

**The
FINANCIAL STRATEGY
2024/2029
and
COUNCIL TAX RESOLUTION
2025/2026**

**As submitted to the
Council**

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The Financial Strategy 2024/2029 and Council Tax Resolution 2025/2026

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The Financial Strategy 2024/2029 and Council Tax Resolution 2025/2026

1. Introduction

- 1.1 This report presents a summary of the Financial Strategy 2024/2029 as presented to Cabinet on 4 February 2025. It updates the revenue budgets for 2025/2026 and projections for 2026/2027, 2027/2028 and 2028/2029, for changes since the report was presented to Cabinet. It also now includes budget amendments as put forward by the opposition political groups.
- 1.2 The report details the Council Tax Resolution for 2025/2026 as required by the Local Government Finance Act 1992.

2. Financial Strategy 2024/2029

- 2.1 On 4 February 2025, Cabinet was presented with details of the Council's medium-term financial strategy in the document "The Financial Strategy 2024/2029". This document set out in detail the General Fund revenue budgets and projections for 2024/2029. An updated summary of the projections can be found at Appendix 1. The report and the associated recommendations were subsequently approved by Cabinet.
- 2.2 On 3 February 2025, the Ministry of Housing, Communities and Local Government (MHCLG) published the documents online for the 2025/2026 local government finance settlement. This follows on from the provisional settlement consultation announced in December. Full details can be found on the gov.uk website at:
[Final local government finance settlement: England, 2025 to 2026 - GOV.UK](#)
- 2.3 The Final Settlement made no changes to grant allocations from those set out in the provisional settlement. However, as the provisional settlement did not include details of the National Insurance Funding, an estimate of £220,000 was input. The Final Settlement included the amounts of the National Insurance Funding, which has resulted in an adverse movement of £9,370 to the Financial Strategy 2024-2029, as detailed in the below table.

	Provisional	Revised Allocation	Adverse / (Favourable)
Funding	£	£	£
Revenue Support Grant	1,052,270	1,052,270	0
New Homes Bonus	293,360	293,360	0
Recovery Grant (new)	552,330	552,330	0
Funding Floor Grant (new)	198,910	198,910	0
Domestic Abuse Safe Accommodation Grant	35,800	35,800	0
Internal Drainage Board (estimate)	150,000	150,000	0
National Insurance Funding	220,000	210,630	9,370
Total	2,502,670	2,493,300	9,370

The Financial Plan 2024/2029 has been updated with these changes as reflected in Appendix 1.

2.4 MHCLG also announced an increase in the funding to those authorities facing high levies from Internal Drainage Boards. The funding has increased from £3m to £5m for 2025/2026. The council is anticipating to receive an allocation from this funding, however, it is not yet clear on how or which local authorities this will be allocated to. The announcement on allocations is anticipated in May 2025. A prudent estimate of £150k is included in the budget. If any additional funding is received it will be used to support the General Fund Reserve.

2.5 Other changes to the budget position for 2025/26 are set out below:

£20,000 Removal of proposed efficiency saving due to change in operational needs

£191,290 Net movement following confirmation of NNDR amounts

£211,290 TOTAL

2.5 The final schedule of fees and charges for 2025/2026 remain unchanged from those presented to Cabinet on 4 February 2025.

2.6 The Medium Term Financial Strategy and Appendices as presented to Cabinet on 4 February are updated and presented separately to Council.

3. Budget Amendments Received

3.1 In accordance with the Council's Constitution Section 6 relating to Budget Meeting of the Council, the Leader of any opposition Political Group may propose one budget amendment that meets the following criteria

- a. It would deliver a balanced budget without requiring any further reliance on reserves over and above that which is set out in the budget approved by Cabinet
- b. Be within the Council's powers; and
- c. Not trigger any legal requirement for consultation.

3.2 The following budget amendments have been received and are to be considered for amendment to the budget. If approved the changes will be adopted into the budget for 2025/2026 accordingly. The submissions are attached at Appendix 3.

