

Public Document Pack



Hinckley & Bosworth
Borough Council

Bill Cullen MBA (ISM), BA(Hons) MRTPI
Chief Executive

Date: 19 February 2026

To: All Members of Council

Dear Councillor,

Please see overleaf a supplementary agenda for the meeting of the **COUNCIL** on **THURSDAY, 19 FEBRUARY 2026** at **6.30 pm**.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R Owen'.

Rebecca Owen
Democratic Services Manager

COUNCIL - 19 FEBRUARY 2026

SUPPLEMENTARY AGENDA

6. QUESTIONS

To deal with questions under Council Procedure Rule number 14.

Question from Councillor Sutton to the Executive member for Planning:

“Is it possible to have a special meeting to discuss future planning policy and the Local Plan for the Borough?”

At the moment we have increased to over £1,000,000 for housing the homeless, which is not sustainable.

The average house occupancy is less than two people per household.

There is a need for more accommodation for older people, ie bungalows.

I think the projected numbers for the next 40 years are misplaced.

Developers and landowners should listen to what is needed to be built.

With the land available in the world suitable for producing food having peaked, and going downhill, we should put more emphasis on which land we build on; this also limits the spread of solar panels on good farm land.”

Response from Cllr Crooks:

“The Local Plan for the Borough has recently been the subject of a public consultation in autumn 2025. The responses from this consultation, over 800 in total, are being reviewed. These responses, together with further evidence both completed and in progress will inform the next Local Plan document at Regulation 19 stage. This next stage will include a further round of public consultation, considered to be in late spring / early summer 2026. Following this further public consultation, the Local Plan will then be submitted to the government by December 2026.

Members are involved in the Local Plan at each stage in the process. This includes a decision taken at Council ahead of each consultation stage, and this will be the same ahead of the next Regulation 19 consultation. Further, members will receive briefings through the Planning Policy Member Working Group, open to all members to attend, in the run up to the Regulation 19 consultation. A special meeting is therefore not required given that briefings are already available to members and members have the final sign off at Council at each stage in the process.

Ongoing evidence to inform the Local Plan includes evidence on housing mix. This will help to set future planning policy for the type and size of homes that are needed across the plan period to 2045, in addition to the quantity of new homes

required.”

8. **LEADER OF THE COUNCIL'S POSITION STATEMENT**

To receive the Leader of the Council's Position Statement.

Welcome to the annual budget Council meeting which forms the main business of tonight. This is one of the most important meetings of the year where we set the budget to ensure we can continue to deliver services and support to our residents and communities.

Food waste roll out

I would like to thank the teams in Streetscene Services, supported by Customer Services and Communications, who have been working over the past year to ensure we deliver on the government's programme of food waste collection. I would like to make it clear that the government is mandating councils to provide this service, and despite uncertainty over the funding promised by the government, our teams have worked tirelessly to plan and prepare, and we see this come together this week with the start of the food waste caddy deliveries. This will take place over the next six weeks to ensure we are ready for the service to commence with collections starting from 2 March, as part of a phased roll out of the service. Collection dates will be included on our website.

Sports awards

Perhaps we don't have athletes competing in the winter Olympics, but what we do have is some serious sporting talent in our borough. These fantastic individuals and teams were celebrated at the recent annual Sports Awards event, arranged by our Cultural Services team. The awards, which recognise the impact that sport and keeping active can make to the lives of residents across the borough, were presented by the Deputy Leader of the Council, Cllr Mark Bools, and special guests were Jayant Mistry and Vicky Macqueen. Jayant became the first British player to win the wheelchair men's doubles title at Wimbledon in 2005 and is now a coach and Vicky is an ex-England international rugby player, former head coach of Hinckley RFC and now commercial director at the club.

Article 4 Direction consultation

This week consultation has begun on the introduction of an Article 4 Direction which would give the council greater planning control over where houses in multiple occupation are located in Hinckley. I have asked for this work to be undertaken in response to concerns from residents, councillors and local communities about the growing concentration of HMOs in parts of Hinckley town centre and surrounding streets.

National planning rules require Article 4 Directions to be evidence-led and focused on specific areas, which is why the proposal applies to a defined part of the town rather than being borough-wide. It is recognised that HMOs play an important part in meeting housing need across the borough, but in certain areas where there has been an increase in numbers, there needs to be a way to look properly at each

application, consider the local impacts and work towards a more balanced and sustainable spread of HMOs across Hinckley. An Article 4 Direction is about having a say and assessing proposals properly, not stopping development.

Local government reorganisation (LGR) consultation

The government has launched its seven-week consultation into the LGR options for Leicester, Leicestershire and Rutland. This will inform its decision on a preferred model of unitary local government across Leicestershire and Rutland. You will know my feelings regarding reorganisation and the fact that the current system isn't broken, but in the absence of a choice our North City South proposal still presents the best option to preserve the best of what we do at Hinckley & Bosworth Borough Council and to remain closer to our communities. We know we are well connected to our communities and businesses and work incredibly well with our partners at local level. This was reflected very positively in our national LGA peer review report published in 2025. We want to maintain as much of this connection as possible in the new unitary arrangement. We have already begun to engage with our local partners and stakeholders, including residents and businesses, to encourage them to engage in the consultation. I urge you all to encourage residents and businesses in your wards to respond to the consultation. We will be preparing our own formal response for submission prior to the March deadline.

Banking Hub for Hinckley

You would have picked up the news that sadly Hinckley will lose a further bank from its high street with Lloyds announcing it is to close. However, we have been informed that a new banking hub will be delivered by Cash Access UK – a not-for-profit company funded by the major high street banks. This will provide:

- A counter service for essential cash transactions such as deposits, withdrawals and paying utility bills that is available for all major banks every weekday
- A community banker service where customers can speak face to face with their own bank about more complex matters on the day their bank is in the hub.

We are advised that the hub will be open before the local branch is closed, meaning there will be no break in service for residents and businesses.

I have asked officers to contact officials at Cash Access UK to ensure we secure the best possible outcome for the residents and businesses of the borough.

Hinckley day case centre

I have included an emergency motion on the agenda tonight regarding the decision expected today from the Leicester, Leicestershire and Rutland and Northamptonshire Integrated Care Boards who will be deciding to cancel the proposed new day case centre in Hinckley. As there will be a lot of strong feelings in the chamber on this tonight, I propose we debate the concerns and proposed

action at that point on the agenda.

Safeguarding and investing in the future of Burbage Common

A landmark agreement will secure the maintenance and enhancement of Burbage Common and Woods for the next 30 years. The Borough Council has agreed to establish parts of the popular nature site as a Biodiversity Net Gain (BNG) habitat bank.

The move will improve biodiversity in the area and generate income to help towards the costs of providing sustainable habitat improvements at Burbage Common and Woods as well as other countryside sites for at least 30 years.

Ada Lovelace statue

Hopefully members have seen the new bronze statue of Ada Lovelace outside North Warwickshire and South Leicestershire College in Hinckley. Led and funded by a group of volunteers, officers in Cultural Services, Planning and Legal provided support and guidance to ensure the successful installation of this new piece of art which enhances our borough's reputation as a cultural destination.

