

AGENDA MANAGEMENT SHEET

Report Title:	Council Tax Base 2026/27, Draft General Fund Revenue and Capital Budget 2026/27 and Medium-Term Financial Plan 2026-2030
Name of Committee:	Cabinet
Date of Meeting:	6 January 2026
Report Director:	Chief Officer - Finance and Performance
Portfolio:	Finance and Performance, Legal and Governance
Ward Relevance:	All
Prior Consultation:	Medium Term Financial Strategy Group, Group Leaders
Contact Officer:	Jon Illingworth, Chief Officer Finance & Performance jon.illingworth@rugby.gov.uk
Public or Private:	Public
Report Subject to Call-In:	Yes
Report En-Bloc:	No
Forward Plan:	Yes
Corporate Priorities:	<p>This report relates to the following priority(ies):</p> <ul style="list-style-type: none"><input type="checkbox"/> A Healthier Rugby – To support people to live healthier, longer, and more independent lives.<input type="checkbox"/> A Thriving Rugby – To deliver a thriving economy which brings Borough-wide investment and regenerates Rugby Town Centre.<input type="checkbox"/> A Greener Rugby – To protect the environment and ensure the Borough adapts to climate change.<input type="checkbox"/> A Fairer Rugby – To reduce inequalities and improve housing across the Borough. <p>Corporate Strategy 2025-2035</p> <p><input checked="" type="checkbox"/> This report does not specifically relate to any Council priorities but</p>
Summary:	<p>Under the Local Government Act, an authority must set a Council Tax and balanced budget, giving 14 days' notice of the Council Tax level prior to the date of billing. The Council must set a budget before 10 March of each year.</p>

Financial Implications:	None as a direct result of this report
Risk Management/Health and Safety Implications:	None as a direct result of this report, however items in the approved budget may need to be included in organisational risk registers.
Environmental Implications:	None as a direct result of this report and therefore no climate change and environment impact assessment are required, however one may be required for the final council tax setting report.
Legal Implications:	None as a direct result of this report.
Equality and Diversity:	None as a direct result of this report and therefore no Equality Impact Assessment is required.
Options:	None as a result of this report, the tax base is based on an assessment of the number of properties in the borough that are subject to Council Tax.
Recommendation:	<ol style="list-style-type: none"> 1. The draft General Fund Revenue position for 2026/27 alongside the Council's 2025-2030 Medium Term Financial Plan be considered; 2. The Council Tax Base 2026/27 as detailed in Appendix 3 be approved;
Reasons for Recommendation:	<p>This report outlines the General Fund revenue position needs to be considered by Cabinet as part of the budget setting process and to ensure its affordability and contribution to the Council's Corporate Strategy. The tax base information is required for billing purposed for the 2026/27 financial year.</p> <p>The report includes assumptions for growth and savings which require consideration for inclusion in the 2025/26 budgets and the Medium-Term Financial Plan.</p>

Cabinet - 6 January 2026

Council Tax Base 2026/27, Draft General Fund Revenue and Capital Budget 2026/27 and Medium Term Financial Plan 2026-2030

Public Report of the Chief Officer - Finance and Performance

Recommendation

1. The draft General Fund Revenue position for 2026/27 alongside the Council's 2026-2030 Medium Term Financial Plan be considered;
2. The Council Tax Base 2026/27 as detailed in Appendix 3 be approved;

EXECUTIVE SUMMARY

This is the Draft General Fund Revenue and Capital Budget for 2026/27, the Council Tax Base for 2026/27, and the updated Medium-Term Financial Plan (MTFP) 2026–2031 for Cabinet consideration.

It provides an overview of the Council's financial position ahead of the Final Budget to be presented to Cabinet on 3 February 2026 and Council on 18 February 2026.

The financial outlook for 2026/27 has been shaped by the Policy Statement (21 November), the Autumn Budget (26 November), and details released through the Provisional Local Government Finance Settlement (PLGFS) on 17 December 2025. Officers are continuing to review the settlement in detail and will present any material changes in the February update.