Submitted by:	Summary of Amendment	Amount £	How is this to be funded?
Nil Submission	N/A	N/A	N/A
Cllr Francis Bones - Labour Group	Feasibility study for a multi-purpose bus/van that can be used to deliver services via Alive to more rural parts of the borough ensuring we serve all residents.	25,000	To be met from earmarked reserves set aside for feasibility work (Transformation/Invest to Save)
	Explore the provision for Community Safety Accredited (CSAS) training for council enforcement officers, to be able to deal with ASB and be able to issue Fixed Penalty Notices.	5,000	To be met from earmarked reserves set aside for feasibility work (Transformation/Invest to Save)

	Feasibility study for a dirt bike track to be introduced in the walks beside the basketball court that would greatly reduce young people riding bike through the town.	25,000	To be met from earmarked reserves set aside for feasibility work (Transformation/ Invest to Save)
Cllr Alexandra Kemp - Progressive Group	To take forward West Lynn Ferry Landing Stage replacement to RIBA 3	150,000	To be met from earmarked reserves set aside for feasibility work (Transformation/ Invest to Save)
Cllr Charles Joyce - Independent	£50,000 to be donated on a percentage basis to local foodbanks to be spent on energy vouchers ready for distribution by 1st October 2025.	50,000	To be met from repurposing uncommitted earmarked reserves ie Invest to Save/ Transformation or any other earmarked reserve as identified following a review.
	£50,000 to be provided as a grant to voluntary sector organisations that has as their main aim to combat domestic abuse and violence in West Norfolk.	50,000	To be met from repurposing uncommitted earmarked reserves ie Invest to Save/ Transformation or any other earmarked reserve as identified following a review.
		305,000	

4. Capital Programme

- 4.1 Cabinet met on 4 February and agreed to a number of new capital projects to be added to the capital programme. These have been incorporated into the relevant tiers of the Capital Programme. There are no further updates to the capital programme. The updated capital report is presented separately to Council.

5. Treasury Management Strategy and Capital Strategy

- 5.1 Cabinet considered both of these items at the meeting on 4 February. These have been updated in respect of the approval of the new capital projects as set out in Section 3 above and are presented separately to Council for approval.

6. Parish Precepts and Special Expenses 2025/2026

- 6.1 The Council has now received all parish precept requests for 2025/2026 and figures included in the budget are now formally approved by all Parish/Town Councils as detailed in Appendix 4. There has been no change to the special expenses figures since they were presented to Cabinet on 4 February 2025 as detailed in Appendix 5.

7. General Fund Balances

- 7.1 The working balances of the Council will be used to support the budget requirements during the period 2026/2029. These balances are reduced to the minimum required level in 2028/2029.
- 7.2 As reported to Cabinet and reflecting the changes set out in this report, the general fund balances are estimated as follows:

Projected Movements in General Fund Balances	2024/2025 £	2025/2026 £	2026/2027 £	2027/2028 £	2028/2029 £
Opening Balance	8,597,700	7,899,620	9,709,620	8,052,350	5,174,820
Pension Lump Sum Replenishment	1,810,000	1,810,000	0	0	0
Estimated contribution to / (from) GF Fund Budget	(2,508,080)	0	(1,657,270)	(2,877,530)	(3,707,760)
Closing Balance	7,899,620	9,709,620	8,052,350	5,174,820	1,467,060

