

Title of Report	BUDGET TIMETABLE 2026/27	
Presented by	Councillor K Merrie MBE Finance and Corporate Portfolio Holder <div style="text-align: right;">PH Briefed <input type="checkbox" value="Y"/></div>	
Background Papers	None	Public Report: Yes
		Key Decision: No
Financial Implications	There are no financial implications arising from this report. It is good practice for a local authority to set out its budget timetable, ensuring transparency and effective planning throughout the financial year.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	There is a significant amount of legislation around local authority financial planning, namely The Local Government Act 2000, The Local Government Act 2003 and the Local Government Finance Act 1988. The Council's Budget Framework outlines the procedure for determining the Council's budget. Consultation is a central aspect of the budget-setting process within this framework. The Council will commence its consultation process later in the year, providing an opportunity for all interested parties to participate and share their perspectives on budget priorities.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	There are no staffing implications arising from this report.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To provide Members with high-level details of the Council's budget setting process for 2026/27.	
Reason for Decision	Publishing a timetable for setting the budget makes the Council's financial planning clear and open. It helps Members, staff, and the public see important dates and understand when things will happen. This means everyone has enough time to look at the plans and give their views. By showing when decisions will be taken and when people can get involved, the timetable makes sure the process is straightforward, fair, and easy for everyone to follow.	

Recommendations	THAT CABINET: APPROVES THE BUDGET TIMETABLE AS SET OUT IN APPENDIX ONE.
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1.0 BACKGROUND

- 1.1 This report is to provide Members with an update on the proposed timetable for the Council's 2026/27 budget preparation and procedures, as well as the associated consultation arrangements and pre-budget engagement activities.
- 1.2 This update is intended to ensure that Members are fully informed about the key stages and deadlines in the budget-setting process. By outlining these details, the Council aims to promote openness and transparency, allowing Members, staff, and the public to see when important decisions will be made and how they can share their views.
- 1.3 Early engagement and a clear timetable enable thorough scrutiny, encourage meaningful input from stakeholders, and support effective financial planning. Ultimately, this approach helps ensure that the budget is developed in a way that is inclusive, well-understood, and responsive to the needs and priorities of the community.
- 1.4 The proposed budget timetable and budget consultation process for 2026/27 is set out in Appendix One. This will culminate in the overall budget report being recommend to Council for approval in February 2026.
- 1.5 There are several activities that are undertaken in preparing the budget. This report is not intended to provide details of each activity, merely to provide an overview of some of the key activities which are set out in the paragraphs below.

2.0 BUDGET PREPARATION

- 2.1 Work is already underway across Council departments to address the financial challenges anticipated for the next financial year and in the years beyond. Each service area has been tasked with reviewing its budgets, with a focus on identifying potential savings and efficiencies. Departments are expected not only to suggest areas where expenditure can be reduced, but also to highlight opportunities for generating additional income in support of closing the projected funding gap.
- 2.2 Alongside these departmental efforts, the Council continues to progress its Transformation Programme. Progress on this programme is reported to Cabinet quarterly as part of the update on performance against the Council Delivery Plan targets. This ongoing initiative is designed to seek out and realise new ways of working that improve service delivery, reduce costs, and drive greater efficiency throughout the Council.
- 2.3 Collectively, these strands of work aim to deliver the financial sustainability required for the Council to continue providing high-quality services, while responding proactively to evolving budgetary pressures. Regular updates will be provided as part of the wider budget preparation and consultation process, ensuring Members remain informed of emerging proposals and are engaged throughout this critical planning period.

3.0 FINAL BUDGET PROPOSALS AND APPROVALS

- 3.1 The Council will be in a position to finalise its budget proposals and gain a clearer understanding of the funding available once the provisional Local Government Finance Settlement is announced. This is expected to be at the end of November/early December 2025. The Government has committed to providing local authorities with a multi-year settlement to support medium term financial planning.
- 3.2 Nevertheless, the Council must also address significant financial challenges arising from the proposals contained in the Government's Fair Funding Review 2.0. These challenges, which have implications for future service delivery and long-term financial sustainability, will require careful consideration and strategic response. Further details regarding the Fair Funding Review 2.0 and its anticipated impact were reported to Cabinet in October 2025.
- 3.3 Following this, the Council's final budget proposals will be brought before Cabinet for consideration in early February 2026. Based on Cabinet's deliberation and input, recommendations will then be made to the full Council, which will formally consider and determine the budget later in February 2026. This sequential process ensures that decisions are taken with the benefit of both detailed financial analysis and the consultation outcomes, helping to secure a balanced and robust budget for the coming year.