Land for crematorium

Members will be aware that the Borough Council is offering for sale land off the A47 Leicester Road exclusively for development as a crematorium.

The Council remains fully committed to delivering a crematorium for the area however, due to rising construction costs and difficulties with the contractor market, the business case was reviewed.

With full, cross-party support, the Council has agreed to the sale of the site to an experienced third-party crematorium developer, with a strict condition that the land can only be used for this purpose.

All political parties on the Council agree that progressing the crematorium in this way is the best option to meet the growing needs of the Hinckley and Bosworth community.

Events for 2026

I'm delighted to announce a full programme of free community events taking place throughout 2026, offering residents and visitors a vibrant mix of cultural celebrations, family entertainment, food festivities and commemorative occasions. Our joint events guide for 2026, produced in partnership with Hinckley Bid, has been launched and you will find this on our website. I have included a link below to our events page.

This year's programme will include much-loved favourites such as St George's Day celebrations, Feast Hinckley, the two-day food festival, the three-day family festival at Snap Dragon, Proms in the Park, Spooktacular, Armed Forces Day, the

Remembrance Service, and more.

I would like to express my thanks to my colleague Cllr Mark Bools, Executive member for Leisure, and the Cultural Services team who are incredibly proud to offer such a rich and varied calendar of events for 2026, especially as every single one is free to attend.

These occasions are not just about entertainment, they strengthen community spirit, support local businesses, and celebrate the best of our borough. We therefore look forward to welcoming residents and visitors to another fantastic year of activity.

Key dates for the diary:

Saturday 28 February: Britannia's Got Talent

Saturday 28 March: Concordia in The Crescent

28 to 12 April: Easter Bunny Hunt in Hinckley town centre

Saturday 25 April: 10am St Georges Day celebration (please note that the Scouts will start their parade from the Mead this year)

Saturday 6 June: Proms in the Park

Saturday 9 May: launch of Music in the Mead with an 'Airbourne' special (other dates include 16 May, 13, 20 June, 4, 25 July and 15, 22 August)

Monday 8 June: Mallory Mile

Saturday 27 June: Armed Forces Day

Saturday 1 and Sunday 2 August: Feast Hinckley 2026

Monday 3, Tuesday 4 and Wednesday 5 August: Snap Dragon children and families festival

Saturday 12 September: Medieval festival, Hinckley Heritage Day

Sunday 13 September: Burbage Common open day

Saturday 31 October: Spooktacular Saturday

Sunday 8 November: Remembrance parade and service

Friday 20 November: Christmas lights switch on

Wednesday 2 December: Christmas lights trail

Friday 11 December: Carols around the tree

Sunday 13 December: Festive Feast.

The Council will continue to share updates, detailed schedules and additional announcements as event dates approach. Visit the Borough Council's events page www.hinckley-bosworth.gov.uk/events or follow our official social media channels.

11. BUDGET REPORTS

(a) **Medium term financial strategy (Pages 1 - 18)**

Supplementary documents which were published after publication of the agenda are attached.

(c) **Calculation of council tax for 2026/27 (Pages 19 - 26)**

Updated report attached.

14. **URGENT MOTION**

The Mayor has agreed to accept the following motion for reasons of urgency:

Motion from Councillor Bray:

“Hinckley and Bosworth expresses deep concern that the ICB is considering cancelling the new NHS day case centre proposed in Hinckley.

This Council has fully supported NHS colleagues in bringing much needed new investment in health facilities into Hinckley for the benefit of residents across the borough. This has included supporting the £22m investment in the recently opened new diagnostic centre and hosting the new physio and occupational health facilities at the Hinckley Hub.

HBBC granted planning permission for the planned day case centre only last summer – within their timescales.

HBBC offered to help meet the £2m shortfall for the day case centre in the form of a loan to the NHS but this has been declined. The offer remains on the table.

The Council notes that the current administration has for a long time been pushing for a new urgent care centre to be provided in Hinckley for the benefit of our residents. Despite our efforts, not only has this not been provided but the facilities that were considered by the NHS to enhance much needed health infrastructure for our residents is being snapped away from our grasp.

The Council also condemns the inaccurate and untruthful statements issues by the Member of Parliament for Hinckley and Bosworth seeking to blame the Council for the NHS’s decision.

This Council therefore resolves:

1. To request that the ICB boards urgently reconsider their position on withdrawing this much needed investment in Hinckley
2. To ask that consideration be given by the ICB boards to the potential for an urgent care centre to be delivered on the site of the former community hospital
3. That an urgent meeting be requested with the ICB executives to consider investment in alternative neighbourhood and community health facilities, pending a final decision of the day case centre and consideration of a new urgent care centre on the site
4. That the Council’s Chief Executive writes to the Chief Executive of the Leicester, Leicestershire & Rutland and Northamptonshire ICBs and ministers requesting an urgent meeting takes place on these proposals
5. To call upon the Member of Parliament for Hinckley and Bosworth to issue an apology to the Council and its Leader for his misleading statements and work with all councillors to ensure the best possible outcome
6. That, should the Member of Parliament fail to issue an apology within seven days, the Council instructs the Leader to contact The Speaker of the House of Commons and its Standards Commissioner to express concerns about

the conduct of the MP.”



Hinckley & Bosworth Borough Council

Forward timetable of consultation and decision making

Council 19 February 2026

Wards affected: All wards

Medium Term Financial Strategy (MTFS) 2025/26 - 2027/28 and General Fund 2026/27 supplementary paper

Report of Assistant Director Finance & Audit (Section 151 Officer)

1. Purpose of report

- 1.1 To update members on late changes made by MHCLG to the 2026/27 Financial Settlement and the impact this has had on the MTFS position for 2025/26-2027/28 and General Fund report for 2026/27.

2. Recommendation

2.1 That Members:

- i) Note the revised impacts arising from the government's fair funding review and finance settlement on the council's three-year MTFS position and the 2026/27 General Fund reported position.
- ii) Agree the update to the Medium-Term Financial Strategy (MTFS) for 2025/26-2027/28, in particular the level of reserves used, and any potential need for savings and new income required between 2026/27 to 2027/28.
- iii) Agree the use of earmarked reserves to support the General Fund position required over the life of the MTFS (appendix 1).
- iv) Agree that all supplementary requests above £10,000 for the period of the MTFS will be tightly managed and not be agreed if not matched by savings, unless legally unavoidable or required to ensure greater costs are not incurred.
- v) Note the savings and additional income secured for 2026/27 set out in appendix 2.
- vi) That Members note a fully revised MTFS based on these agreed changes will be drafted.

