

Coventry City Council
Minutes of the Meeting of Cabinet held at 10.00 am on Tuesday, 24 February 2026

Present:

Members: Councillor G Duggins (Chair)
Councillor AS Khan (Deputy Chair)
Councillor N Akhtar
Councillor L Bigham
Councillor R Brown
Councillor K Caan
Councillor P Hetherton
Councillor J O'Boyle
Councillor P Seaman
Councillor K Sandhu

Non-Voting Deputy
Cabinet Members: Councillor S Agboola
Councillor P Akhtar
Councillor G Hayre
Councillor S Nazir

Non-Voting Opposition
Members: Councillor S Gray

Other Non-Voting
Members: Councillor R Lakha
Councillor G Lloyd

Employees (by
Directorate):

Finance and Resources B Hastie (Director of Finance and Resources (Section 151 Officer)), P Helm, T Pinks

Law and Governance J Newman (Director of Law and Governance), M Salmon

Policy and
Communications C Holloway

Apologies: Councillor F Abbott
Councillor L Kelly
Councillor E Reeves
Councillor G Ridley

Public Business

65. Declarations of Interest

There were no disclosable pecuniary interests.

66. **Minutes**

The minutes of the meeting on 10th February 2026 were agreed and signed as a true record. There were no matters arising.

67. **Council Tax Setting Report 2026/27**

Cabinet considered a report of the Director of Finance and Resources (Section 151 Officer) which would also be considered by Council at its meeting on 24th February 2026, that calculated the Council Tax level for 2026/27 and made appropriate recommendations to Council, consistent with the Budget Report 2026/27.

The report recommended a 3.9% increase in the City's Council Tax. Some figures and information, shaded grey in the report, were necessarily provisional due to precepts not having been confirmed at the time of publication.

The report incorporated the impact of the Council's gross expenditure and the level of income it would receive through Business Rates, grants, and fees and charges. This resulted in a Council Tax requirement, as the amount that its expenditure exceeded all other sources of income.

The report included a calculation of the Band D Council Tax that would be needed to generate this Council Tax requirement, based on the City's approved Council Tax base. The 2026/27 Band D Council Tax that was calculated through this process had increased by £82.98 from the 2025/26 level.

Each year the Government determined the maximum Council Tax increases that local authorities could set without triggering a referendum. For 2026/27, Coventry City Council's Council Tax must be below 5%, as set out in the Secretary of State's principles for 2026/27, comprising a 2% precept for expenditure on adult social care and a maximum of 3% for other expenditure. The recommendations within the Budget Report 2026/27 were based on a proposed increase in Council Tax of 3.9%, incorporating a core Council Tax rise of 2.9% and a 1% Adult Social Care Precept.

At the time of writing this report the precept from the Police and Crime Commissioner and the precept from the Fire and Rescue Authority had not been confirmed. The provisional figures provided in this report were based on indicative figures. The figures detailed in the recommendations below were subsequently confirmed as the final figures, at the meeting.

Members noted that the recommendations followed the structure of resolutions drawn up by the Chartered Institute of Public Finance and Accountancy, to ensure that legal requirements were fully adhered to in setting the tax. As a consequence the wording of the proposed resolutions was necessarily complex.

RESOLVED that Cabinet recommend to Council the approval of recommendations (1) to (5) below:

(1) To note the following Council Tax base amounts for the year 2026/27, as approved by Cabinet on 6 January 2026, in accordance with Regulations made under Section 31B of the Local Government Finance Act 1992 ("the Act"):

a) 91,413.3 being the amount calculated by the Council as its Council Tax base for the year for the whole Council area;

b)

Allesley	498.7
Finham	1,587.2
Keresley	744.4

being the amounts calculated by the Council as its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate.

