

# Brighton & Hove City Council

## Council

## Agenda Item 79

**Subject:** General Fund Revenue Budget, Capital & Treasury Management Strategy 2025-26

**Date of meeting:** 27 February 2025

**Report of:** Director of Governance and Law

**Contact Officer:** Name: Anthony Soyinka  
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**Ward(s) affected:** All

**For general release**

### 1. Action Required of Council:

1.1 To receive the report from the Cabinet meeting held on 13 February 2025 and the recommendations for approval:

#### Recommendations:

- 1) That Council approves the Administration's proposed General Fund revenue and capital budget and Council Tax increase on the Brighton and Hove element of the council tax for 2025/26, comprising:
  - i) A general Council Tax increase of 2.99%;
  - ii) An Adult Social Care Precept increase of 2.00%;
  - iii) The council's net General Fund budget requirement for 2025/26 of £264.819m;
  - iv) The 2025/26 budget allocations to services as set out in Appendix 1 incorporating budget savings proposals detailed at Appendix 2,
  - v) The changes to Fees & Charges set out in Appendix 3;
  - vi) The one-off resource allocations as set out in the table at paragraph 6.5.
  - vii) A recommended working balance of £9.000m (approximately 3.4% of the net budget) to be maintained or replenished over the period of the Medium Term Financial Strategy.
- 2) That Council notes plans to address future projected budget shortfalls set out in the 4-Year Medium Term Financial Strategy at Appendix 4.
- 3) That Council approves the Capital Strategy for 2025/26 at Appendix 5 comprising:
  - i) Funding for investment in transformation and change, supported by the flexible use of capital receipts as set out in paragraph 10.12;
  - ii) The capital resources and proposed borrowing included at Annex A of the Capital Strategy;

- iii) The Capital Investment Programme for 2025/26 of £246.946m included at Appendix 5 incorporating allocations to strategic funds.
- 4) That Council approves the Treasury Management Strategy Statement as set out in Appendix 6 comprising:
  - i) The Annual Investment Strategy;
  - ii) The Prudential and Treasury Indicators;
  - iii) The Minimum Revenue Provision policy;
  - iv) The authorised borrowing limit for the year commencing 1 April 2025.
- 5) That Council notes and considers the Equalities Impact Assessments to cover all relevant budget proposals as set out in Appendix 7.
- 6) That Council further notes that approval of the budget is an indicative resourcing decision to be taken in the context of the explanation given in the Legal Implications in Section 19.
- 7) That Council notes that supplementary information needed to set the overall council tax, including a detailed Budget Book, will be provided for the Budget Council meeting as listed in paragraph 12.1.

# BRIGHTON & HOVE CITY COUNCIL

## CABINET

2.00pm 13 FEBRUARY 2025

COUNCIL CHAMBER, HOVE TOWN HALL

## MINUTES

**Present:** Councillor Sankey (Chair) Taylor (Deputy Chair), Allen, Daniel, Miller, Muten, Pumm, Robins, Rowkins, Williams, Alexander and Robinson

### PART ONE

#### **157 GENERAL FUND REVENUE BUDGET, CAPITAL & TREASURY MANAGEMENT STRATEGY 2025-26**

157.1 Cabinet considered a report that sought approval to recommend the proposed General Fund Revenue and Capital Budget 2025/26 together with a Medium-Term Financial Strategy (MTFS) covering the 4-year period 2025/26 to 2028/29 to Full Council for approval.

157.2 Councillor Allen moved the following motion to amend the recommendations as shown in bold italics below:

**2.9 Following the announcement of the Public Health Grant on 7 February 2025 and the higher than anticipated grant announcement, Full Council approve use of these additional resources to:**

- **Reduce the proposed reduction of contribution to the Healthy Child programme from £100,000 to £50,000 shown on Page 340;**
- **Remove the £4,000 proposed saving on YMCA Mental Health Champions (part of proposed savings of £44,000 on Page 340);**
- **Remove the proposed saving of £35,000 for cessation of the Audio Active CYP service (part of proposed savings of £44,000 on Page 340);**
- **Remove the proposed £20,000 saving on Mental Health Support Services on Page 341;**
- **Remove the proposed saving of £45,000 on the Ageing Well service delivered by Impact initiatives on Page 342;**
- **Reinstate the proposed reduction in contribution of £18,000 to the Academic Library Service (part of proposed savings of £73,000 on Page 342);**

- **Remove the proposed reduction of £10,000 to the TDC Act on Cancer Project screening promotion service (part of proposed savings of £73,000 on Page 342);**
- **Remove the proposal to reduce the contribution to Oral Health promotion by £9,000 (10%) as shown on Page 342, and;**
- **Reduce the proposed staffing saving of £565,000 by £39,000 to £526,000 as shown on Pages 342/343.**

