the average Band D Council Tax for Town and Parish Councils is 7.9% and results in an average Band D Council Tax figure of £62.37 for 2025/26.

4 Warwickshire County Council

- 4.1 Warwickshire County Council has set a precept of £39,940,652.21. This results in a Band D Council Tax of £1,822.95.

5 Warwickshire Police Authority

- 5.1 The Police and Crime Commissioner for Warwickshire has set a precept of £6,654,250.69 for 2025/26. This results in a Band D Council Tax of £303.71.

6 Conclusions

- 6.1 The recommendations of the Executive Board, including the 2.99% increase in Council Tax, are set out in the formal Council Tax Resolution in **Appendix A**.
- 6.2 If the formal Council Tax Resolution at **Appendix A** is approved, the total Band D Council Tax will be as follows:

	2024/25 £	2025/26 £	Increase %
North Warwickshire Borough Council	235.70	242.75	2.99
Warwickshire County Council	1,736.19	1,822.95	5.00
Warwickshire Police Authority	289.71	303.71	4.83
Sub-Total	2,261.60	2,369.41	4.77
Town and Parish Council (average)	57.81	62.37	7.88
Total	2,319.41	2,431.78	4.84

7 Restrictions on Voting

- 7.1 Under Section 106 of the Local Government Finance Act 1992, a Member is not entitled to vote on any decision which affects the budget, if at the time of the decision they owe council tax which has been outstanding for two months or more.
- 7.2 In these circumstances, the Member affected needs to disclose the fact that Section 106 applies to them. The Member is still able to speak on budget matters, but is not entitled to vote. Failure to comply with Section 106 is a criminal offence.

8 Report Implications

8.1 Financial Implications

8.1.1 The Financial Strategy includes the Council Tax recommendation in **Appendix A**. This is summarised in the table below.

	2024/25 Forecast £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000
Net Service Expenditure	13,902	14,133	14,312	14,843	15,141
Investment Income	(2,085)	(1,660)	(903)	(833)	(710)
Financing Adjustment	(730)	(740)	(769)	(823)	(726)
Requirement to reduce expenditure - 26/27	0	0	(500)	(500)	(500)
Requirement to reduce expenditure - 27/28	0	0	0	(500)	(500)
Requirement to Reduce expenditure –28/29	0	0	0		(500)
Transfer to Capital Reserve	0	5,000	0	0	0
Net Expenditure	11,087	16,733	12,140	12,187	12,205
Council Tax	(5,155)	(5,319)	(5,533)	(5,755)	(5,986)
NDR – Baseline	(2,106)	(2,136)	(2,366)	(2,592)	(2,813)
NDR – Above Baseline	(7,068)	(9,348)	0	0	0
Section 31 Grant - business rate multiplier	(411)	(416)	0	0	0
Revenue Support Grant	(86)	(117)	(120)	(123)	(123)
New Homes Bonus	(192)	(10)	0	0	0
Services Grant	(13)	0	0	0	0
Recovery Grant	0	(128)	(128)	(128)	(128)
Funding Guarantee Grant	(824)	(642)	(369)	(87)	(87)
Collection Fund (Surplus) / Deficit	13	(2)	1	0	(1)
Use of / (Contribution to) Balances	(4,755)	(1,385)	3,625	3,502	3,067
Balances at the Year End	(11,657)	(13,042)	(9,417)	(5,915)	(2,848)

8.2 Safer Communities Implications

- 8.2.1 The Council provides services and takes part in initiatives that work to improve Crime and Disorder levels within the Borough, and provision is included within the budgets for this.

8.3 Environment and Sustainability Implications

- 8.3.1 The Financial Strategy is linked to the delivery of targets and actions identified in the Corporate Plan and service plans. Continuing the budget strategy will allow the Council to manage its expected shortfall in resources without disruption of these targets and without disrupting essential services. Progress against both performance and financial targets are reported regularly to Service Boards.
- 8.3.2 Parts of the corporate and service plans directly support the sustainability agenda, for example, recycling and the green space strategy.

8.4 Equality Implications

- 8.4.1 Equality Assessments should be undertaken when making financial decisions to determine what the adverse impact on individuals or communities will be.

The Contact Officer for this report is Alison Turner (719374).

Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date
General Fund Revenue Estimates Summary - 2024/25 Revised and Tax Set 2025/26	NWBC	Report to Executive Board	10 Feb 2025
Medium Term Financial Strategy 2024-29	NWBC	Report to Executive Board	25 Nov 2024

GENERAL FUND REVENUE ESTIMATES 2025/26 AND SETTING THE COUNCIL TAX 2025/26

The Council is recommended to resolve as follows:

- a** That the revised revenue estimate for 2024/25 and the revenue estimate for 2025/26 be approved (Appendix D);
- b** That a Band D Council Tax increase of 2.99% for 2025/26 be approved;
- c** That the use of the Business Rates Fluctuation Reserve to fund capital expenditure on vehicles of £1,831,591 to fund the vehicles replacement programme for 2025/26 to 2027/28 approved;
- d** That the transfer of £5m in 2025/26 to a specific capital reserve towards funding future capital commitments reducing borrowing be approved.
- e** That the Interim Corporate Director Resources (Section 151 Officer) comments on the robustness of the budget and minimum acceptable level of general reserves be noted (Appendix E);
- f1** That it be noted that in January 2025, the Council calculated the Council Tax Base for 2025/26:
 - a** for the whole Council area as 21,909.90 (item T in the formula in section 31B of the Local Government Finance Act 1992, as amended [the “Act”]); and
 - b** for dwellings in those parts of its area to which a Parish precept relates as in the attached Appendix B.
- f2** That the Council Tax Requirement for the Council’s own purposes for 2025/26 (excluding Parish precepts) is £5,318,630;
- f3** That the following amounts be calculated by the Council for the year 2025/26, in accordance with Sections 31 to 36 of the Act:-
 - a** £65,966,828.50 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 to it by Parish Councils,
 - b** £59,281,600 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act,
 - c** £6,685,228.50 being the amount by which the aggregate at g3(a) above exceeds the aggregate of f3(b) 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),
 - d** £305.12 being the amount at f3(c) above (Item R), all divided by Item T (g1(a) 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 Councils),
 - e** £1,366,598.50 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix B).

f £242.75 being the amount of f3(d) above, less the result given by dividing the amount at f3(e) above by Item T (f1(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 Parish precept relates.

f4 To note that for 2025/26 Warwickshire County Council and the Office of the Police and Crime Commissioner for Warwickshire have issued precepts to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 for each of category of dwellings in the Council's area as indicated in the table below.

f5 That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2025/26 for each part of its area and for each of the categories of dwellings.

Precepting Authority	Valuation Bands							
	A £	B £	C £	D £	E £	F £	G £	H £
North Warwickshire BC	162.83	188.81	215.78	242.75	296.69	350.64	404.58	485.50
Warwickshire CC	1,215.30	1,417.85	1,620.40	1,822.95	2,228.05	2,633.15	3,038.25	3,645.90
Warwickshire Police Auth.	202.47	236.22	269.96	303.71	371.20	438.69	506.18	607.42
Aggregate of Council Tax Requirements	1,579.61	1,842.87	2,106.14	2,369.41	2,895.95	3,422.48	3,949.02	4,738.82

f6 The Council has determined that its relevant basic amount of Council Tax for 2025/26 is not excessive, in accordance with the principles approved under section 52ZB of the Local Government Finance Act 1992.

COUNCIL TAX AMOUNTS 2025/26

APPENDIX B

Area Name	A	B	C	A	B	C
	Precept £	2024/25 Taxbase*	Band D £	Precept £	2025/26 Taxbase*	Band D £
<u>Parishes</u>						
Ansley	25,762.36	830.34	31.03	28,351.07	827.03	34.28
Arley	42,000.00	863.14	48.66	44,100.00	863.18	51.09
Astley	2,000.00	81.54	24.53	2,200.00	79.49	27.68
Atherstone	193,707.00	2778.62	69.71	220,940.00	2792.24	79.13
Austrey	17,500.00	503.64	34.75	19,250.00	508.00	37.89
Baddesley Ensor	69,302.00	560.27	123.69	69,302.00	550.23	125.95
Baxterley	13,400.00	130.73	102.50	15,000.00	129.07	116.22
Bentley/ Merevale	800.00	49.79	16.07	800.00	50.37	15.88
Caldecote	0.00	86.37	0.00	0.00	84.47	0.00
Coleshill	282,477.63	2527.62	111.76	293,908.37	2504.66	117.34
Corley	18,250.00	337.55	54.07	18,250.00	338.39	53.93
Curdworth	38,032.00	464.65	81.85	38,032.00	472.46	80.50
Dordon	30,590.06	877.26	34.87	32,119.50	875.80	36.67
Fillongley	35,400.00	668.61	52.95	65,000.00	671.89	96.74
Great Packington	0.00	54.76	0.00	0.00	54.39	0.00
Grendon	20,832.00	783.59	26.59	21,665.00	798.88	27.12
Hartshill	105,531.72	1067.29	98.88	105,531.72	1063.04	99.27
Kingsbury	39,333.84	2396.08	16.42	41,356.69	2378.53	17.39
Lea Marston	12,096.21	141.41	85.54	12,583.00	147.10	85.54
Little Packington	0.00	14.14	0.00	0.00	15.19	0.00
Mancetter	35,000.00	696.72	50.24	37,000.00	683.94	54.10
Maxstoke	7,350.00	118.87	61.83	7,350.00	121.32	60.58
Middleton	13,729.52	335.92	40.87	14,210.00	351.27	40.45
Nether Whitacre	19,000.00	503.87	37.71	20,000.00	502.35	39.81
Newton Regis/ Seckington	14,500.00	255.69	56.71	15,000.00	256.27	58.53
Over Whitacre	2,500.00	195.63	12.78	6,500.00	194.14	33.48
Polesworth	105,431.00	2836.02	37.18	115,974.10	2894.43	40.07
Shustoke	19,082.00	226.47	84.26	19,715.00	222.85	88.47
Shutlington	10,000.00	167.96	59.54	10,000.00	164.55	60.77
Water Orton	87,705.93	1250.46	70.14	89,460.05	1250.67	71.53
Wishaw	3,000.00	64.05	46.84	3,000.00	63.70	47.10
Total Precept	1,264,313.27	21,869.06	57.81	1,366,598.50	21,909.90	62.37