4.0 MEDIUM TERM FINANCIAL PLAN

- 4.1 The Medium Term Financial Plan (MTFP) is central to the Council's strategic planning, serving as the mechanism through which corporate objectives, service priorities, and financial sustainability are aligned. Rather than treating budgeting as an isolated exercise, the MTFP ensures that resource allocation and financial management are considered within a multi-year context. This enables the Council to plan for the future with a clear view of anticipated funding, service demands, and the evolving policy landscape. The MTFP thus promotes robust integration between corporate vision, service delivery, and financial stewardship.
- 4.2 A comprehensive MTFP, to be presented to Cabinet later this year, will detail the significant financial challenges the Council faces over the medium term. It will outline the mitigations put in place to address these pressures, including efficiency measures, service redesign, income generation strategies, and prudent reserve management.
- 4.3 Furthermore, in response to recommendations from the LGA Peer Challenge, the MTFP incorporates sensitivity analysis to assess the potential impact of various scenarios, such as changes in government funding or demand for services. The principal advantage of having an MTFP is that it provides clarity and stability, allowing the Council to anticipate challenges and respond proactively, maintain transparency and accountability, and allocate resources effectively in support of long-term priorities and the delivery of essential services.
- 4.4 The MTFP will be updated regularly during the budget cycle.

5.0 SUMMARY

- 5.1 A well-defined budget timetable is essential for robust financial planning and governance. By publishing the Local Government Finance Settlement earlier and adopting a multi-year approach, the Government is enabling local authorities to plan with greater certainty and efficiency. Integrating the budget process within a Medium Term Financial Plan further strengthens fiscal discipline by aligning financial management with corporate priorities over several years. The use of sensitivity analysis and peer recommendations enhances resilience, ensuring the Council can anticipate and address emerging risks while supporting the delivery of essential services.

Policies and other considerations, as appropriate	
Council Priorities:	- A well-run Council
Policy Considerations:	The timetable for the budget setting process is set out in the Council Budget Policy Framework. This framework provides a clear structure for each stage of budget preparation, approval, and monitoring, ensuring that all statutory requirements and best practice principles are adhered to.
Safeguarding:	None
Equalities/Diversity:	Equality and diversity considerations will be integral to the development and assessment of any budget proposals. The Council is committed to ensuring that financial decisions do not disproportionately impact any protected groups, and that services remain accessible and fair for all residents. As part of the budget-setting process, equality impact assessments will be undertaken to identify and mitigate any potential adverse effects, ensuring compliance with statutory obligations and promoting inclusive service delivery.
Customer Impact:	<p>Consultation forms a key part of the Council's budget-setting process, ensuring that residents have the opportunity to provide their views on budget proposals before final decisions are made.</p> <p>By engaging with the community through consultation, the Council can better understand local priorities and concerns, thereby shaping a budget that reflects the needs and aspirations of all residents.</p>
Economic and Social Impact:	None
Environment, Climate Change and Zero Carbon:	None

Consultation/Community/Tenant Engagement:	Consultation is central to the Council's budget-setting process, giving residents and key stakeholders—such as local businesses, voluntary groups, partner agencies, and service users—the chance to share their views. This engagement ensures budget decisions reflect local needs and priorities and supports transparency and accountability.
Risks:	<p>Without a structured timetable, financial planning becomes reactive rather than strategic, increasing the likelihood of missed statutory deadlines and undermining the Council's ability to align resources with corporate objectives. This can lead to hasty decision-making, reduced scrutiny, and weakened fiscal discipline, ultimately jeopardising the delivery of essential services.</p> <p>Moreover, neglecting consultation processes means stakeholder views, including those of residents and service users, may not be adequately considered. This can result in proposals that fail to reflect community needs, potentially causing public dissatisfaction and eroding trust in the Council's governance.</p> <p>In addition, the absence of proper consultation could lead to legal challenges or non-compliance with statutory requirements, further compromising the Council's reputation and operational effectiveness.</p>
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