3. Background to the report

- 3.1. MHCLG convened a meeting on the afternoon of 9 February 2026 to inform district councils of late changes to the Final Settlement for 2026/27 to 2028/29. The actual exact details of the Final Settlement were not released until much later that day which was too late to fully model the impacts before the Council budget reports needed to be sent out. Unlike other years, the changes are material to the forecast position provided and to the detriment of HBBC.
- 3.2. The changes were in relation to the finding of the Institute of Fiscal Studies, which noted that some districts had been overly compensated for the benefits of income that was paid by them in prior years into business rate pools. For 2026/27 an allowance of about £2.6m had been allocated to HBBC, on the basis that it would have paid a levy to the pool of about this amount in prior years and obtained the same level of benefits back in return. Therefore 100% was allocated back to districts. This was challenged, as pool benefits are shared with County Councils as part of the pool agreement, and therefore the benefit has now been downgraded to 50% of the above allowance of £2.6m being paid to HBBC and the other 50% being allocated to the County Council.
- 3.3. This change is from 2026/27, but to protect the 2026/27 settlement, a one-off grant has been given to cover the reduction. This means the reduction will commence in 2027/28. Although the technical argument may be correct, it fails to take into accounts additional costs being incurred by districts for Government requirements, such as the separate collection of food waste. The change for 2026/27 is however, a small increase as noted below, followed by significant reductions in funding for 2027/28 and 2028/29.

Summary of Changes

- 3.4. The change to the provisional and final settlement are noted in the table below, in detail for 2026/27 and then in summary for the whole of the three year settlement to 2028/29.

Hinckley and Bosworth Core Funding	Provisional Settlement 2026/27	Final Settlement 2026/27	Difference
Business rate BLF	£2,734,617	£2,734,617	£0
RSG	£7,003,253	£6,063,977	-£939,277
Council tax requirement excluding parish precepts	£6,676,177	£6,676,177	£0
Homelessness, Rough Sleeping and Domestic Abuse	£573,188	£647,342	£74,155
Damping	£533,966	£160,772	-£373,195
Adjustment support		£1,312,472	£1,312,472
Core Spending Power	£17,521,202	£17,595,356	£74,155

- 3.5. The high-level key financial changes are noted below and include the 2028/29 information to highlight the full impact of the changes over the MTFS period.

Hinckley and Bosworth Core Funding	2026/27	2027/28	2028/29	Total;
Provisional Settlement	£17,521,202	£17,521,202	£17,611,310	£52,653,714
Final	£17,595,356	£16,354,689	£16,425,136	£50,375,181
Gain/Loss	£74,155	-£1,166,513	-£1,186,175	-£2,278,533

- 3.6. It can be seen there is a small benefit in 2026/27, which is not carried forward into 2027/28 and 2028/29, and the position is worse for the last two years of the settlement period. If the new unitary (or HBBC if LGR is delayed a year) wants to achieve a 10% general fund target, it would have to make savings or generate new income of £4.6m. The tables below compare the provisional settlement to the final settlement, with difference separately identified.

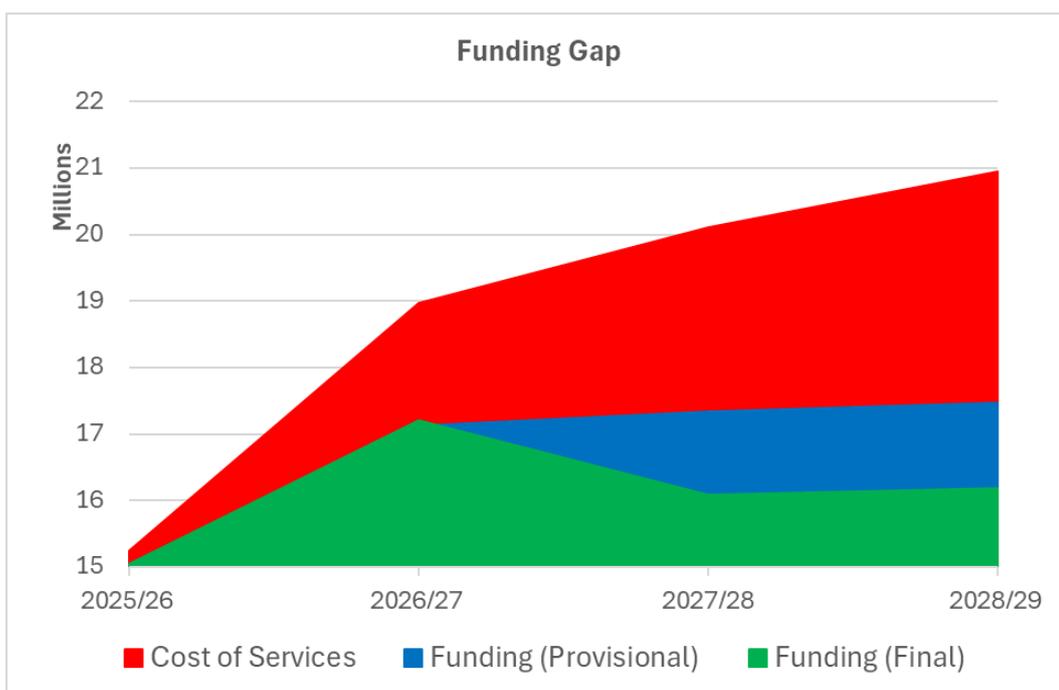
EXPECTED (Provisional Settlement as reported)	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
Net Service Expenditure	14,333,957	15,947,803	18,843,993	20,035,699
Budget movements	2,524,348	2,896,190	1,141,706	848,577
Savings/New income needed	0	0	0	-2,624,000
NET Borough Budget Requirement	16,858,305	18,843,993	19,985,699	18,260,275
Pension Accounting Adjustment	-1,610,720	71,000	71,000	71,000
Reserves movements	-511,132	-2,233,534	-2,849,247	0
General fund gain / loss	314,921	448,235	32,010	-855,661
Net Budget Forecast	15,051,375	17,129,694	17,339,461	17,475,614
General Fund Balance	2,120,930	2,569,716	2,601,726	1,746,065
Earmarked Reserves balance	5,504,941	3,199,247	250,000	250,000
GF performance against 15% target	14.10%	15.00%	15.00%	10.0%

EXPECTED (Final Settlement, replaces reported position)	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
Net Service Expenditure	14,333,957	15,947,803	18,893,993	19,846,699
Budget movements	2,524,348	2,946,190	1,141,706	848,577
Savings/New income needed	0	0	-189,000	-4,589,000
NET Borough Budget Requirement	16,858,305	18,893,993	19,846,699	16,106,275
Pension Accounting Adjustment	-1,610,720	71,000	71,000	71,000
Reserves movements	-511,132	-2,220,534	-2,862,247	0

EXPECTED (Final Settlement, replaces reported position)	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
General fund gain / loss	314,921	459,390	-972,612	9,060
Net Budget Forecast	15,051,375	17,203,849	16,082,840	16,186,335
General Fund Balance	2,120,930	2,580,871	1,608,259	1,617,319
Earmarked Reserves balance	5,504,941	3,212,247	250,000	250,000
GF performance against 15% target	14.10%	15.00%	10.00%	10.0%