1.0788

COUNCIL TAX CHARGE BY PRECEPTING AUTHORITY 2025/26

Area Name	Band A 6/9 £	Band B 7/9 £	Band C 8/9 £	Band D 9/9 £	Band E 11/9 £	Band F 13/9 £	Band G 15/9 £	Band H 18/9 £
North Warwickshire Borough Council (including average Parish charge)	203.41	237.32	271.22	305.12	372.92	440.73	508.53	610.24
North Warwickshire Borough Council (excluding Parishes)	161.83	188.81	215.78	242.75	296.69	350.64	404.58	485.50
Warwickshire County Council	1,215.30	1,417.85	1,620.40	1,822.95	2,228.05	2,633.15	3,038.25	3,645.90
Warwickshire Police Authority	202.47	236.22	269.96	303.71	371.20	438.69	506.18	607.42
Parishes								
Ansley	22.85	26.66	30.47	34.28	41.90	49.52	57.13	68.56
Arley	34.06	39.74	45.41	51.09	62.44	73.80	85.15	102.18
Astley	18.45	21.53	24.60	27.68	33.83	39.98	46.13	55.36
Atherstone	52.75	61.55	70.34	79.13	96.71	114.30	131.88	158.26
Austrey	25.26	29.47	33.68	37.89	46.31	54.73	63.15	75.78
Baddesley Ensor	83.97	97.96	111.96	125.95	153.94	181.93	209.92	251.90
Baxterley	77.48	90.39	103.31	116.22	142.05	167.87	193.70	232.44
Bentley/ Merevale	10.59	12.35	14.12	15.88	19.41	22.94	26.47	31.76
Caldecote	-	-	-	-	-	-	-	-
Coleshill	78.23	91.26	104.30	117.34	143.42	169.49	195.57	234.68
Corley	35.95	41.95	47.94	53.93	65.91	77.90	89.88	107.86
Curdworth	53.67	62.61	71.56	80.50	98.39	116.28	134.17	161.00
Dordon	24.45	28.52	32.60	36.67	44.82	52.97	61.12	73.34
Fillongley	64.49	75.24	85.99	96.74	118.24	139.74	161.23	193.48
Great Packington	-	-	-	-	-	-	-	-
Grendon	18.08	21.09	24.11	27.12	33.15	39.17	45.20	54.24
Hartshill	66.18	77.21	88.24	99.27	121.33	143.39	165.45	198.54
Kingsbury	11.59	13.53	15.46	17.39	21.25	25.12	28.98	34.78
Lea Marston	57.03	66.53	76.04	85.54	104.55	123.56	142.57	171.08
Little Packington	-	-	-	-	-	-	-	-
Mancetter	36.07	42.08	48.09	54.10	66.12	78.14	90.17	108.20
Maxstoke	40.39	47.12	53.85	60.58	74.04	87.50	100.97	121.16
Middleton	26.97	31.46	35.96	40.45	49.44	58.43	67.42	80.90
Nether Whitacre	26.54	30.96	35.39	39.81	48.66	57.50	66.35	79.62
Newton Regis/ Seckington	39.02	45.52	52.03	58.53	71.54	84.54	97.55	117.06
Over Whitacre	22.32	26.04	29.76	33.48	40.92	48.36	55.80	66.96
Polesworth	26.71	31.17	35.62	40.07	48.97	57.88	66.78	80.14
Shustoke	58.98	68.81	78.64	88.47	108.13	127.79	147.45	176.94
Shuttington	40.51	47.27	54.02	60.77	74.27	87.78	101.28	121.54
Water Orton	47.69	55.63	63.58	71.53	87.43	103.32	119.22	143.06
Wishaw	31.40	36.63	41.87	47.10	57.57	68.03	78.50	94.20