For 2026/27, the draft budget incorporates:

- £3.406m of service growth, underpinned by clear delivery plans supporting the Corporate Strategy 2025–2035.
- £0.312m of savings, with further proposals expected as part of the next update, enabling early planning for 2027/28 and beyond.
- Contractual inflation of £0.406m and staffing-related assumptions including a 3% pay award in 2026/27, with incremental reductions thereafter.
- A proposed £1.133m additional direct revenue financing contribution to strengthen the Council's approach to capital funding and reduce future Minimum Revenue Provision requirements.

The MTFP has been recalibrated in preparation for Local Government Reorganisation (LGR) scheduled for April 2028. As a result, the financial horizon is reduced to a three-year planning period, with an indicative fourth year included solely for context. The settlement's application of a transitional protection grant mitigates the immediate impact of reductions in Core Spending Power but highlights a significant funding risk from 2029/30 onwards.

The Council Tax Base for 2026/27 is calculated at 41,946.34 Band D equivalent properties, representing a 0.84% increase from the previous year's estimate. This figure will be used for setting the Council Tax requirement and will be notified to Warwickshire County Council, Warwickshire Police, and Parish Councils in accordance with statutory deadlines.

Alongside revenue considerations, the report outlines the Council's ongoing capital planning requirements, procurement priorities, and the framework for assessing reserves and financial resilience in advance of final decisions in February. Performance monitoring arrangements for 2026/27 continue to integrate financial and operational reporting to support strong governance and early risk identification. Overall, the draft budget reflects a strengthened financial position for 2026/27 due to a more favourable settlement than previously anticipated. This creates space to prioritise investment, manage inflationary pressures, and prepare for medium-term risks while maintaining statutory financial sustainability.

1. PURPOSE

- 1.1. The purpose of this report is to provide a Draft Budget giving details of growth and savings proposals in preparation for the Final Budget and Medium-Term Financial Plan (MTFP) to be approved by Cabinet on 3 February and Council 18 February 2026.
- 1.2. Following the announcement of the Policy Statement on 21 November and Autumn Budget on 26 November, the details of the impact on Rugby Borough Council through the Provisional Local Government Finance Settlement (PLGFS) were released on the 17 December. Therefore, officers will continue to analyse the details and will provide any relevant updates as part of the February update report.
- 1.3. The report includes all decisions made by Council up to the meeting of Council on the 10 December.
- 1.4. This report includes the following appendices:
 - **Appendix 1** – Summary of 20 November policy statement elements impacting on Rugby Borough Council
 - **Appendix 2** – Medium-Term Financial Plan 2026-2030
 - **Appendix 3** – Council Tax Base detail for each Parish area
 - **Appendix 4** – Proposed savings for 2026/27
 - **Appendix 5** – Proposed growth for 2026/27

2. Background

- 2.1. The current Medium-Term Financial Plan (MTFP) covers the period 2025-2035, this has been used as the starting point for the updated MTFP, attached as Appendix 1. The Medium-Term Financial Strategy (MTFS) is a rolling 3-year document and an updated version will be presented to Cabinet on 3 February.
- 2.2. Although the later years become less robust, it did support the organisation when aligning resources against the new Corporate Plan. The full plan will be presented as part of the final report to Cabinet in February. However, with Local Government Reorganisation likely to take place from 1 April 2028, the MTFP will revert back to a three-year summary, there will be no changes to the MTFS and it will remain a rolling three-year document.
- 2.3. The three-year budget that will be presented to Cabinet on 3 February will align with the Rugby Borough Council Corporate Strategy and will not include anything associated with Local Government Reorganisation unless specifically required as part of the next three years.
- 2.4. The Medium-Term Financial Strategy Group (formally budget working group) runs the whole of the year and the process for the budget setting process began in March 2025. In addition to looking at options for savings for the 2026/27 financial year and beyond, analysis has taken place on the delivery of the current years savings as well as the budget monitoring process. The group invited Cabinet and Group Leaders for a joint meeting during November after the announcement of the Autumn Statement to discuss the impact of the announcement and the progress made to date.
- 2.5. A Structural Changes Order will be issued during October 2026 in advance of local government reorganisation. This will set out the legal framework for transitioning to a new governance structure. It typically defines the dissolution of existing councils, the creation of new authorities, and the transfer of assets, liabilities, and staff. For Rugby Borough Council, this would mean aligning financial plans, service delivery, and governance arrangements to ensure continuity during the transition. The Order also introduces financial controls, including a £0.100m limit on new revenue commitments and a £1.000m cap on capital expenditure, to prevent significant financial decisions that could constrain the new authority. While these measures provide stability, they also require careful planning to maintain essential services and manage projects within these thresholds.
- 2.6. To support the process, a resident consultation survey took place in November. The results will be incorporated into the report presented to Cabinet on 3 February.