(2) That the following amounts be now calculated by the Council for the year 2026/27 in accordance with Sections 31A, 31B and 34 to 36 of the Act:

(a) £1,035,300,800 being the aggregate of the amounts that the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils (Gross Expenditure and reserves required to be raised for estimated future expenditure);

(b) £835,376,768 being the aggregate of the amounts that the Council estimates for the items set out in Section 31A(3) of the Act. (Gross Income including reserves to be used to meet the Gross Expenditure but excluding Council Tax income);

(c) £199,924,032 being the amount by which the aggregate at (2)(a) above exceeds the aggregate at (2)(b) above, calculated by the Council in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year;

(d) £2,186.40	<u>(2)(c)</u>	=	<u>£199,924,032</u>
	(1)(a)		91,413.3

being the amount at (2)(c) above divided by the amount at (1)(a) above, calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year. (Average Council Tax at Band D for the City including Parish Precepts).

(e) £57,993 being the aggregate amount of all special items referred to in Section 34(1) of the Act. (Parish Precepts);

$$(f) \text{ £2,186.40} = (2)(d) - \frac{(2)(e)}{(1)(a)} = \text{£2,186.40} - \frac{\text{£57,993}}{91,413.3}$$

being the amount at (2)(d) above, less the result given by dividing the amount at (2)(e) above by the amounts at (1)(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 the area to which no special item relates. (Council Tax at Band D for the City excluding Parish Precepts);

(g)

Coventry (unparished area)	£2,186.40
Allesley	£2,226.65
Finham	£2,199.94
Keresley	£2,208.48

being the amounts given by adding to the amount at (2)(f) above, the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at (1)(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate. (Council Taxes at Band D for the City and Parish).

h)

Valuation Band	Parts to which no special item relates	Parish of Allesley	Parish of Finham	Parish of Keresley
	£	£	£	£
A	1,457.60	1,484.43	1,466.63	1,472.32
B	1,700.53	1,731.84	1,711.06	1,717.70
C	1,943.47	1,979.25	1,955.51	1,963.10
D	2,186.40	2,226.65	2,199.94	2,208.48
E	2,672.27	2,721.46	2,688.82	2,699.26
F	3,158.13	3,216.27	3,177.69	3,190.02
G	3,644.00	3,711.08	3,666.57	3,680.80
H	4,372.80	4,453.30	4,399.88	4,416.96

being the amounts given by multiplying the amounts at (2)(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(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwelling listed in different valuation bands.

- (3) To note that for the year 2026/27 the Police and Crime Commissioner for the West Midlands and West Midlands Fire Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwelling shown below:

Valuation Band	Police and Crime Commissioner for the West Midlands	West Midlands Fire Authority
	£	£
A	163.00	56.79
B	190.17	66.26
C	217.33	75.73
D	244.50	85.19
E	298.83	104.12
F	353.17	123.05
G	407.50	141.99
H	489.00	170.38

- (4) That having calculated the aggregate in each case of the amounts at (2)(h) and (3) above, the Council, in accordance with Sections 30 and 36 of the Act, hereby sets the following amounts as the amounts of Council Tax for the year 2026/27 for each part of its area and for each of the categories of dwellings shown below:

Valuation Band	Parts to which no special item relates	Parish of Allesley	Parish of Finham	Parish of Keresley
	£	£	£	£
A	1,677.39	1,704.22	1,686.42	1,692.11
B	1,956.96	1,988.27	1,967.49	1,974.13
C	2,236.53	2,272.31	2,248.57	2,256.16
D	2,516.09	2,556.34	2,529.63	2,538.17
E	3,075.22	3,124.41	3,091.77	3,102.21
F	3,634.35	3,692.49	3,653.91	3,666.24
G	4,193.49	4,260.57	4,216.06	4,230.29
H	5,032.18	5,112.68	5,059.26	5,076.34

(5) That the Council determines that its relevant basic amount of Council Tax for 2026/27 is not excessive in accordance with the principles set out in the Secretary of State's report, under Sections 52ZC and 52ZD of the Act.

