

## 2026/27 REVENUE BUDGET

### OPPOSITION GROUP ALTERNATIVE BUDGET PROPOSAL

This is a summary report from the Director of Function (Resources) / Section 151 Officer on the Opposition Group's alternative budget proposal.

The budget proposal put forward by the Executive increases the Council's Net revenue Budget for 2026/27 to £207,029,007 and is funded as follows:-

	Executive's Proposal	
	£	£
<b>Net Revenue Budget</b>		<b>207,029,007</b>
<b>Funded By</b>		
Revenue Support Grant	- 120,503,951	
Redistributed Non Domestic Rates	- 24,081,011	
		- 144,584,962
Council Tax		- 60,759,480
Reserves		- 1,684,565
<b>Total Funding</b>		<b>- 207,029,007</b>

The Opposition have put forward the following budget proposal

1. To reduce the service investment bids by £456,800 as follows:-

Reduce the Service Investments		
Reduce ALN Budget by £20k	-	20,000
Reduce the Public Conveniences Budget by £25k	-	25,000
Delete the Bid for Property Services Team	-	40,200
Reduce the Food Safety Inspection Budget to £100k	-	46,100
Reduce the Cyber Security budget to £200k	-	164,200
Delete the Data Analysis Bid	-	81,900
Delete the Procurement Bid	-	79,400
<b>Total Budget Reduction</b>		<b>- 456,800</b>

2. Reduce the increase in Council Tax to 1% plus 0.3% to cover the increase in the Fire Service levy. This would put the Band D charge at £1,728.09 compared to the Executive's proposals of £1,792.98. This would result in an increase of £22.13 in the Band D charge (£0.42 per week) compared to £87.03 (£1.67 per week) in the Executive's proposal.

The reduction in the Council Tax increase would require a smaller increase in the Council Tax Reduction Scheme Budget. This would generate a further saving of £271,903 in the net revenue budget.

3. To fund the balance resulting from points 1 and 2 above, by increasing the use of general balances. The net revenue budget and funding would be as follows:-

<b>Opposition Group Proposal</b>		
	<b>£</b>	<b>£</b>
Net Revenue Budget		207,029,007
Savings Proposals	- 456,800	
Impact of change in CT rise on CTRS	- 271,903	
		- 728,703
<b>Revised Net Revenue Budget</b>		<b>206,300,304</b>
<b>Funded By</b>		
Revenue Support Grant	- 120,503,951	
Redistributed Non Domestic Rates	- 24,081,011	
		- 144,584,962
Council Tax		- 58,560,456
Reserves		- 3,154,886
<b>Total Funding</b>		<b>- 206,300,304</b>

The use of reserves would increase by £1.47m compared to the Executive's proposals.

4. The proposal would also impact on the Council's level of general balances going forward as follows

General Balances	Executive's Proposal £'000	Opposition Proposal £'000
Opening Balance as at 1 April 2025	15,707	15,707
Less Allocated in Year	- 100	- 100
Plus Contribution from 25/26 Underspend as per Q3 Forecast	1,865	1,865
Less Funding of 2026/27 Revenue Budget	- 1,685	- 3,155
<b>Balance as at 1 April 2027</b>	<b>15,787</b>	<b>14,317</b>
<b>Percentage of 26/27 Net Revenue Budget</b>	<b>7.63%</b>	<b>6.94%</b>

**5. Comparison of Council Tax Band D Charges in North Wales**

Based on the information currently available, the proposed Council Tax for each of the 6 North Wales authorities is as follows:-

Authority	Proposed Council Tax 26/27	% Increase	Executive Proposal £1,793 + 5.1%	Opposition Group Proposal £1,728 + 1.3%
			Difference to Anglesey	Difference to Anglesey
Anglesey				
Gwynedd	£2,006	5.17%	+ £213	+ £278
Conwy	£2,011	6.50%	+ £218	+ £283
Denbighshire	£1,872	5.22%	+ £79	+ £144
Flintshire	£1,921	5.77%	+ £128	+ £192
Wrexham	£1,843	5.30%	+ £50	+ £144

6. Looking forward to 2027/28, the Opposition's Proposal would have an impact on the 2027/28 budget as follows:-

Impact on 2027/28 Budget	Executive's Proposal	Opposition Proposal
	£	£
2026/27 Net Revenue Budget	207,029,007	206,300,304
Assume 2.5% increase in Costs	5,175,725	5,157,508
<b>Estimated Net Revenue Budget 2027/28</b>	<b>212,204,732</b>	<b>211,457,812</b>
Funded By		
Aggregate External Finance - assume 0.6% increase	- 145,452,472	- 145,452,472
Council Tax - assume 5% increase	- 63,797,454	- 61,488,479
<b>Total Assumed Funding 2027/28</b>	<b>- 209,249,926</b>	<b>- 206,940,951</b>
<b>Budget Shortfall</b>	<b>2,954,806</b>	<b>4,516,861</b>
<b>Increase in CT Required to Fully Fund Shortfall</b>	<b>9.86%</b>	<b>12.71%</b>

The increased use of reserves in the Opposition Group's proposal would increase the estimated budget shortfall from £2.95m under the Executive's proposal to £4.52m. To fund this shortfall fully from an increase in Council Tax would require an increase of 12.71% in Council Tax in 2027/28, compared to 9.86% under the Executive's current proposal. Of course, the shortfall could be funded by also reducing expenditure or a further contribution from general balances, or as has happened in previous years a combination of council tax increase, budget reduction and use of reserves.

### Conclusions

1. The Opposition Group's proposal is fully funded and therefore complies with the legal requirements for the Council's budget.
2. The net revenue budget proposed by the Opposition is also a fair and reasonable estimate of the budget requirement for 2026/27.
3. The proposal does not fully fund all the service risks identified and by reducing the service investments some of these risks remain.
4. The reduction in Council Tax in 2026/27, results in a lower starting point for the 2027/28 budget. Using more of the Council's general balances in 2026/27 also reduces the possibility of using balances again in 2027/28 as a funding source. The combination of both of these changes will make balancing the 2027/28 revenue budget even more challenging.