3. 2025/26 policy statement/ Local Government Provisional Settlement

3.1. On 21 November the Secretary of State gave an update on local government funding to Parliament in advance of the provisional local government finance settlement 2025-26. Full details of the announcement can be found [policy statement 2026-2029](#). A summary of the key items in the statement relating to Rugby Borough Council can be found in appendix 1

3.2. The Local Government Provisional Finance Settlement was released on 17 December. At the time of publication officers are still reviewing the full impact of the announcement. The key messages, in summary, are:

- “Core” Band D council tax (2.99% maximum increase, or £5 for shire districts)- ***This has already been built into the MTFP so there is no additional benefit if Members approve the maximum increase.***
- A three year settlement of funding spanning 2026/27 – 2028/29, the first time in ten years that this has happened
- Reset of the business rates system, including a updating of the baseline funding levels
- Funding floor protection. In the governments view authorities with existing funding furthest above the new allocations need to accept some losses so that funding can redirected to areas of need
RBC has a reduction of 3.9% in 2026/27
- Three year transitional funding for Local Authorities with funding floor protection
- Consolidation or “rolling up” of grants into RSG rather than being paid as separate funding streams

3.3. As expected due to the assessment of relative need compared to previous funding a funding floor has been applied to the core spending power for 2026/27. (Core spending power is the aggregate of Council Tax, business rates and government grants)

	2024/25 (£m)	2025/26 (£m)	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)
Core spending power (CSP)	24.2	26.6	25.5	25.6	25.6
Year on year change		2.3	(1.0)	0.0	0.00
Year on year change		9.6%	(3.9%)	0.2%	0.1%
Transitional protection grant (incl in CSP)			1.2	4.0	6.9

3.4. Although there is no increase in core spending for the three years of the settlement period, Rugby is protected from a cliff edge drop in funding through

a transitional protection grant. As identified in the table above this equates to £6.9m in 2028/29 with the likelihood is that this would revert to 0 from 2029/30.

4. Medium Term Financial Plan 2026-2030

4.1. With Local Government Reorganisation set to take place from April 2028, the MTFP for Rugby Borough Council will be reduced from ten to four years. The extra year post reorganisation is there to provide an indication of what could happen if the timelines change.

4.2. Appendix 2 shows the MTFP for the next three financial years, below is a summary of the position

<i>Year</i>	<i>Saving target £m</i>	<i>Saving % of net budget</i>	<i>Cumulative saving £m</i>
2026/27	0.000	0	0
2027/28	1.614	6	1.614
2028/29	1.037	4	2.651
2029/30	6.940	25	9.590

4.3. With clarification on future funding, the modelling incorporates the details within the provisional settlement. This is a positive step forward as strategic management decisions can take place beyond the usual one-year settlement period.

4.4. The savings targets in future years include using all future retained business rates in the general fund (as opposed to contributing to a reserve) in order to reduce the savings target. Any future contributions to the Business rates equalisation reserve will therefore increase the savings required to balance the budget.

4.5. With a such a cliff edge drop in grant in year four of the MTFP it would be advisable that the organisation uses the period preceding 2029/30 to deliver savings in addition to the in-year balances to prevent a significant impact on services between year three and four of the MTFP. Although likely that LGR will have taken place at this point, the new authority will still need a balanced budget for the period beyond vesting day.

5. Revenue Budget Savings

5.1. The draft budget for 2026/27 includes £0.308m of savings that require approval details of these can be found in appendix 3.

5.2. Officers are currently working on areas which may lead to additional savings in the next budget update. If there are any additional items, these will be included in the next update. In addition to this, there could be amendments to current

savings items as the process concludes. With the better-than-expected settlement for 2026/27 there can now be a focus on 2027/28 and as part of the final draft budget report on 3 February there is likely to also be proposed savings for future years that require approval.

