

Corporate Overview and Scrutiny Committee

Briefing Note: Final Revenue Budget 2025/26 and Final Medium Term Financial Strategy 2025/26 to 2028/29 – Cabinet Discussion/Recommendations

Purpose of the briefing note: To update the Corporate Overview and Scrutiny (O&S) Committee on the Cabinet discussions and recommendations regarding the Final Revenue Budget 2025/26 and Final Medium Term Financial Strategy (MTFS) 2025/26 to 2028/29.

- 1.1 At the Joint O&S budget meeting, led by Corporate O&S, held on 20th November 2024, Members received the Draft Budget 2025/26 savings proposals, which outlined the key savings proposed for the 2025/26 municipal year. At the Corporate O&S meeting held on 14th January 2025, Members received the full Draft Revenue Budget 2025/26 and MTFS 2025/26 to 2028/29. Members questioned areas such as the impact of proposed local government reform, the benchmarking undertaken to set council tax, and changes to National Insurance.
- 1.2 These questions and comments were summarised into a briefing note, published, and presented to Cabinet alongside the Draft Revenue Budget 2025/26 report on 12th February 2025.
- 1.3 This briefing note summarises the discussion and recommendations of Cabinet, so Corporate O&S Members can see the outcome of their contributions into the final document.
- 1.4 Cabinet made the following points:
 - a. The Council's position remained very challenging and government support would be needed to set the budget in 2025/26 and subsequent years. A £71m loan from the government would be required to balance the 2025/26 budget.
 - b. Council tax would be set to rise by 4.99%, although Thurrock's council tax remained the lowest in Essex.
 - c. The Lead Commissioner noted the increased pace of improvement on the recovery, although Thurrock Council still had a long way to travel towards financial sustainability.
 - d. Cabinet Members thanked Portfolio Holders and Officers for their hard work developing the budget. The budget would be enabling and focussed

on delivery for residents, and other Councils could learn from Thurrock in the way the budget had been set.

- e. Cabinet Members thanked scrutiny for their input into the budget and confirmed that some of their recommendations had been agreed and incorporated into the budget.
- f. Cabinet Members agreed that residents had to come first, and Portfolio Holders and Officers had done their best to protect frontline services.

1.5 Cabinet agreed to the recommendations as follows:

- a. *Recommended the 2025/26 budget to Council for approval, being mindful of comments from the Corporate Overview and Scrutiny Committee, to enable the Council Tax for 2025/26 to be set (Appendix 2).*
- b. *Recommended the Model Council Tax Resolution 2025/26 to Council for approval as set out in Appendix 9.*
- c. *Recommended to Council that, in accordance with Section 38(2) of the Local Government Finance Act 1992, the Chief Executive be instructed to place a notice in the local press of the amounts set under recommendation 2 above with a period of 21 days following the Council's decision.*
- d. *Approved the Medium-Term Financial Strategy 2025-26 to 2028-29 for referral to Council (Appendix 2).*
- e. *Noted the intention to increase Council Tax by 2.99% in 2025/26 (table 7).*
- f. *Noted the intention to increase Council Tax by a further 2% in 2025/26 in respect of the Adult Social Care precept (Table 7).*
- g. *Noted the 2025/26 budget for Public Health as set out in Appendix 5.*
- h. *Noted the Council's revised Capitalisation Direction Requirement of £691m which is set at a point in time and will continue to be subject to change (Paragraph 5.4 and Table 5).*
- i. *Approved to continue with the 100% deployment of the Household Support Fund through the Essential Living Fund (Paragraph 5.1).*
- j. *Agreed that Thurrock's 2025/26 Early Years funding formula be implemented as stated in paragraphs 8.7 to 8.13. This is consistent with previous decisions to maximise the funding rates that providers receive.*
- k. *Approved the repurposing of the recurrent revenue contingency budget as detailed in paragraph 12.5.*
- l. *Recommended the 2025/26 Members Allowance Scheme to Council for approval (Appendix 10).*

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