EXPECTED (Key Difference)	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
Savings/New income needed	0	0	-189,000	-1,965,000
General Fund Balance	0	11,155	-993,467	-128,746
GF performance against 15% target	0.00%	0.00%	-5.00%	0.0%

- 3.7. The funding deficit has worsened in comparison to the provisional position previously reported due to the final settlement making material changes, which means we have a wider budget gap to close. The budget gap can be closed on a one off basis by reserves but will eventually require new income or savings to be fully closed.
- 3.8. The graph below shows the budget gap before the use of reserves, new income or savings. HBBC will be able to have a balanced budget for 2026/27 and 2027/28 based on the current forecast assumptions, but this would not be possible in 2028/29 if LGR was delayed. Although there is no current indication LGR will be delayed, the new unitary would have to make savings of £4.6m to achieve a 10% General fund position on the HBBC services transferred to it, or at least £3m if it merely wanted to breakeven.
- 3.9. A deficit position was forecast to be inherited by the unitary body in the LGR submission at a combined value of £95 million from the combined range of councils including LCC. This has already been incorporated into the financial modelling for the District Council led LGR submission and there is a 10 year plan for the new Unitary to bring finances into balance. These late government changes aimed at directing funding to larger urban areas will however undoubtedly add additional pressures for the new unitaries. This leaves the main risks for HBBC of LGR being delayed or further unforeseen income cuts or cost pressures.



Changes in Earmarked and General Fund balances

3.10. Government is providing transitional relief and increased RSG funding for some of the new pressures, but this is not sufficient to cover all costs which are increasing at a higher rate than can be covered by the support. This means expenditure is higher than income and to balance the MTFs almost all earmarked reserves will be used by the 31 March 2028, with just £250,000 in an LGR reserve, and £175,000 in special expenses (appendix 1 replaces the previous position reported). The table below has a summary of changes to the profiled use of Earmarked Reserves, which are relatively minor.

Earmarked Reserve use changes	31 March 2026 Balance	From Revenue	31 March 2027 Balance	To Revenue	31 March 2028 Balance
Economic Priorities Reserve	0	-200	63	-63	0

3.11. The changes in the general fund balance over the MTFs between the reported provisional position and the final settlement are noted in the table below (not including savings or new income for 2028/29).

	2025/26	2026/27	2027/28	2028/29
GF Bal (Reported)	£2,121,481	£2,569,716	£2,601,726	-£877,935
Target- performance	15.00%	15.00%	15.00%	-5.03%
GF Bal (Amended)	£2,121,481	£2,580,871	£1,608,259	-£2,971,681
Target- performance	15.00%	15.00%	10.00%	-18.38%
Difference	£0	£11,155	-£993,467	-£2,093,746

Adequacy of funding (Particularly Food waste Collection)

3.12. MTF5 highlights a period of significant financial challenge for Hinckley and Bosworth Borough Council, and from the above it can be seen the settlement funding does not meet our costs. However, there have been specific increases on costs due to Government requirements for the separation of food waste, which is costing HBBC £1.45m a year. Members have been rightly concerned as to whether this extra cost is being funded based on MHCLG announcements. The Local Government Finance Policy Statement 2026-27 to 2028-29 (Published 20 November 2025) notes:

“The government remains committed to supporting local authorities to deliver weekly food waste collections. Ongoing funding was allocated through the Spending Review and will be provided through the Settlement, rather than as a separate new burdens grant. This funding is included within the overall uplift to local government confirmed at the Spending Review, and will be provided to local authorities through the Settlement. This approach reflects the government’s wider commitment, set out in the Fair Funding Review 2.0, to simplify the local government funding system by consolidating revenue funding across service areas and reducing the number of individual grants.”

3.13. The Table below would suggest that food waste is not fully funded from 2027/28 onwards.

Hinckley and Bosworth Core Funding	Expected 2026/27 Settlement Calculation based MHCLG statement £m	2026/27 Actuals £m	2027/28 Actuals £m	2028/29 Actuals £m
Core Spending Power (as notified in 2025/26)	£10.98			
Business Rates Growth in 2025/26	£4.50			
Homelessness, Rough Sleeping and Domestic Abuse as in 2025/26	£0.54			
Our Food waste Costs expected to be funded	£1.45			
Expected settlement for 2026/27 if food waste funded/ Provisional settlement 20267-2028/29	£17.47	£17.52	£17.52	£17.61
Difference	£0.13	£0.07	-£1.17	-£1.19
Final Settlement	£17.60	£17.60	£16.35	£16.43
Food waste costs funded		Yes	No	No

General Fund report – Key changes

3.14. The table below gives the key changes to the previously reported position in the general fund.

Changes due to the Final Settlement	Original Estimate 2026/27	Original Estimate Revised 2026/27	Changes
Corporate & Street Scene Services	9,081,260	9,081,260	0
Community Services & Development Services	10,387,010	10,387,010	0
Total service expenditure (Net)	19,468,270	19,468,270	0
Less:			0
Special Expenses	-878,555	-878,555	0
Capital Accounting Adjustment	-645,378	-645,378	0
Net external interest (received)/paid	949,656	949,656	0
IAS19 Adjustment/ Pensions	71,000	71,000	0
Transfer to (from) Unapplied Grants Reserve	-27,840	-27,840	0
Transfer to reserves	475,000	275,000	-200,000
Transfer from reserves	-2,730,694	-2,467,694	263,000
Transfer to/(from) balances	448,234	459,390	11,156
HBBC Budget Requirement	17,129,693	17,203,849	74,156

4. Exemptions in accordance with the Access to Information procedure rules

4.1 Report is to be taken in open session.

5. Financial implications [AW]

5.1 In the body of the report.

6. Legal implications

6.1 The MTFs provides the foundations to allow the Council to meet its statutory obligations in accordance with Section 32 of the Local Government Finance Act 1992 and section 25 of the Local Government Act 2003. The Council has a statutory requirement to set a budget for each financial year and approve the MTFs, including a three-year capital programme.

7. Corporate Plan implications

7.1 A robust MTFs is required to ensure that resources are effectively allocated to ensure delivery of all the aims, outcomes and targets included in the Council's Corporate Plan.

8. Consultation

- 8.1 All members of the Strategic Leadership Team have been consulted in preparing this report.

9. Risk implications

- 9.1 It is the council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 9.2 It is not possible to eliminate or manage all risks all the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.
- 9.3 The following significant risks associated with these report / decisions were identified from this assessment:

Management of significant (Net Red) risks

Risk description	Mitigating actions	Owner
That the Council has insufficient resources to meet its aspirations and cannot set a balanced budget	A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation. The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance. Sufficient levels of reserves and balances have been maintained to ensure financial resilience based on current expectations	A Wilson
That the Council has insufficient resources to set a balanced budget over the MTFS period due to lack of sufficient reserves and government funding to cover potential increased future pressures from areas such as LGR and temporary accommodation, or other requirements	The Council will engage with in relation to the financial position of the council MHCLG to assess if there is further support available. A plan of potential action will be developed for if needed should savings and new income be required A review of the potential for the use capital flexibilities if needed.	S151 Officer / SLT SLT SLT
The Council is highly likely to transfer a deficit position to any new unitary authority in place from 1 April 2028.		