6. Service Growth

- 6.1. Growth items for the next 12 months total £3.406m and a summary is shown in Appendix 4. All growth items have a detailed plan of how the funding helps deliver the Corporate Plan and demonstrates value for money. Growth can be permanent or temporary, where temporary it is reversed in the relevant financial year.
- 6.2. Officers with the support of Financial Services produce detailed action plans for delivery of the growth and the expected benefits. The progress will be reported to Cabinet as part of the quarterly financial and performance reporting in 2026/27. Failure to deliver the benefits could result in the growth being reversed in the following financial years.
- 6.3. In addition to service growth, the budget accounts for contractual inflation of £0.406m. This is compared to the £0.150m built into the MTFP each year and is reflected of the fact that inflation has remained higher than the Bank of England target of 2%.
- 6.4. As part of every employee's contract, an annual pay increase is paid based on national pay settlement and increments are provided for staff not at the top of their respective bands. For 2026/27, it has been assumed that pay will increase by 3%, reverting to 2.5% for 2027/28 onwards.
- 6.5. To simplify the future budget setting process, it is recommended that all establishment posts are budgeted at the top of the grade in which the role is paid this will increase the staffing budget by £0.500m. In each of the years following this inclusion the budget holder will be required to report the true position on salaries and the corresponding saving being used to support the overall general fund position.
- 6.6. In addition to this it is recommended that an allowance of £1.100m (5%) of the staffing budget is held whilst a pay benchmarking review takes place. If the review requires more than this then the organisation will need to allocate additional budget.
- 6.7. With a better-than-expected settlement there is flexibility in funding. It is therefore recommended that an additional direct revenue financing contribution of £1.133m is built into the budget. This can either be used to fund new schemes or be used as a funding for the existing programme which will equate to a reduction in the Minimum Revenue Provision for future years.
- 6.8. Officers are currently working on areas which may lead to growth requests in the next budget update, this could potentially include staffing resources to ease capacity issues within teams for a variety of reasons that include additional

responsibilities, vacant posts and new initiatives. In addition, there could be amendments to current growth items as the process concludes.

7. Council Tax

- 7.1. For Section 33 of the Local Government Finance Act 1992 and in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012 the amounts calculated by the Council as its Tax Base for the whole area for the financial year beginning 1 April 2026 is 41,946.34 properties with the detail for each parish specified in Appendix 2. This is a 0.84% increase on the budgeted base of 41,583.08 properties.
- 7.2. In terms of the collection fund the final estimates for 2025/26 which are used for budget setting 2026/27 are expected to be confirmed on 15 January 2026 and will be included within the Council Tax Setting report.
- 7.3. The Local Authorities (Calculation of Tax Base) (England) Regulations 2012 require the billing authority (Rugby Borough Council) to calculate its Council Tax Base for the following year and to notify the Tax Base to Warwickshire County Council and Police Authority by 31 January. All Parish councils are also to be provided with the information for their area. The regulations prescribe the rules for making the calculations. The Tax Base is expressed in terms of an equivalent number of band D properties for the whole area and for parts of the area as appropriate.
- 7.4. Appendix 3 provides full details of the Council Tax base for 2026/27 with the financial impact of this marginally above/below the initial estimates included within the MTFP reported in February 2025.
- 7.5. The taxbase of the authority can be impacted by a number of factors including;
 - The completion of private development of new homes built in the borough
 - The completion of local government development of new homes built in the borough (Navigation Way)
 - The economic outlook of the borough – for example the number of households receiving council tax reduction
- 7.6. Often the local authority has little control over this but will provide services to the tax base. The tax base increase is the lowest it has been for a number of years, the average over the three years prior to this being 1.74%. Officers will continue to review the taxbase and the impact it has on the MTFP over its life.

8. Business rates

- 8.1. Net Rates Payable at the end of November (Period 8) are 13% higher than estimated in the NNDR, generating £79.123m compared to a forecast of £70.210m.

8.2. The final collection fund estimates for 2025/26 which are used for budget setting is confirmed alongside the completion of the NNDR1 submission which is submitted 31 January 2025 and then included within Council Tax Setting report.