68. Budget Report 2026/27

Cabinet considered a report of the Director of Finance and Resources (Section 151 Officer), which would also be considered at the meeting of Council on 24th February 2026, that followed on from the Pre-Budget Report approved by Cabinet on 16th December 2025 (minute 44/25 referred) which has since been subject to a period of public consultation. The proposals within the report now formed the basis of the Council's final revenue and capital budget for 2026/27 incorporating the following details:

- Gross budgeted spend of £1,035.3m (£73.5m higher than 2025/26).
- Net budgeted spend of £422.9m (£126.0m higher than 2025/26) funded from Council Tax, Business Rates and Business Rates top-up of £56.5m due to the 2026/27 impact of the Fair funding redistribution.
- A Council Tax Requirement of £199.9m (£10.4m or 6% higher than 2025/26), reflecting a City Council Tax increase of 3.95% detailed in the separate Council Tax Setting report on today's agenda.
- A number of new expenditure pressures, policy investments and technical savings proposals.
- A Capital Strategy including a Capital Programme of £165.9m including expenditure funded by Prudential Borrowing of £33.9m.
- An updated Treasury Management Strategy, Capital Strategy, and a Commercial Investments Strategy.
- Amendments to the Council Tax Support Scheme.

The financial position in this Budget Report was based on the Final 2026/27 Local Government Finance Settlement published on 9th February 2026. This settlement was a result of the implementation of the Fair Funding systems, Council Tax equalisation and Business Rates reset. This settlement included a multi (three) year settlement which took the Authority through to the end of the current CSR (comprehensive spending review) period of March 2029.

This 3-year settlement enabled a much better medium-term view of the Council's finances from a resource perspective. The Government would reserve the right to review allocations each year, but indicative allocations would allow Councils to plan more effectively. Demographic pressures were still expected to continue to increase as cost-of-living issues continued to affect individuals' experience and expectations of when local authorities and Government would intervene to protect them. The next 3 years would continue therefore to create a very challenging environment in which the City Council would need to ensure Government funding together with local taxation decisions were sufficient to cover existing cost and emerging pressures including inflation.

In response the additional resources received by Coventry in the Final settlement and in conjunction with the consultation responses, final proposals within the Budget Report proposed a Council Tax increase of 3.95%. This incorporated a 2.95% Council Tax increase plus a further 1% Adult Social Care (ASC) Precept.

The precept was to enable councils including Coventry to manage increases in the costs of care. In total, the rise in Council Tax bills would be the equivalent of around £1.48 a week for a typical Coventry household including the expected rises in the precepts for Police and Fire.

At the point of the pre-budget stage, reported to Cabinet in December 2025, the 2026/27 settlement and the impact of the Fair Funding review were not known. However, sector intelligence indicated that the local impact would be positive such that no new savings proposals would be required for 2026/27, and financial headroom could potentially be available such that some form of policy investment might be possible.

On this basis, Cabinet approved a consultation process which sought views on investment options across 7 key Strategic themes. Proposals within this 2026/27 Budget report have been categorised into these themes. Table 2 in Section 2.2 to the report summarised the resourcing position, expected pressures and technical savings, together with policy proposals for which approval was sought by Council.

The detail of these proposals was set out in Appendix 2 to the report. The proposals provided the Council with a balanced budget for 2026/27 as well as headroom to make strategic policy decisions that would support and enhance the city in future years. The Council's current medium term bottom line incorporated a combination of future inflationary and service pressures and the fall-out of some specific grant resources. Some of the future pressure and income assumptions were estimated at this stage.

The Council's Medium Term Financial Strategy (MTFS) included as Appendix 1 to the report, set out the financial planning foundations that supported the setting of the Council's revenue and capital budgets, including the policy assumptions and financial management framework that underpinned the strategy. The purpose of the MTFS was to describe the environment within which the Council operated and bring together resource and cost projections to explain how the Council planned to use resources and manage costs pressures whilst focussed on its key strategic priorities over the medium term.