10. Knowing your community - equality and rural implications

10.1 The budget process will impact on all areas of the borough and all groups within the population.

11. Climate implications

11.1 The stewardship of the financial resources of the council underpins all policy actions to address the council's objectives in ensuring it manages its resources to ensure climate considerations are achieved in accordance with the corporate plan. The MTFs has schemes that will directly increase our level of CO2 emissions.

12. Corporate implications

12.1 By submitting this report, the report author has taken the following into account:

- Community safety implications
- Environmental implications
- ICT implications
- Asset management implications
- Procurement implications
- Human resources implications
- Planning implications
- Data protection implications
- Voluntary sector

Background papers: Corporate Plan, Capital Programme, General Fund and HRA budgets and Treasury report

Contact officer: Ashley Wilson

Executive member: Cllr K Lynch

Appendix 1 Reserve Balances

Detail of expected reserves movements.

Reserves	31 March 2025			31 March 2026			31 March 2027			31 March 2028			
	Capital	To Revenue	From Revenue										
Special Expenses Reserve	294	-58	-33	45	248	-49	-33	45	211	-49	-33	45	175
Local Plan Procedure	204	0	-202	0	2	0	-2	0	0	0	0	0	0
Business Rates Equalisation Reserve	1,250	0	0	0	1,250	0	0	0	1,250	0	1,250	0	0
Economic Priorities Reserve	2,829	0	-391	81	2,519	0	1,626	0	893	0	-893	0	0
Year End Carry Forwards Revenue	157	0	-142	0	15	0	-15	0	0	0	0	0	0
ICT Reserve	162	0	0	0	162	0	-124	0	38	0	-38	0	0
Asset Management Reserve	274	0	0	0	274	0	-100	0	174	0	-174	0	0
Election Reserve	50	0	0	25	75	0	0	25	100	0	-100	0	0
Grounds Maintenance	30	0	0	0	30	0	0	0	30	0	-30	0	0
Enforcement and Planning Appeals	100	0	-50	135	185	0	-50	0	135	0	-135	0	0
Building Maintenance costs	492	-100	0	0	392	-100	0	0	292	-100	-192	0	0
Enterprise Zone - Covid	214	0	0	0	214	0	-214	0	0	0	0	0	0
Developing Communities Fund	236	0	0	0	236	0	-236	0	0	0	0	0	0
LGR Reserve	0	0	-50	100	50	0	-50	250	250	0	0	0	250
Environmental Action Reserve	150	0	-50	0	100	0	-50	0	50	0	-50	0	0
Total	6,444	-158	-918	386	5,753	-149	2,501	320	3,424	-149	2,895	45	425
Net of Special Expenses	6,149	-100	-885	341	5,505	-100	2,468	275	3,212	-100	2,862	0	250

Income and Savings Plan

This year the MTFs is being prepared at a time of very high levels of uncertainty due to the Government's actions over a relatively short period of 2025/26 to 2027/28: Indeed Government only notified us of significant changes to the financial settlement just days before the scheduled budget meeting. Those changes are material to the forecast position provided only in late December and are to the detriment of HBBC

Other factors include:

- a fair funding review for 2026/27
- a business rates reset for 2026/27, which means the Council is losing all of its £4.6 retained business rates growth
- local government reorganisation (LGR) in this MTFs by 1 April 2028, and
- devolution for local Government in England during this MTFs period.

The MTFs therefore highlights a period of significant financial challenge for Hinckley and Bosworth Borough Council. The business rates reset, declining government support, and rising costs mean that reserves will be heavily used. A deficit position (as at the end of this MTFs period) has already been incorporated into the financial modelling for the District led LGR submission and there is a 10 year plan for the new Unitary to bring finances into balance.

The council is taking proactive steps, in face of the pressures faced for 2026/27, with reduction in costs, savings and new income already identified of £2.1m. We have also invested in properties to reduce homelessness accommodation costs by up to £0.6m.

The details of these savings or new income are listed in the table below

Service Area	£
Fuel savings	£117,470
Efficiencies in Estates & Asset Management	£70,000
Parks & Open Spaces additional income	£16,000
Target increase in income for trade waste service	£130,000
Commercial rental savings	£34,770
NHS rental income & Service fee	£122,581
Planning Fees Income Target increase	£175,000
Garden Waste Income increase	£143,750
Reduction in demand for legal costs associated with noise abatement	£90,000
Fees & Charges Inflationary increases	£90,256
Leisure Centre Management fee	£16,450
Car parking – increase in income	£11,995
Commercial estates increase in income	£16,898
Planning Appeals cost reduction	£40,000
Election costs reduction	£17,860
EPR Packaging income	£367,000
Pension contribution savings	£575,000
Pension amendments	£71,000
Total	£2,106,030

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**SUMMARY MEDIUM TERM
FINANCIAL STRATEGY (MTFS)
Refresh for 2025/26 – 2027/28**



What is the purpose of the MTFS?

Our MTFS is fundamental to securing the key ambitions and objectives of the council's Corporate Plan.

Its purpose is to:

- structure and manage the council's finances to support and deliver objectives,
- inform decisions on expenditure, savings and new income to sustain council services,
- engage officers and members in "owning" the process by which council finances are managed.

Background

This year the MTFS is being prepared at a time of very high levels of uncertainty due to the Government's actions over a relatively short period of 2025/26 to 2027/28: Indeed Government only notified us of significant changes to the financial settlement just days before the scheduled budget meeting. Those changes are material to the forecast position provided only in late December and are to the detriment of HBBC.

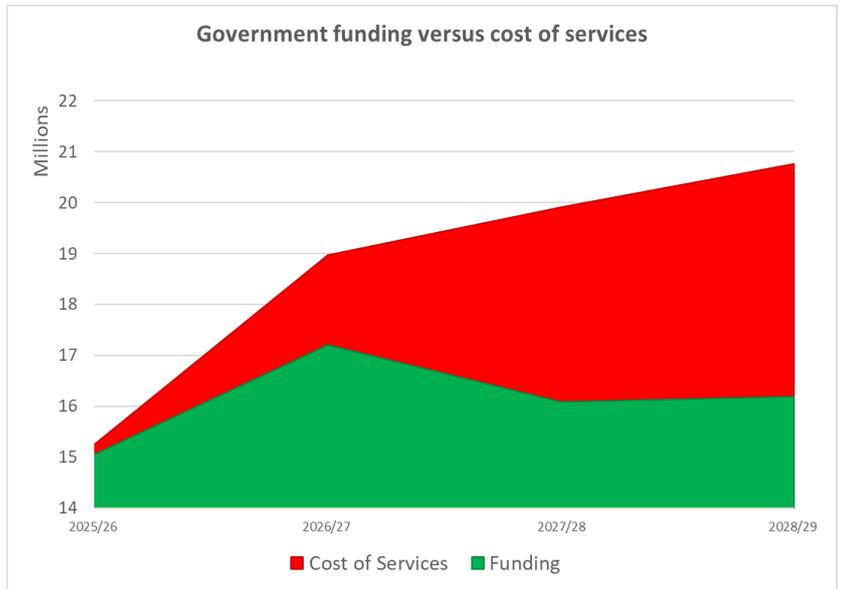
Other factors include:

- a fair funding review for 2026/27
- a business rates reset by 2026/27, which means the Council is losing all of its £4.6 retained business rates growth,
- local government reorganisation (LGR) in this MTFS by 1 April 2028, and
- devolution for local Government in England during this MTFS period.