157.3 Councillor Taylor formally seconded the motion.

157.4 Cabinet considered and approved the following officer amendment as shown in bold italics below:

2.1 That Council approves the Administration’s proposed General Fund revenue and capital budget and Council Tax increase on the Brighton and Hove element of the council tax for 2025/26, comprising:

iv) The 2025/26 budget allocations to services as set out in Appendix 1 incorporating budget savings proposals detailed at Appendix 2; **subject to the amendment below:**

<p>Care pathway for sexual dysfunction (female)</p>	<p><del>Proposed withdrawal of the council’s contribution to this service. Delivery Risk: The service is an NHS responsibility and will therefore continue to be provided. The risk is low and is not expected to impact significantly.</del></p> <p><b>Proposed withdrawal of funding for this service as this is not a Public Health responsibility. The most significant impact will be experienced by women who are unable to identify or afford a paid-for therapy service.</b></p>
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157.5 Councillors Miller, Daniel, Williams, Robins, Pumm, Muten, Rowkins, Allen and Sankey contributed to the debate of the report.

157.6 The Chair then put the motion to the vote that was carried.

157.7 The Chair then put the recommendations as amended to the vote that were approved.

157.8 **Resolved to recommend-**

That Cabinet recommends to Council the following:

- 1) That Council approves the Administration’s proposed General Fund revenue and capital budget and Council Tax increase on the Brighton and Hove element of the council tax for 2025/26, comprising:
  - i) A general Council Tax increase of 2.99%;
  - ii) An Adult Social Care Precept increase of 2.00%;
  - iii) The council’s net General Fund budget requirement for 2025/26 of £264.819m;
  - iv) The 2025/26 budget allocations to services as set out in Appendix 1 incorporating budget savings proposals detailed at Appendix 2, subject to the amendment below:

Care pathway for sexual dysfunction (female)	Proposed withdrawal of funding for this service as this is not a Public Health responsibility. The most significant impact will be experienced by women who are unable to identify or afford a paid-for therapy service.
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- v) The changes to Fees & Charges set out in Appendix 3;
  - vi) The one-off resource allocations as set out in the table at paragraph 6.5.
  - vii) A recommended working balance of £9.000m (approximately 3.4% of the net budget) to be maintained or replenished over the period of the Medium Term Financial Strategy.
- 2) That Council notes plans to address future projected budget shortfalls set out in the 4-Year Medium Term Financial Strategy at Appendix 4.
- 3) That Council approves the Capital Strategy for 2025/26 at Appendix 5 comprising:
  - iv) Funding for investment in transformation and change, supported by the flexible use of capital receipts as set out in paragraph 10.12;
  - v) The capital resources and proposed borrowing included at Annex A of the Capital Strategy;
  - vi) The Capital Investment Programme for 2025/26 of £246.946m included at Appendix 5 incorporating allocations to strategic funds.
- 4) That Council approves the Treasury Management Strategy Statement as set out in Appendix 6 comprising:
  - v) The Annual Investment Strategy;
  - vi) The Prudential and Treasury Indicators;
  - vii) The Minimum Revenue Provision policy;
  - viii) The authorised borrowing limit for the year commencing 1 April 2025.
- 5) That Council notes and considers the Equalities Impact Assessments to cover all relevant budget proposals as set out in Appendix 7.
- 6) That Council further notes that approval of the budget is an indicative resourcing decision to be taken in the context of the explanation given in the Legal Implications in Section 19.

- 7) That Council notes that supplementary information needed to set the overall council tax, including a detailed Budget Book, will be provided for the Budget Council meeting as listed in paragraph 12.1.
- 8) That Cabinet agrees that the council's S151 Chief Financial Officer be authorised to make any necessary technical, presentational or consequential amendments to this report before submission to Budget Council.
- 9) Following the announcement of the Public Health Grant on 7 February 2025 and the higher than anticipated grant announcement, Full Council approve use of these additional resources to:
  - Reduce the proposed reduction of contribution to the Healthy Child programme from £100,000 to £50,000 shown on Page 340;
  - Remove the £4,000 proposed saving on YMCA Mental Health Champions (part of proposed savings of £44,000 on Page 340);
  - Remove the proposed saving of £35,000 for cessation of the Audio Active CYP service (part of proposed savings of £44,000 on Page 340);
  - Remove the proposed £20,000 saving on Mental Health Support Services on Page 341;
  - Remove the proposed saving of £45,000 on the Ageing Well service delivered by Impact initiatives on Page 342;
  - Remove the proposed reduction in contribution of £18,000 to the Academic Library Service (part of proposed savings of £73,000 on Page 342);
  - Remove the proposed reduction of £10,000 to the TDC Act on Cancer Project screening promotion service (part of proposed savings of £73,000 on Page 342);
  - Remove the proposal to reduce the contribution to Oral Health promotion by £9,000 (10%) as shown on Page 342, and;
  - Reduce the proposed staffing saving of £565,000 by £39,000 to £526,000 as shown on Pages 342/343.