9. Fees and Charges

9.1. The fees and charge policy within the existing MTFS states that fees and charges will increase with CPI of the September of the year prior to the new financial year. Where inflation is lower than the bank of England target of 2%, there will be consideration of a further 1%. At this stage it is proposed fees and charges be increased by 3.8%. However, there are exceptions:

- where fees are set nationally by government and therefore not within the authority's control – examples of this include certain licensing fees and planning fees
- Using the principles of the Councils commercialisation pillars, a variation is required.

9.2. The fees and charges for the trade waste service will not be published in the schedule due to the commercially sensitive nature of the activity.

9.3. It should also be noted that because fees are rounded to the nearest £0.10 there could be variations to the percentage increase.

9.4. In the draft budget inflation of 3.8% has been included for 2026/27. This is compared to a £0.100m assumption that has been built into the existing MTFP.

9.5. The proposed draft schedule of new fees and charges will be presented to Cabinet in February, however before this the schedule will be presented to the Scrutiny Committee on 15 January 2025.

10. Procurement

10.1. The procurement is a significant part of providing services to residents and this equates to around £11m of spend of the organisation. Officers remain committed to achieving value for money in all purchasing decisions. The approach for the forthcoming year focuses on:

- **Reducing Costs:** lower contract values during renewals and cut non-contracted spending.
- **Smarter Buying:** By combining similar purchases into single contracts, we reduce administrative costs and benefit from economies of scale. Examples include:
 - Cleaning services for all Council properties
 - Energy contracts for buildings and housing
 - Fuel supply for fleet vehicles

- **Challenging Specifications:** Procurement officers review requirements to ensure they reflect actual service needs and avoid unnecessary costs.
- **Compliance and Savings:** by identifying areas of non-contracted spend and putting formal agreements in place to ensure compliance and create savings.
- **Training:** All budget managers receive procurement training as part of the Council's corporate training programme.

10.2. This approach will help deliver services efficiently while protecting public funds.

11. Risk Assessment of General Fund Balances and earmarked reserves

Risk Assessment

- 11.1. As part of the annual budget setting process an assessment of the required level of reserves needs to be undertaken, taking account of the potential future financial risks faced by the Council. It is considered prudent to hold sufficient reserves and balances to give the Council the ability to manage any peaks in expenditure and troughs in income and funding over the medium term, by making short term contributions towards balancing the budget and give the Council time to plan service changes and further efficiencies.
- 11.2. The risk assessment is **not** a forecast use of reserves; it is a summary of all the financial risks that could face the authority. With the announcement of the deferral of the reset and a transition period there is less immediate pressure on reserves, however the risk assessment alongside a review of the balances of all the reserves held by the Council will be presented as part of the next report being presented at the Cabinet on 3 February.

12. Capital Programme

- 12.1. The Prudential Code for Capital Finance in Local Authorities sets out that to demonstrate that an authority takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability, authorities should have in place a capital strategy. The Capital Strategy sets out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes. The Capital Strategy for 2026-29 will be presented to Audit and Ethics Committee on 26 January and approved by Council on 18 February.
- 12.2. The capital programme for Rugby Borough Council consists of schemes and projects that already have members' approval, and these include a range of continuation programmes that occur on an annual basis. The continuation programme budgets were included in the approved Capital Strategy in the Council Meeting on 13 February 2025.

- 12.3. The Council Tax setting report is not an approval process for capital schemes. Chief Officers and their budget managers have been asked to identify capital proposals for the next ten years. The proposals returned will be included as a financial planning tool only and budget managers will need to submit Cabinet reports with full appraisals to seek budget approval. When budget approval is granted, schemes will be added to the Capital Programme.
- 12.4. Any schemes approved prior to 2023/24 for which no work has been undertaken will be removed from the programme and a new report will be required to be re-included, this is linked to both the volatility of prices in the current market and also ensuring that the objectives still align with the new Corporate Strategy.
- 12.5. The Capital Strategy also gives the Chief Financial Officer the delegated authority to review the funding of the capital programme and make changes where appropriate. For example, carrying out a funding swap of external resources to capital receipts and reserves will generate a revenue saving as Minimum Revenue Provision (MRP) and net cost of borrowing will not be required.