The MTFS therefore highlights a period of significant financial challenge for Hinckley and Bosworth Borough Council. The business rates reset, declining government support, and rising costs mean that reserves will be heavily used. A deficit position (as at the end of this MTFS period) has already been incorporated into the financial modelling for the District led LGR submission and there is a 10 year plan for the new Unitary to bring finances into balance.

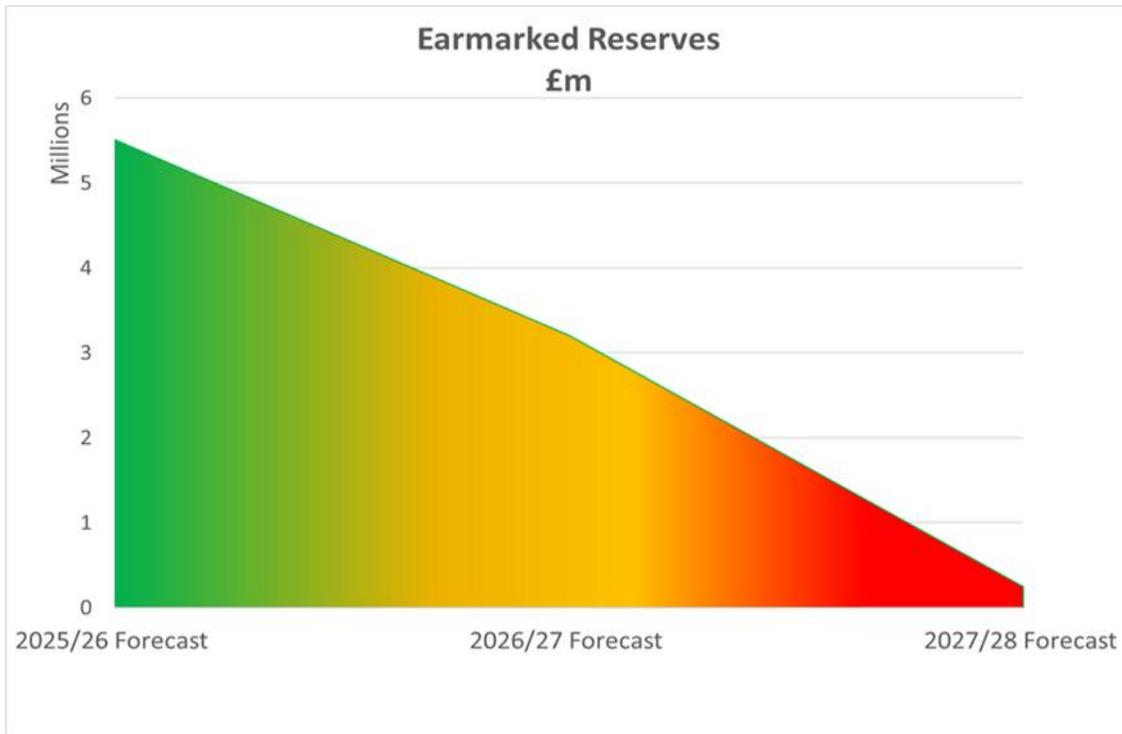
The council is taking proactive steps, in face of the pressures faced for 2026/27, with reduction in costs, savings and new income already identified of £2.1m.

Our core support from Government has also fallen considerably since 2016/17 as seen in the Core Spending Power (CSP) over the years. For 2026/27 government have confirmed our settlement funding is £0.6m less than 2025/26, but our costs are increasing by almost £6.4m, with pressures for food waste and temporary accommodation being a significant element of that increase. The government have issued a final three year settlement, which has a fall in funding of £1.2m in 2027/28, so does not cover the costs of providing the services needed by our local residents.



A balanced budget

To balance our budget and reduce the impact of the lack of funding, the Council will use its earmarked reserves as much as possible to avoid cuts in service, but this will cause a significant reduction in our resources as can be seen in the graph below.



The Council will make representation to government to see if further support can be given.

The key factors causing the pressure in the budget position are common to many councils nationally. These are primarily the separation of food waste £1.5m, the increased costs of temporary accommodation, with costs being about £1m higher than government funds, and to cover rising costs that are increasing faster than inflation due to the ongoing cost of living pressures. These pressures have not been fully covered by funding from Government for the period of the MTFS.

What this means for the future

We have a net budget requirement higher than the amount received from Government, business rates, council tax and other government funding. It does not appear that further funding will be made available, but we will challenge government to offer more support to our residents. The Government White Paper on English Devolution, published in December 2024, has led to wide scale local government reorganisation meaning that Hinckley and Bosworth Borough Council will be merged into a larger unitary council on the 1 April 2028. A reserve of £0.25m has been set aside in the MTFS to help deal with any costs that may be incurred due to the reorganisation. The Council will try to preserve services for the duration of its existence as part of this LGR process.

The MTFS will need to be reviewed if the government makes further announcements in relation to their plans for devolution and Local Government Reorganisation.



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Hinckley & Bosworth Borough Council

Forward timetable of consultation and decision making

Council 19 February 2026

Wards affected: All

CALCULATION OF COUNCIL TAX FOR 2026/27

Report of Head of Finance

1. Purpose of report

1.1 To obtain approval of Council Tax for 2026/27.

2. Recommendation

2.1 That the following be approved in accordance with the Local Government Finance Act (1992) for 2026/27:

- (a) £69,437,851, being the aggregate of the amounts, which the Council estimates for the items set out in Section 31A (2) of the Act. **(Gross Expenditure on General Fund Services, Special District Expenses and Parish Precepts)**
- (b) £59,544,607, being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act. **(Gross Income including External Financing and the Use of Reserves)**
- (c) £9,893,244, being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above calculated by the Council, in accordance with Section 31A (4) of the Act as its Council Tax requirement for the year **(Amount to be Funded from Council Tax, including Special expenses and Parish precepts)**
- (d) £164.02, being the amount calculated by the Council, in accordance with Section 31 (B) of the Act, as the basic amount of its Council Tax for the year. **(Average Local Council Tax, not including Parish Precepts)**

- (e) A Band D Council Tax for Borough wide services, excluding Special Expenses and Parish Council precepts, of £144.65.
- (f) An average Band D Council Tax relating to Borough wide services and an average of Special Expenses and Parish Council services of £243.95.
- (g) Appendix B being the Council Tax for the HBBC District divided by the tax base, including amounts for the Leicestershire County Council, The Office of the Police & Crime Commissioner for Leicestershire, and Leicester, Leicestershire & Rutland Combined Fire Authority and for each area and valuation. **(Council Tax Band Charges for each Parish and Special Expense area).**

