

Brighton & Hove City Council

Council

Agenda Item 91

Subject: General Fund Revenue Budget, Capital & Treasury Management Strategy 2026-27- Extract from Cabinet

Date of meeting: 26 February 2026

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) 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 2026/27, 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 2026/27 of £341.476m;
 - iv) The 2026/27 budget allocations to services as set out in Appendix 1 incorporating budget savings proposals detailed at Appendix 2;
 - v) The one-off resource allocations as set out in the table at paragraph 6.8.
 - vi) A recommended working balance of between £12.000m to £15.000m (approximately 4% of the net budget) to be maintained over the period of the Medium Term Financial Strategy.
- 2) That Council approves the changes to Fees & Charges set out in Appendix 3 that relate to any non-executive functions which have not already been approved.
- 3) That Council notes that Exceptional Financial Support of £15.000m has been requested from the Ministry of Housing, Communities and Local Government to assist with the setting of a legally balanced budget in 2026/27;
- 4) That Council notes the plans to address future projected budget shortfalls set out in the 4-Year Medium Term Financial Strategy at Appendix 4.
- 5) That Council approves the Capital Strategy for 2026/27 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 11.2;
 - ii) The capital resources and proposed borrowing included at Annex A of the Capital Strategy;
 - iii) The Capital Investment Programme for 2026/27 of £239.816m included at Appendix 5 incorporating allocations to strategic funds.
- 6) 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 2026.
- 7) That Council notes and considers the Equalities Impact Assessments to cover all relevant budget proposals as set out in Appendix 7.
- 8) That Council approves serviced accommodation to be an exception to the council tax premium determination for second homes as described in Section 16 and Appendix 8.
- 9) 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 20.
- 10) 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 14.1.

BRIGHTON & HOVE CITY COUNCIL

CABINET

2.00pm 12 FEBRUARY 2026

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

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

PART ONE

125 GENERAL FUND REVENUE BUDGET, CAPITAL & TREASURY MANAGEMENT STRATEGY 2026-27

125.1 Cabinet considered a report that sought approval for the proposed General Fund Revenue and Capital Budget 2026/27 together with a Medium-Term Financial Strategy (MTFS) covering the 4-year period 2026/27 to 2029/30.

125.2 Cabinet approved an Officer Amendment relating to a typographical error in the published report as set out in Addendum Two.

125.3 Councillor Taylor, Williams, Daniel, Rowkins, Alexander, Muten and Robins contributed to the debate of the report.

125.4 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 2026/27, 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 2026/27 of £341.476m;
 - iv) The 2026/27 budget allocations to services as set out in Appendix 1 incorporating budget savings proposals detailed at Appendix 2;
 - v) The one-off resource allocations as set out in the table at paragraph 6.8;
 - vi) A recommended working balance of between £12.000m to £15.000m (approximately 4% of the net budget) to be maintained over the period of the Medium Term Financial Strategy.
- 2) That Council approves the changes to Fees & Charges set out in Appendix 3 that relate to any non-executive functions which have not already been approved.

- 3) That Council notes that Exceptional Financial Support of £15.000m has been requested from the Ministry of Housing, Communities and Local Government to assist with the setting of a legally balanced budget in 2026/27;
- 4) That Council notes the plans to address future projected budget shortfalls set out in the 4-Year Medium Term Financial Strategy at Appendix 4.
- 5) That Council approves the Capital Strategy for 2026/27 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 11.2;
 - v) The capital resources and proposed borrowing included at Annex A of the Capital Strategy;
 - vi) The Capital Investment Programme for 2026/27 of £239.816m included at Appendix 5 incorporating allocations to strategic funds.
- 6) 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 2026.
- 7) That Council notes and considers the Equalities Impact Assessments to cover all relevant budget proposals as set out in Appendix 7.
- 8) That Council approves serviced accommodation to be an exception to the council tax premium determination for second homes as described in Section 16 and Appendix 8.
- 9) 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 20.
- 10) 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 14.1.

125.5 Resolved-

That Cabinet agrees:

- 1) The changes to Fees & Charges set out in Appendix 3 that relate to executive functions
- 2) 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.

The meeting concluded at 5.00pm