13. Performance management

- 13.1. The delivery of the approved proposals will be monitored throughout the 2026/27 financial year in a variety of ways.
- Budget monitoring reports
 - Through the submission of quarterly financial and performance reports to Cabinet members will have visibility of the achievement of the budget and explanations for variances including the RAG rating of savings targets. Embedded into this reporting is performance management and KPIs and Key statistics relating to services will be aligned to the financial position of the Council.
 - Exception reporting
 - Between the quarterly reports officers will produce exception reporting to the Chief Financial Officer and the budget working group. These reports will be focused on key risk areas and services where there are emerging pressures or opportunities.
 - Medium Term Financial Strategy Group
 - The work of the group will continue to look at all aspects of strategic financial management and the direction of travel for the organisation.
 - Risk management
 - Financial performance could feature in operational risk registers and if significant escalated to the corporate and strategic registers.

14. Conclusion

- 14.1. This draft budget and updated Medium-Term Financial Plan provide Cabinet with a comprehensive assessment of the Council's financial position for 2026/27 and the period to 2031. While the immediate outlook is improved by transitional funding within the provisional settlement, the medium-term position continues to require careful management, particularly in light of the anticipated funding cliff-edge from 2029/30 and the organisational implications of Local Government Reorganisation.
- 14.2. The proposals set out in this report support delivery of the Council's Corporate Strategy, enable the continuation of priority services, and ensure statutory duties can be met. The identified growth items, savings proposals, and planned investment in capacity and service resilience position the organisation to respond effectively to rising demand, inflationary pressures, and emerging strategic challenges.
- 14.3. Final estimates for the Collection Fund, business rates, pay benchmarks, and any settlement-driven adjustments will be incorporated into the February budget report. Cabinet will therefore receive a fully updated financial position, including a complete reserves assessment and capital strategy.
- 14.4. Cabinet is asked to consider the draft budget as the basis for consultation, continued refinement, and preparation for final approval. The work undertaken to date demonstrates a disciplined approach to financial planning and provides a sound platform for ensuring the Council enters the 2026/27 financial year with a balanced, robust, and sustainable budget

Name of Meeting: Cabinet

Date of Meeting: 6 January 2026

Subject Matter: Council Tax Base 2026/27, Draft General Fund Revenue and Capital Budget 2026/27 and Medium-Term Financial Plan 2026-2030

Originating Department: Finance and Performance

DO ANY BACKGROUND PAPERS APPLY YES NO

LIST OF BACKGROUND PAPERS

Doc No	Title of Document and Hyperlink

The background papers relating to reports on planning applications and which are open to public inspection under Section 100D of the Local Government Act 1972, consist of the planning applications, referred to in the reports, and all written responses to consultations made by the Local Planning Authority, in connection with those applications.

Exempt information is contained in the following documents:

Doc No	Relevant Paragraph of Schedule 12A

Message	Commentary	Impact
Council Tax referendum limits for districts to remain 3% or £5 whichever is greater	<p>Each year the government sets the maximum tax increase before a local referendum is required.</p> <p>The proposals in the LGPFS assume each council sets the max limit so any LA that fails to do this will see an adverse impact on the funding for future years</p>	No impact on RBC as MTFP always assumes max increase.
Transitional funding arrangements will take place over the 3 years of the settlement.	Government has recognised that implementing reform instantly could put LA under financial stress	Current approved MTFP assumed 4-year transitional period, so the position is worse than the approved MTFP. However, following the funding reform consultation this was expected and the latest modelling shared 1 October has moved to a 3-year period so no additional impact.
95% income protection.	It is the government's view that local authorities with existing funding furthest above their Fair Funding Assessment will need to accept some losses in income over the multi-year Settlement. For all lower tier authorities which are 15% or more above their Fair Funding Assessment, we will protect 95% of their 2025-26 income	<p>This impacts RBC – based on 2025/26 funding of approximately £19m this is a reduction of in the region of £1m. As RBC is contributing approx. £3m to the business rates equalisation reserve in 2025/26 this could be a cash implication as opposed to a GF service budget implication.</p> <p>The 5% reduction is for 2026/27 only.</p>
Business rates reset will take place from 1 April	The “baseline” level of assessed need from business rates for RBC is approximately £3m, in	In year 1 RBC will retain 95% of the funding generated in 2025/26 and this will then reduce year on year until full