The recommended Capital Programme proposals were a key part of the Council's approach and amounted to £165.9m in 2026/27. The proposals reflected the Council's ambitions for the city and included: extensive highways infrastructure works including specific schemes relating to continued delivery of the City Region Sustainable Transport Settlement (CRSTS) Programme that included London Road corridor transport packages, the construction and operation of The Coventry Very Light Rail 800m long twin-track 'City Centre Demonstrator (CCD)' from the main Coventry Rail Station to the Coventry University Technology Park; the continuation of City Centre Cultural Gateway; continued implementation of the City Centre South redevelopment; and the completion of Woodlands School. Over the next 5 years the Capital Programme was estimated at a total of £437m as part of on-going investment delivered by and through the City Council.

The report also detailed the annual Treasury Management Strategy, incorporating the Minimum Revenue Provision Policy and the Commercial Investment Strategy. These covered the management of the Council's treasury and wider commercial investments, cash balances and borrowing requirements. These strategies and other relevant sections of the report reflected the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management Code and Prudential Code for Capital Finance, as well as statutory guidance on Minimum Revenue Provision (MRP) and Investments.

RESOLVED that Cabinet recommend to Council the approval of recommendations 1) to 9) below:

- 1) Approve the Medium-Term Financial Strategy in Appendix 1 to the report, as the basis of its medium-term financial planning process.**
- 2) Approve the Budget proposals in Appendix 2 to the report, after due consideration of the consultation responses set out in Appendix 7 to the report and the Equality Impact Assessment set out in Appendix 10 to 31 to the report.**
- 3) Approve the total gross 2026/27 revenue budget of £1,035.3m in Table 1 of the report and Appendix 3 to the report, established in line with a 3.9% City Council Tax increase and the Council Tax Requirement recommended in the Council Tax Setting Report 2026/27.**
- 4) Note the Director of Finance and Resources (Section 151 Officer) comments confirming the adequacy of reserves and robustness of the budget in Section 5.1.4 and 5.1.5 of the report.**
- 5) Approve the Capital Strategy incorporating the Capital Programme of £165.9m for 2026/27 and the forward commitments arising from this programme totalling £437m between 2026/27 to 2030/31 detailed in Section 2.3 of the report and Appendix 4 to the report.**
- 6) Approve the addition to the Capital Programme of a new Capital Scheme for the delivery of Temporary Accommodation and Resettlement properties at a total cost of £9.2m. Funded from the acceptance of the capital grant of £4.9m from the Ministry of Housing, Communities and Local Government (MHCLG) specifically for the delivery of the Local Authority Housing Fund tranche 4 (LAHF) Scheme; £1.2m funded from capital receipts; and £3.1m revenue funding as part of the proposed policy priorities in this report: Increasing Family Temporary Accommodation provisions in Appendix 2 (lines 38 and 39) to the report and detailed in Section 2.3.4 of the report.**

- 7) **Approve the award of a £2.3m capital grant from the Temporary Accommodation Programme (Recommendation 6) above) to a Registered Social Landlord (RSL) to deliver 19 properties for resettlement and delegate authority to the Director of Care, Health and Housing, following consultation with the Director of Finance and Resources and the Cabinet Member for Housing and Communities, to undertake such action as is deemed necessary to bring into effect this recommendation as referenced in Section 2.3.4 of the report.**
- 8) **Approve the Council's Treasury Management Strategy and Minimum Revenue Provision Statement for 2026/27 in Section 2.4 of the report and the Prudential Indicators and limits described and detailed in Appendix 6 to the report, the Commercial Investment Strategy for 2026/27 in Section 2.5 of the report and Appendix 5 to the report, and the Commercial Investment Indicators detailed in Appendix 6 to the report.**
- 9) **Approve amendments to the Council Tax Support Scheme following the 6-week consultation period, as detailed in Section 2.6 of the report and Appendix 9 to the report, and in accordance with The Local Government Finance Act 1992 (as substituted by the 2012 Act).**

69. **Outstanding Issues**

There were no outstanding issues.

70. **Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of public business.

(Meeting closed at 10.05am)