

**RECORD OF EXECUTIVE DECISION
BY CABINET**

ITEM:	Draft Budget and Medium Term Financial Plan 2026/27
Cabinet Members Present:	Councillors Rob Wharton (Chairman), Alan Amos, Justin Bowen, Satinder Bell, Sue Eacock, Stephen Foster, Karl Perks and Nik Price.
Date of Decision:	5 February 2026
Purpose:	To consider the proposed Budget Report and medium-term financial plan, following consultation, with a view to recommending it to Council for approval on 26 February 2026.
DECISION:	<p>Cabinet:</p> <ol style="list-style-type: none"> 1. Recommends to Council on 26 February 2026 to approve the: <ol style="list-style-type: none"> a) Net Budget Requirement of £618.670 million, as set out in Appendix 1. b) Capital Programme of £644.816 million as set out in Appendix 2 which includes reductions and amendments passed at Council on 15 January 2026. c) Earmarked reserves schedule as set out in Appendix 3. d) Treasury Management Strategy set out at Appendix 4. e) Capital Strategy at Appendix 5. f) Pay Policy Statement at Appendix 6. g) An in-year increase to the borrowing Authorised Limit to include short-term borrowing to cashflow the High Needs deficit as detailed in paragraphs 42 – 45. 2. Cabinet: <ol style="list-style-type: none"> (a) Noted that under his powers as Section 151 Officer, the Chief Financial Officer has written to Government to request Exceptional Financial Support (EFS) in the form of a capitalisation direction and a request for Council Tax flexibility, which is increase in Council Tax by up to 5%

	<p>above the maximum limit to support the budget in 2026/27 (9.99%), a copy of the letter can be found at Appendix 13.</p> <p>(b) Noted that the confirmation as to whether the County Council will be given permission from Central Government for Council Tax flexibility which is to increase council tax above the maximum level of 4.99% and the Council's application for EFS referred to in recommendation a) has not been received at the date of the publication of this report.</p> <p>(c) Noted the advice of the Chief Financial Officer which is that Full Council on 26 February 2026 approves the maximum level of Council Tax which is allowable by Central Government to avoid the issue of a Section 114 Notice.</p> <p>(d) Agreed that an extraordinary Cabinet meeting be arranged once the Council had received the response from Central Government in relation to i) application for Exceptional Financial Support (EFS) in the form of a capitalisation direction and ii) council tax flexibility to increase council tax above the maximum limit to support the budget in 2026/27.</p> <p>(e) Agreed to give delegated authority to the Cabinet Member with Responsibility (CMR) for Finance and Corporate Services to recommend to Full Council, in consultation with the Chief Financial Officer (Section 151 Officer), any further adjustments to the revenue cash limits as a result of Central Government confirming the final Local Government Finance Settlement, Council Tax and Business Rates Income, and associated Specific Grants and income for 2026/27.</p> <p>(f) Authorised the Strategic Director for Adults and Community Services, the Director of Children's Services and the Director of Public Health, in consultation with the Chief Financial Officer and relevant Cabinet Members with Responsibilities, to approve the agreement for the use of resources between the Council and the Clinical</p>
--	--

	<p>Commissioning Groups under Section 75 of the NHS Act 2006 (the Section 75 Agreement) for 2025/26.</p> <p>(g) Noted the draft Medium-Term Financial Plan set out in Appendix 7.</p> <p>(h) Noted savings, efficiencies and income generation which are set out within Appendix 8 that were passed at Council on 15 January 2026.</p> <p>(i) Authorised the £0.5 million expenditure required for the first stage of the Business Case for Corporate Transformation, funded from the amount earmarked within the Transformation Reserve, detail of which can be found in Appendix 9.</p> <p>(j) Noted the recommendations from OSPB and the individual scrutiny committees set out in Appendix 12.</p>
Reason(s) for the Decision:	As set out in the report. Budget proposals to ensure the continued strategic planning and management of the Council's budgetary and financial arrangements and the delivery of the Council's Corporate Plan.
Alternative Options Considered:	None other than as set out in the report. The budget proposals have been the subject of a wide consultation process which informed the budget setting process.
Conflict of Interest (any declared by a consulted Cabinet Member/any dispensation granted)	None
Date the decision is due to take effect:	12 February 2026 with regard to 2 a) to j). Recommendations 1 a) to g) are recommendations being made to Council which will take the final decision on them.

HAZEL BEST, ASSISTANT DIRECTOR, LEGAL AND GOVERNANCE