	2025/26 we are expecting to generate £10m – this could see a reduction of £7m a year	transition takes place from 2028/29. The modelling from 1 October takes this into account and will be refreshed in the coming days.
Retained business rates growth	Local authorities will continue to be rewarded for local growth as part of this government's number one mission to promote economic growth. As is currently the case, new income from business rates growth over the multi-year Settlement will remain outside Core Spending Power and will not be considered in calculating transitional protections.	During the 3 years of the spending review, RBC will retain (shared with Govt and WCC) any growth above the baseline level of business rates. Officers assume that at the end of the 3-year period a further reset will take place. The current modelling assumes growth; the values will need to be reviewed though.
In total, we will consolidate 17 funding streams, worth £25.3 billion over the 3 years of the multi-year Settlement, into the unringfenced Revenue Support Grant. With all funding streams going into Core Spending Power:	Specific grants that have been received in the past will be "rolled up" into Revenue Support Grant	If all the grants are retained at current levels, there will be no financial impact. The likelihood is that over time the values will reduce, and the original purpose of the funding will be difficult to distinguish
Abolishment of new homes bonus	It has been expected for a number of years that this would take place	None in the MTFP however it has resulted in a loss of funding of approximately £1m per year

Appendix 2

	2026/27	2027/28	2028/29	2029/30
	£000s	£000s	£000s	£000s
Brought Forward	22,823	25,857	27,537	27,254
Assumed delivery of prior year savings	0	(0)	(1,614)	(1,037)
Corporate adjustments	1,070	0	0	0
BASE BUDGET	23,892	25,857	25,923	26,217
Prior Year Decisions Impacting Future Years	(42)	(33)	0	0
Service Growth	1,144	0	0	0
Inflation (above £0.150m already budgeted for)	256	200	200	200
Salaries & Increments	970	800	800	800
Savings	(312)	0	0	0
Corporate Growth	2,233	0	0	0
Corporate items	486	485	331	50
Reversal of temporary adjustments in 2025/26	(2,771)	227	0	0
Total Net Base Budget	25,857	27,537	27,254	27,267
Government Grants	(11,707)	(11,106)	(10,606)	(3,924)
Business Rates	(3,299)	(3,300)	(3,400)	(3,468)
Council Tax	(10,851)	(11,518)	(12,212)	(12,936)
Financed by	(25,857)	(25,924)	(26,218)	(20,328)
In year Savings Target	0	1,614	1,037	6,940
In year savings %	0%	6%	4%	25%

Cumulative		1,614	2,651	9,590
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Appendix 3	
Parish of:	Tax Base
	2026-27
Ansty	130.87
Binley Woods	1,057.29
Birdingbury	169.79
Bourton & Draycote	148.46
Brandon & Bretford	302.55
Brinklow	465.33
Burton Hastings	99.94
Cawston	2,019.10
Church Lawford	161.88
Churchover	977.45
Clifton Upon Dunsmore	2,451.56
Combe Fields	70.94
Copston Magna	21.90
Cosford	6.75
Dunchurch	1,831.95
Easenhall	106.56
Frankton	176.32
Grandborough	225.30
Harborough Magna	194.22
Kings Newnham	28.84
Leamington Hastings	244.79
Long Lawford	1,484.24
Marton	213.72
Monks Kirby	233.03
Newton & Biggin	632.42
Pailton	226.92
Princethorpe	172.41
Ryton on Dunsmore	697.19
Silton & Barnacle	341.73
Stretton Baskerville	8.74
Stretton on Dunsmore	565.48
Stretton under Fosse	96.23
Thurlaston	217.80
Wibtoft	25.02
Willey	38.97
Willoughby	196.23
Withybrook	125.73
Wolfhampcote	151.89
Wolston	1,050.54
Wolvey	586.17
Total Parish's	17,956.25