8. COUNCIL TAX RESOLUTION 2025/2026

- 8.1 The Council Tax Resolution 2025/2026 deals with the recommendations of the Cabinet meeting on 4 February 2025 and the resolution to set the Council Tax for 2025/2026.
- 8.2 Norfolk County Council have met on the 18 February 2025 to set its Council Tax and have agreed an increase of 4.99% on 2024/25 levels, in line with the Government's Capping level.
- 8.3 The Norfolk Police and Crime Panel met on 4 February 2025 and endorsed an increase in Council Tax for the Norfolk Police and Crime Commissioner of 4.42% (£13.95) on a Band D property.
- 8.4 The Referendums Relating to Council Tax Increases (Principles) (England) Report 2025/2026 presented to the House of Commons pursuant to section 52ZD (1) of the Local Government Finance Act 1992 as inserted by Schedule 5 to the Localism Act 2011 makes provision for Council Tax referendums to be held if an authority increases its basic amount of Council Tax in excess of principles determined by the Secretary of State.
- 8.5 The excessiveness principles are set each year and the Secretary of State has determined that:
 - For 2025/2026, the relevant basic amount of council tax for Norfolk County Council is excessive if the authority's relevant basic amount of council tax for 2025/2026 is 5% (comprising 2% for expenditure on adult social care, and 3% for other expenditure), or more than 5% greater than its relevant basic amount of council tax for 2024/2025.
 - For 2025/2026, the relevant basic amount of council tax for the Borough Council of King's Lynn and West Norfolk is excessive if the authority's relevant basic amount of council tax for 2025/2026 is:
 - 3%, or more than 3%, greater than its relevant basic amount of council tax for 2024/2025; and
 - more than £5.00 greater than its relevant basic amount of council tax for 2024/2025.
 - For 2025/2026, the relevant basic amount of council tax for the Norfolk Police and Crime Commissioner is excessive if the authority's relevant basic amount

of council tax for 2025/2026 is more than £14.00 greater than its relevant basic amount of council tax for 2024/2025.

- Local precepting authorities (parish and town councils) are not subject to Council Tax referendums in 2025/2026.

- 8.6 The following recommendations 1 to 7 deal with the approval of the Budget, the Policy on Earmarked Reserves and the General Fund Balance, Fees and Charges, minimum requirement of the general fund balance and the pay policy.
- 8.7 The recommendations 8 to 11 deal with the final recommendation of the Cabinet – the setting of the council tax. Recommendations 12 and 13 provide for officers to properly demand and take action to recover council tax.

Pursuant to Agenda Item 11: Financial Strategy 2024/2029, of the Cabinet Meeting held on 4 February 2025 Council is requested to:

- 1) Approve the Policy on Earmarked Reserves and General Fund Balance and the maximum balances set for the reserves as detailed in Appendix 8 of “The Financial Strategy 2024/2029” as reported to Cabinet on 4 February 2025**
- 2) Approve the revision to the Budget for 2025/2026 (as set out in Appendix 1 of this report).**
- 3) Approve the budget of £26,128,470 for 2025/2026 and note the projections for 2025/2026, 2026/2027 and 2027/2028 (as set out in Appendix 1 of this report).**
- 4) Approve the Fees and Charges for 2025/2026 as detailed in Appendix 4a and 4b of “The Financial Strategy 2024/2029” and approves the new Fees and Charges Policy in Appendix 4c, as reported to Cabinet on 4 February 2025**
- 5) Approve the Pay Policy as detailed in Appendix 5 of “The Financial Strategy 2024/2029” as reported to Cabinet on 4 February 2025.**
- 6) Approve a minimum requirement of the General Fund balance for 2025/2026 of £1,309,420.**
- 7) Consider budget amendments as set out in Section 3 of this report for adopting into the Financial Strategy 2024/2029**
- 8) Pursuant to Section 25 of the Local Government Act, Council is asked to have due regard to this statement at Section 9 of this report when considering and approving the budget and the level of council tax for 2025/2026**

The Local Authorities (Calculation of Tax Base) (England) Regulations 2012 contain rules for the calculation of the Council Tax Base, which is an amount required by the Local Government Finance Act 1992 to be used in the calculation of the tax by the Council as the billing authority, and Norfolk County Council and the Norfolk Police and Crime Commissioner as major precepting authorities, and in the calculation of the precept payable by the Council to the County Council and Norfolk Police and Crime Commissioner. **Under Officer Delegated Decision the Council Tax Base was calculated as follows for the year 2025/2026:**

Number of dwellings in each Council Tax band; taking into account the discounts, exemptions, premiums, rate of collection and Council Tax Support.

- (a) 56,675 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, as its Council Tax Base for the year.