3. Background to the report

- 3.1 The General Fund revenue budget for 2026/27 has been drawn up in accordance with the principles set out in the Budget Strategy (the Strategy). The General Fund revenue budget 2026/27 presented alongside this report.
- 3.2 The Council Tax Base for 2026/27 is 40,554.5 and was approved, in accordance with the delegation scheme by the Head of Finance (S151 Officer) on 12th December 2025.
- 3.3 In addition to the Borough wide element, the Borough Council, as billing authority, has to collect Council Tax on behalf of the County Council, the Office of the Police and Crime Commissioner, the Fire and Rescue Service, Parish Councils and the Special Expenses Area. These other bodies issue precepts to the Borough Council specifying the amounts to be collected. These amounts are then paid over during the year in accordance with statutory timescales.
- 3.4 The full Capital & Revenue Estimates the “Budget Book” detailing further details on all Council budgets is available upon request and will be uploaded onto the intranet. Members are requested to raise any specific questions directly with the Head of Finance or the relevant service manager.

Council Tax 2026/27

- 3.5 The approved budgets for this Council result in an average increase in Council Tax excluding the Special Expenses area of Hinckley of 2.95% and including the Special Expenses area of Hinckley of 2.60%
- 3.6 The proposed levels of increases for each of the precepting bodies are as follows:
 - Leicestershire County Council – 2.99%
 - The Office of the Police & Crime Commissioner for Leicestershire – 5.00%
 - Leicester, Leicestershire & Rutland Combined Fire Authority – 5.77%

3.7 Based on these levels the resulting Council Tax amount for each valuation band is as follows:

Valuation Band	A £	B £	C £	D £	E £	F £	G £	H £
Leicestershire County Council *	1,154.53	1,346.95	1,539.37	1,731.79	2,116.63	2,501.47	2,886.31	3,463.58
The Office of the Police & Crime Commissioner for Leicestershire	210.15	245.18	280.20	315.23	385.28	455.33	525.38	630.46
Leicester, Leicestershire & Rutland Combined Fire Authority	61.10	71.28	81.47	91.65	112.02	132.38	152.75	183.30

* At the time of writing this report the precept for Leicestershire County Council is awaiting final approval by their appropriate committee to take place on 18th February 2026

3.8 The average 2026/27 Council Tax relating to Parish Council items of expenditure, including Special Expenses, for Band D is £99.30, an increase of 4.23% over 2025/26.

3.9 The average total amount of Council Tax due at Band D will be £2,382.62 for 2026/27, an increase of 3.41% over 2025/26. The actual percentage increase for each taxpayer will vary depending on the area in which they live. In summary, the average band D Council Tax is made up as follows:

	2026/27 Council Tax	2025/26 Council Tax	Increase
Leicestershire County Council	£1,731.79	£1,681.50	2.99%
The Office of the Police & Crime Commissioner for Leicestershire	£315.23	£300.23	5.00%
Leicester, Leicestershire & Rutland Combined Fire Authority	£91.65	£86.65	5.77%
Hinckley & Bosworth Borough Council Including Special Expenses	£164.02	£159.87	2.6%
Parish Councils	£79.93	£75.90	5.31%
Total Council Tax	£2,382.62	£2,304.15	3.41%

4. Exemptions in accordance with the Access to Information procedure rules

4.1 Report taken in open session.

5. Financial implications [AW]

5.1 Contained in the body of the report

6. Legal implications

- 6.1 The Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended) set out the requirement for the Council to confirm and formally approve its Council Tax Base and notify it to its precepting bodies.

Precept setting must be completed and submitted to the Council by the 31st March by precepting bodies. In the event this deadline is missed the Billing Authorities (Anticipation of Precepts) Regulations 1992 contain provisions for anticipating the precept, provided they have issued one in the last three years immediately previous.

7. Corporate Plan implications

- 7.1 Council Tax levels will have an indirect impact on all Corporate Plan targets.

8. Consultation

- 8.1 All budget holders, Corporate Operations Board and the Strategic Leadership Board have been consulted throughout the budget setting process.

9. Risk implications

- 9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.
- 9.3 The following significant risks associated with this report/ decisions were identified from this assessment:

Management of significant (Net Red) Risks

Risk Description	Mitigating actions	Owner
That the Council has insufficient resources to meet its aspirations and cannot set a balanced budget	<p>A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation.</p> <p>The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance.</p> <p>Sufficient levels of reserves and balances are maintained to ensure financial resilience</p>	A Wilson

10. Knowing your community – equality and rural implications

- 10.1 Precepts for parishes will fund expenditure on their services. Rural communities also benefit from services provided by other precepting authorities
- 10.2 Various Council Tax concessions are available. These concessions are in accordance with rules set by MHCLG

11. Climate implications

- 11.1 There are no direct implications arising from this report

12. Corporate implications

- 12.1 By submitting this report, the report author has taken the following into account:
- Community Safety implications
 - Environmental implications
 - ICT implications
 - Asset Management implications
 - Procurement implications
 - Human Resources implications
 - Planning implications
 - Data Protection implications
 - Voluntary Sector

Background papers: MHCLG notifications
Contact officer: Ashley Wilson - Assistant Director Finance & Audit (S151 Officer) Ext 5609
Executive member: Cllr K Lynch

APPENDIX A: Council Tax breakdown

	£	£	£
Gross Income / Expenditure	48,281,087	(69,437,851)	(21,156,764)
National Non-Domestic Rates Baseline	9,737,870		9,737,870
Collection Fund Deficit	(55,930)		(55,930)
National Non-Domestic Rates retained above Baseline	474,426		474,426
Homelessness, Rough Sleeping and Domestic Abuse	573,188		573,188
Transitional Protections	533,966		533,966
Total	59,544,607	(69,437,851)	(9,893,244)
Council Tax requirement (net position)		(9,893,244)	
			Council Tax at Band D
HBBC		5,866,173	144.65
Special Expenses		785,541	19.37
Council tax for the Borough		6,651,714	164.02
Parishes		3,241,530	79.93
Total		9,893,244	243.95
Preceptors other than parishes			
Leicestershire County Council	70,231,809		1,731.79
Leicester, Leicestershire & Rutland Combined Fire Authority	3,716,933		91.65
The Office of the Police & Crime Commissioner for Leicestershire	12,784,003		315.23
Council Tax All Services 2026/27	96,625,989		2,382.62
£2,382.62 represents the Average Band D Council Tax payable to cover all Borough Council, Special Expense, Parish Council, County Council, Fire and Police Services. This average represents a 3.41% increase on 2025/26			