Rugby Town Area	23,849.09
Contributions in Lieu	141.00
	41,946.34

Appendix 4 - Saving Proposals 2026-27						
DRAFT Permanent Savings						
External Reporting Portfolio	Portfolio	Service	Description	Amount £000	Funding growth? (Y/N)	Growth Amount
Partnership and Wellbeing	Chief Executive	Human Resources	Removal of temporary staff that were funded from transformation reserve.	(31)	N	
			Total Partnership and Wellbeing	(31)		
Communities, Homes, Regulation and Safety	Communities and Homes	Private Sector Leasing	Saving on Utilities due to reduction in Private Sector Leased properties.	(62)	N	
Communities, Homes, Regulation and Safety	Communities and Homes	Nightly paid self contained accommodation	Budget removed as service has ceased.	(14)	N	
Communities, Homes, Regulation and Safety	Communities and Homes	Communities and Projects team	External contractor saving.	(5)	N	
Communities, Homes, Regulation and Safety	Regulation and Safety	Car parks	Increase to car parking income following current trend.	(35)	Y	30
			Total Communities, Homes, Regulation and Safety	(116)		
Finance, Performance, Legal and Governance	Legal and Governance	Democratic Services	Removal of post that is no longer required.	(29)	N	
			Total Finance, Performance, Legal and Governance	(29)		
Growth and Investment, Digital and Communications	Growth and Investment	Development Strategy	Vacant post no longer being recruited to.	(61)	N	
Growth and Investment, Digital and Communications	Growth and Investment	Land Charges	Saving on payment to other local authorities.	(10)	N	
Growth and Investment, Digital and Communications	Growth and Investment	Planning Services	Saving on software budget for Planning system following the on going cost of maintenance after implementation.	(22)	N	
Growth and Investment, Digital and Communications	Digital and Communications	Maintenance of customer service systems	System / software costs no longer being used.	(28)	N	
			Total Growth and Investment, Digital and Communications	(122)		
Operations and Traded Services	Operations and Traded Services	Household Green Waste Collections	Increase to income following fees and charges increase.	(12)	N	
			Total Operations and Traded Services	(12)		
			Permanent Savings Grand Total	(308)		

Appendix 5 - Growth Proposals 2026-27						
DRAFT Permanent Growth						
External Reporting Portfolio	Portfolio	Service	Description	Amount £	Offset by saving? (Y/N)	Saving Amount
Finance, Performance, Legal and Governance	Finance & Performance	Financial Services	Increase to Procurement Shared Service payment following changes to the SLA	25	N	
Finance, Performance, Legal and Governance	Finance & Performance	Revenues and Benefits Team	Additional resource added permanently to the establishment to keep up with service demand and to replace current agency spend.	152	N	
Finance, Performance, Legal and Governance	Legal and Governance	Elections - Police and Crime Commissioner elections	Removal of income budget for Police and Crime Commissioner grant following the 2024/25 election.	19	N	
Finance, Performance, Legal and Governance	Legal and Governance	Electoral Services	Removal of grant income to fund an elections officer post.	42	N	
Total Finance, Performance, Legal and Governance				238		
Partnership and Wellbeing	Leisure and Wellbeing	Sports and Recreation	Reduce income target across the Sports and Recreation service due to unachievable income targets that were set in 2021/22.	77	N	
Partnership and Wellbeing	Legal and Governance	Equality and Diversity	Increase to FTE for Equality and Diversity Officer. Role has increased to Full Time.	25	N	
Total Partnership and Wellbeing				103		
Communities, Homes, Regulation and Safety	Regulation and Safety	Car Parks	Increase in budget to reflect contract payments to external supplier for car parking machines.	30	Y	30
Communities, Homes, Regulation and Safety	Regulation and Safety	Regulatory Services	Additional posts for Environmental Health.	150	N	
Total Communities, Homes, Regulation and Safety				180		
Growth and Investment, Digital and Communications	Growth and Investment	Major Projects and Regeneration	Removal of income budget for a planning officer post which was previously funded from the Town Centre Strategy Reserve.	64	N	
Total Growth and Investment, Digital and Communications.				64		
Corporate Items	Corporate Items	Insurance Costs	Increase to insurance premiums following 2025/26 renewal.	60	N	
Corporate Items	Corporate Items	Staff costs	Budget all posts on the top of the grade to simplify future budget setting processes.	500	N	
				560		
Permanent Growth Grand Total				1,144		
Corporate Items	Corporate Items	Salary costs following pay review	A 5% allowance of the staffing budget is held whilst a pay benchmarking review takes place.	1,100	N	
Corporate Items	Corporate Items	Capital expenditure financed from revenue balances	Additional direct revenue financing contribution to strengthen the Council's approach to capital funding and reduce future Minimum Revenue Provision requirements.	1,133	N	
Corporate Adjustment Growth Grand Total				2,233		
Grand Total				3,377		