The tax base for each Parish

- (b) the amounts listed in Appendix 4 Parish Taxbases & Precepts, (Column headed - Taxbase) being the amounts calculated by the Council, in accordance with Regulation 6 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, as the amount of its Council Taxbase for the year for dwellings in those parts of its area to which one or more special items relate.

- 9) Approve that the following amounts be now calculated by the Council for the year 2025/2026 in accordance with Sections 31A to 36 of the Local Government Finance Act 1992 (as amended by S74 of the Localism Act 2011):**

Total expenditure

- (a) £109,597,570 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act. (See Appendix 2 of this report).

Total income

- (b) £96,383,650 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act. (See Appendix 2 of this report).

The difference between expenditure and income

- (c) £13,213,920 being the amount by which the aggregate at 9(a) above exceeds the aggregate at 9(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its total budget for the year. (See Appendix 2 of this report).

Average Council Tax for Band D property (Borough and Parish)

- (d) £233.15 being the amount at 9(c) above divided by the amount at 8(a) above, calculated by the Council in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year.

The total of Parish Precepts and Special Expenses
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- (e) £4,550,050 being the aggregate amount of all special items referred to in Section 34(1) of the Act.

The Borough Council's Council Tax for a Band D property (excluding Parish Precepts and Special Expenses)

- (f)(1) £152.87 being the amount at 9(d) above less the result given by dividing the amount at 9(e) above by the amount at 8(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.

The Borough Council's Council Tax for each valuation band
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- (f)(2)

A	B	C	D	E	F	G	H
£101.91	£118.90	£135.88	£152.87	£186.84	£220.81	£254.78	£305.74

The Borough, Special Expenses and Parish Councils' Council Tax for a Band D property in each Parish
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- (g) the amounts listed in Col (4), Appendix 5 Special Expenses and Appendix 5 Parish Precepts, when added to the amount at 9 (f)(1) above being the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned divided in each case by the taxbases in Appendix 4 calculated by the Council, in accordance with Section 34(3) of the Act, gives the basic amounts of its Council Tax for the year for dwelling in those parts of its area to which one or more special items relate.

The Borough and Parish Councils' Council Tax for each tax band in each Parish
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- (h) the amounts listed in Cols (1) to (8), Appendix 4 Special Expenses and Appendix 5 Parish Precepts, together with the amounts shown above in 9(f)(2) as valuation bands A to H - being the amounts given by multiplying the amounts at 9(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band, divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36 of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- 10) Note that for the year 2025/2026 Norfolk County Council and the Norfolk Police and Crime Commissioner have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Valuation Band	Norfolk County Council	Norfolk Police and Crime Commissioner	Charge in Relation to Band D
A	£1,170.42	£219.90	6/9ths
B	£1,365.49	£256.55	7/9ths
C	£1,560.56	£293.20	8/9ths
D	£1,755.63	£329.85	9/9ths
E	£2,145.77	£403.15	11/9ths
F	£2,535.91	£476.45	13/9ths
G	£2,926.05	£549.75	15/9ths
H	£3,511.26	£659.70	18/9ths

The total Council Tax for each band in each parish (Appendix 6)

- 11) Approve that, having calculated the aggregate in each case of the amounts at 9h and 10 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets these as the amounts of Council Tax for the year 2025/2026 for each of the categories of dwellings shown.
- 12) Approve that the Assistant Director Resources (S151 Officer), Revenues and Benefits Manager, Revenues Manager, Assistant Revenues Manager, Revenues Team Leaders, Committal Manager, Committal Officer, Non-Domestic Rates Officer, Generic Revenues and Benefits Officers, Revenues Officers and Revenues Assistants be authorised to demand and recover, in accordance with the Local Government Finance Act 1992, the Council Tax set by this resolution, the Non Domestic Rates payable by Ratepayers and the annual Business Improvement District Levy, and be authorised to appear on behalf of the Council in Magistrates' Courts in respect of recovery proceedings.
- 13) Approve that the Officers be authorised to give notice of the setting of the Council Tax in accordance with Section 96 of the Local Government Finance Act 1992.