	Total £
HBBC Budget Requirement 2026/27 Excluding Special Expenses and Parish precepts	17,129,693
LESS External Funding:	
National Non-Domestic Rates Baseline	(9,737,870)
Collection Fund Deficit	55,930
National Non-Domestic Rates retained above Baseline	(474,426)
Homelessness, Rough Sleeping and Domestic Abuse	(573,188)
Transitional Protections	(533,966)
	(11,263,520)
Funding from Council Taxpayer	5,866,173

APPENDIX B

Council Tax 2026/27

Valuation Band	A	B	C	D	E	F	G	H
Proportion Of Band D	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9
	£p							
Parish								
Hinckley	1,568.22	1,829.60	2,090.96	2,352.33	2,875.07	3,397.80	3,920.54	4,704.66
Bagworth & Thornton	1,604.17	1,871.54	2,138.90	2,406.27	2,940.99	3,475.71	4,010.43	4,812.54
Barlestone	1,608.52	1,876.61	2,144.70	2,412.78	2,948.95	3,485.12	4,021.29	4,825.56
Barwell	1,596.54	1,862.64	2,128.73	2,394.82	2,927.00	3,459.18	3,991.35	4,789.64
Burbage	1,576.98	1,839.81	2,102.64	2,365.47	2,891.13	3,416.78	3,942.44	4,730.94
Cadeby	1,559.71	1,819.67	2,079.63	2,339.58	2,859.48	3,379.38	3,899.28	4,679.16
Carlton	1,581.50	1,845.09	2,108.68	2,372.26	2,899.42	3,426.59	3,953.75	4,744.52
Dadlington & Sutton Cheney	1,622.20	1,892.58	2,162.95	2,433.31	2,974.04	3,514.77	4,055.51	4,866.62
Desford	1,593.63	1,859.25	2,124.85	2,390.45	2,921.66	3,452.87	3,984.08	4,780.90
Earl Shilton	1,610.31	1,878.71	2,147.09	2,415.47	2,952.24	3,489.01	4,025.77	4,830.94
Groby	1,612.52	1,881.28	2,150.03	2,418.78	2,956.28	3,493.78	4,031.29	4,837.56
Higham on the Hill	1,584.95	1,849.12	2,113.27	2,377.43	2,905.74	3,434.06	3,962.37	4,754.86
Kirkby Mallory, Peckleton & Stapleton	1,582.11	1,845.80	2,109.48	2,373.16	2,900.53	3,427.89	3,955.26	4,746.32
Market Bosworth	1,620.05	1,890.07	2,160.08	2,430.08	2,970.10	3,510.11	4,050.13	4,860.16
Markfield	1,597.05	1,863.23	2,129.41	2,395.58	2,927.92	3,460.27	3,992.62	4,791.16
Nailstone	1,590.12	1,855.15	2,120.17	2,385.19	2,915.23	3,445.27	3,975.31	4,770.38
Newbold Verdon	1,592.00	1,857.34	2,122.67	2,388.00	2,918.66	3,449.33	3,979.99	4,776.00
Osbaston	1,581.29	1,844.85	2,108.39	2,371.94	2,899.03	3,426.13	3,953.22	4,743.88
Ratby	1,626.75	1,897.89	2,169.01	2,440.13	2,982.38	3,524.63	4,066.88	4,880.26
Shackerstone	1,605.85	1,873.50	2,141.14	2,408.78	2,944.06	3,479.34	4,014.62	4,817.56
Sheepy	1,562.47	1,822.90	2,083.31	2,343.72	2,864.54	3,385.36	3,906.18	4,687.44
Stanton Under Bardon	1,568.03	1,829.38	2,090.72	2,352.05	2,874.73	3,397.40	3,920.08	4,704.10
Stoke Golding	1,597.17	1,863.38	2,129.57	2,395.76	2,928.15	3,460.54	3,992.93	4,791.52
Twycross	1,578.13	1,841.16	2,104.18	2,367.20	2,893.24	3,419.28	3,945.32	4,734.40
Witherley	1,577.05	1,839.90	2,102.74	2,365.58	2,891.26	3,416.94	3,942.62	4,731.16

Summary Of Council Tax Charges (Band D Council Tax 2026/27)

Parish	Parish/ Special Expenditure	Tax Base	Parish/ Special Expenses	Leics. County Council	Combined Fire Authority	Leics. Police Authority	Borough Wide Services	Total Council Tax
	£		£p	£p	£p	£p	£p	£p
Hinckley	785,541	11,382.7	69.01	1,731.79	91.65	315.23	144.65	2,352.33
Bagworth & Thornton	124,814	1,015.2	122.95	1,731.79	91.65	315.23	144.65	2,406.27
Barlestone	110,134	850.7	129.46	1,731.79	91.65	315.23	144.65	2,412.78
Barwell	310,240	2,782.4	111.50	1,731.79	91.65	315.23	144.65	2,394.82
Burbage	507,892	6,182.5	82.15	1,731.79	91.65	315.23	144.65	2,365.47
Cadeby	6,250	111.1	56.26	1,731.79	91.65	315.23	144.65	2,339.58
Carlton	16,000	179.9	88.94	1,731.79	91.65	315.23	144.65	2,372.26
Dadlington & Sutton Cheney	36,478	243.2	149.99	1,731.79	91.65	315.23	144.65	2,433.31
Desford	194,779	1,818.1	107.13	1,731.79	91.65	315.23	144.65	2,390.45
Earl Shilton	462,547	3,500.1	132.15	1,731.79	91.65	315.23	144.65	2,415.47
Groby	356,895	2,634.7	135.46	1,731.79	91.65	315.23	144.65	2,418.78
Higham on the Hill	30,605	325.2	94.11	1,731.79	91.65	315.23	144.65	2,377.43
Kirkby Mallory, Peckleton & Stapleton	44,392	494.1	89.84	1,731.79	91.65	315.23	144.65	2,373.16
Market Bosworth	142,801	973.0	146.76	1,731.79	91.65	315.23	144.65	2,430.08
Markfield	195,992	1,745.9	112.26	1,731.79	91.65	315.23	144.65	2,395.58
Nailstone	23,125	227.0	101.87	1,731.79	91.65	315.23	144.65	2,385.19
Newbold Verdon	117,139	1,119.0	104.68	1,731.79	91.65	315.23	144.65	2,388.00
Osbaston	8,401	94.8	88.62	1,731.79	91.65	315.23	144.65	2,371.94
Ratby	256,280	1,634.3	156.81	1,731.79	91.65	315.23	144.65	2,440.13
Shackerstone	56,620	451.3	125.46	1,731.79	91.65	315.23	144.65	2,408.78
Sheepy	35,000	579.5	60.40	1,731.79	91.65	315.23	144.65	2,343.72
Stanton Under Bardon	20,043	291.6	68.73	1,731.79	91.65	315.23	144.65	2,352.05
Stoke Golding	99,400	884.0	112.44	1,731.79	91.65	315.23	144.65	2,395.76
Twycross	32,587	388.5	83.88	1,731.79	91.65	315.23	144.65	2,367.20
Witherley	53,115	645.7	82.26	1,731.79	91.65	315.23	144.65	2,365.58
Total	4,027,071	40,554.5						