SUMMARY OF REVENUE REQUIREMENTS

Outturn Budget						
2024/2025 Gross Expenditure	2024/2025 Gross Income	2024/2025 Net Expenditure		2025/2026 Gross Expenditure	2025/2026 Gross Income	2025/2026 Net Expenditure
£	£	£		£	£	£
11,396,460	3,733,210	7,663,250	Community and Environment	12,164,220.00	3,712,860.00	8,451,360.00
1,364,990	899,480	465,510	Planning and Development	1,551,410.00	829,300.00	722,110.00
155,030	98,660	56,370	Licensing	166,660.00	100,310.00	66,350.00
27,526,180	23,555,190	3,970,990	Resources	28,497,030.00	24,440,230.00	4,056,800.00
568,820	-	568,820	Executive	605,330.00	-	605,330.00
14,576,200	14,576,200	-	Council Housing	14,998,860.00	14,998,860.00	-
176,000	-	176,000	Contingencies	231,250.00	-	231,250.00
-	-	-	Capital Reserve	5,000,000.00	-	5,000,000.00
1,000,000	-	1,000,000	Invest to Save	-	-	-
-	2,085,000	(2,085,000)	Interest on balances		1,660,490.00	(1,660,490.00)
-	729,720	(729,720)	Financing adjustment		740,480.00	(740,480.00)
56,763,680	45,677,460	11,086,220		63,214,760.00	46,482,530.00	16,732,230.00
4,754,840	-	4,754,840	Use of balances	1,385,470.00	-	1,385,470.00
61,518,520	45,677,460	15,841,060		64,600,230.00	46,482,530.00	18,117,700.00
1,264,313.27	-	1,264,313.27	Special items - Parish precepts	1,366,598.50	-	1,366,598.50
62,782,833.27	45,677,460	17,105,373.27		65,966,828.50	46,482,530.00	19,484,298.50
		(9,174,000)	Business Rates			(11,484,000.00)
		(411,000)	S31 Grant - Business Rate Multiplier			(416,000.00)
		(192,000)	New Homes Bonus			(10,000.00)
		(13,000)	Services Grant			-
		-	Recovery Grant			(128,000.00)
		(824,000)	Funding Guarantee			(642,000.00)
		(86,000)	Revenue Support Grant			(117,000.00)
		13,480	(Surplus) / Deficit on Collection Fund			(2,070.00)
		6,418,853.27				6,685,228.50

STATEMENT FROM THE SECTION 151 OFFICER

The Local Government Act 2003 requires the Chief Financial Officer to report on the robustness of the revenue estimates made for the budget calculations and the adequacy of the proposed financial reserves.

The information used in the preparation of the budget put forward for Members' approval tonight within the revenue budget resolution has undergone extensive and detailed analysis by;

- The Council's Management Team
- Directors and Budget holders within their areas of responsibility
- The Boards of the Council
- The Interim Corporate Director Resources (Section 151 Officer) and staff within the Management Accountancy Section.

The revenue estimates have been prepared within the parameters agreed within the Medium Term Financial Strategy 2024 - 2029, approved by the Executive Board at its meeting in November 2024.

I am therefore confident that the revenue estimates that are put forward for approval in the Council papers today have been prepared upon realistic assumptions of Council service requirements and represent a robust budget for the medium term based on the best information currently available.

The 2025/26 figures presented do not include any reductions, as illustrated in the MTFS reductions and increased income is required during the period of the strategy but these have been factored in from 2026/27 as they need to be deliverable and sustainable before they are included within the budget figures. A robust approach will need to be taken to continue reducing expenditure to meet the shortfall in resources over the remainder of the Medium Term Financial Strategy, to enable the Council to continue to manage its financial position. Where possible, budget reductions should be found and included in the budget as early as possible, as this has a beneficial impact on the level of balances available.

As part of the overall process, a comprehensive risk assessment has been undertaken of the Council's financial position and it has been determined that the Council's minimum general reserve provision of £1.2 million is appropriate for the Council. The budgetary requirement set out for 2025/26 and the forecasts for the subsequent three years, will keep the level of reserves above this minimum level.

Therefore, I am of the view that the budget proposed for 2025/26 does provide for an adequate level of reserves, and this will be maintained over the Medium Term, provided the Council adheres to its approved Medium Term Financial Strategy in terms of Council Tax rises and delivers the required reductions in net expenditure and only progresses capital schemes provided the associated revenue costs are affordable.