

Cabinet

12 February 2025

Draft Minute Extract

GENERAL FUND BUDGET 2025/26 (CAB3494)

Councillor Cutler introduced the report and drew Cabinet's attention to an updated version of Appendix C (earmarked reserves) which had been circulated with a supplementary agenda. The updated copy reflected the new Council Plan priorities and the £200,000 transfer to the Thriving Places Reserve for planning enforcement, recommendation 7a) of the report. Councillor Cutler also proposed an amendment to recommendation 13 of the report to replace the words "the Cabinet Member for Business and Culture" with "the relevant Cabinet Member". This was agreed.

Councillor Cutler advised that the report had been considered by Scrutiny Committee on 4 February and the minutes of that meeting had been circulated to all present and published on the website [here](#). The Committee had asked a number of questions which had been responded to at the meeting.

At the invitation of the Leader, Councillors Lee and Godfrey addressed Cabinet as summarised briefly below.

Councillor Lee

He thanked Councillor Cutler and the Finance Team for the recent Member briefing on the budget and TC25 proposals and also welcomed a number of proposals in the report including the additional funding for planning enforcement. He queried the impact of the proposed reductions on service delivery, the necessity to learn from the experience of new unitary authorities regarding the financial impact of local government reorganisation and whether a specific budget had been allocated for the nature improvement programme.

Councillor Godfrey

He welcomed the proposed additional funding for planning enforcement. He queried whether sufficient resources had been allocated for the work of the Strategic Planning Team. Noting the significant predicted future budget shortfall, he asked whether the TC25 savings programme would be sufficiently robust to address this.

Councillor Cutler and the Director (Finance) responded to the comments and questions raised.

Cabinet agreed to the following for the reasons set out in the report and outlined above.

RECOMMENDED (TO COUNCIL):

1. That the level of General Fund Budget for 2025/26 be agreed and recommend the summary as shown in Appendix A of report CAB3494.

2. That the Greener Faster and carbon investment proposals be approved, used as the basis of this budget and as set out in the CAB3483 including:

- a. £135,000 additional budget per annum for the ongoing costs of providing the food waste collection service.**
- b. £460,000 one-off budget to fund the phased roll out of the food waste service from October 2025, without government funding.**

3. That in relation to the Healthy Communities priority of the new Council Plan:

- a. the revised income bands for the Council Tax Reduction scheme for working age applicants (set out in appendix E of the report) that ensure claimants continue to receive the appropriate level of support after the DWP's increase in Universal Credit rates be approved with effect from 1 April 2025.**
- b. That the amendment of the Council Tax Reduction scheme for working age applicants to include all additional support and new disregards with effect from 1 April 2025 be approved, as set out in the report.**
- c. That £15,000 from the Cost of Living Reserve be used to extend the Council Tax Exceptional Hardship Fund into 2025/26.**

4. That in relation to the Good Homes for All priority, additional investment of £300,000 per annum to fund increased demand for temporary accommodation to prevent homelessness be approved.

5. That an additional £50,000 per annum be included to fund additional pressures on council contracts.

6. That service income annual budgets be amended as follows, in response to revised estimates:

- a. Garden Waste income increased by £30,000 (to reflect increases subscriptions, although partly off-set by increased contract costs of delivering the service to more households).**
- b. Planning fee income reduction of £200,000 (to reflect the current reduced levels of applications received)**

7. That following a review of earmarked reserves they be amended as follows:

- a. £200,000 of the Transitional Reserve be re-allocated to the Thriving Places Reserve to invest one-off resources into planning enforcement.**
- b. £2m of the Transitional Reserve be re-allocated to the Property Reserve to fund maintenance requirements of corporate properties.**

- c. **£902,000 of the Exceptional Inflation Reserve be re-allocated to the Car Parks Property Reserve to fund maintenance of and investment in parking.**
- d. **£425,000 from the Major Investment Reserve be re-allocated to the Local Development Framework Reserve to fund Local Plan requirements.**
- e. **An additional £250,000 per annum be set aside into the Property Reserve, for the maintenance of and investment in operational assets.**
- f. **An additional £100,000 per annum be set aside into the Car Parks Reserve to fund maintenance of and investment in parking.**

8. That the sum of £1,364,045 be treated as Special Expenses under Section 35 of the Local Government Finance Act 1992 in respect of the Winchester Town area as set out in section 16 and Appendix D of the report.

9. That the Council Tax for the Special Expenses in the Winchester Town area at Band D for 2025/26 be increased by the maximum allowed under the referendum limit of 2.99% combined between the town and district.

10. That the deficit balance on the Council Tax Collection Fund for distribution to this Council, calculated in January 2025 of £142,787, be approved.

11. That it be recommended that the level of Council Tax at Band D for City Council services for 2025/26 be increased to £163.66, an increase of £4.30 reflecting an average Council tax increase of 2.7%.

12. That a Second Home premium for Council Tax which will take effect from 1 April 2026 (12 months' notice is required to implement this premium), and the adoption of exceptions (listed at Appendix F) in respect of properties included in the Council Tax Premium schemes be approved.

RESOLVED:

13. That authority be delegated to the Corporate Head of Economy and Community, in consultation with the relevant Cabinet Member, to devise and agree:

- a. **The Community and Voluntary Sector grant programme funding criteria, detailed outcomes, application processes and assessments and the allocation of grants.**
- b. **The UK Shared Prosperity Fund programme, implement and administer the scheme and the allocation of grants, in line with government guidance.**