

REPORT TO FULL COUNCIL



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Date	20th January 2026
Subject	2026-29 Budget

PURPOSE:

1. To present the final draft of the 2026-29 budget, based on recommendations from the Finance, Employment & Services (FES) Committee.
2. To provide a rationale for each decision made.

BACKGROUND:

3. The first draft of the 2026-29 budget was presented at the last FES Committee meeting that was held on Tuesday, 2nd December 2025.
4. The budget was based on the continuation of existing services, with a Full Event Schedule and represented an increase in precept of approximately 21%.
5. The following recommendations were made by the FES Committee:
 - That due to budget restrictions, the Halloween Event is taken out of the schedule of events going forward.
 - The PWLB Loan to be reduced to cover the Town Hall boilers only. Minimal works will be carried out at No.2 Albert Road to get the property leasable and to improve the appearance of the front of the building. The proposed project for the Two Bedroomed Flat conversion to be scrapped, due to the potential need for additional office space.
 - For the new figures for Benches, Bus Shelters and Play Areas to be entered into the budget, based on the winning tender submissions.
 - For the Town Clerk/RFO to aim to reduce the percentage increase to around 14% if possible.
6. At the last Full Council meeting, Councillors agreed with the recommendations made by the FES Committee for the 2026/27 budget, however they deferred the three year budget back to the Committee to include a reasonable uplift for inflation and to include an additional contingency element for the potential transfer of services and assets due to local government reorganisation.

ADDITIONAL INFORMATION:

7. The removal of the Halloween event produced a saving of approximately £7,500.

8. Although no costings have been placed into the budget for the transfer of assets/services from Pendle Borough Council, the Asset Transfer working group has made it clear that some Councillors are keen to take on a number of additional responsibilities. Should all the potential transfers come to fruition, there will be a need for Colne Town Council to employ additional staff members. Additional space will be required for both storage of materials and office space.
9. The FES Committee Members agreed that this would not be the right time to commit to a costly renovation project, along with higher loan repayments and high interest rates.
10. Two additional quotations have been received by the company chosen for the renovation work. One quote was to do the bare minimum required to get No.2 Albert Road rent worthy, and the other was to do the same, but with the added refurbishment of the upstairs windows.
11. The preferred quotation which was including the upstairs windows was for around £31,000. It was decided that this is a much easier figure to find, and so the decision was made to reduce the loan amount to cover just the Town Hall heating, and to use the savings in energy costs and the rental income to cover the loan repayments.
12. The Alkincoates Park budget is showing quite a large increase, this is due to included estimates for the re-location of the MUGA and the creation of a carpark. There has also been an increased amount added for the park gardening.
13. The recently published grounds maintenance tender has resulted in a reduction on contract price for the benches and the bus shelters by around 15% (however this price is not including bench refurbishment). Unfortunately, the playground contract has seen an increase of 25%.
14. These prices have now been put into the presented budget, however in order to arrive at the 14% requested by the FES Committee, it has been necessary to reduce all discretionary budgets by 10%.
15. Prior to the last FES Committee meeting, it was discovered that there is likely to be rateable value increases for Business Rate purposes from April 2026, although some of the unit rates per square meter have been reduced. A total value of £11,723 has been added to the budget to cover increase in business rates and consequently BID Levy.
16. Savings have had to be made elsewhere in the budget to counteract this, which has mainly come from the correction of an identified error in the Publicity budget for the 2026 Blues Festival, and the downgrade of Councillor Microsoft 365 Licenses from Business Premium to Business Basic.
17. The presented budget has a contingency element included at a value of £45,000 for 2026/27, £55,000 for 2027/28 and £60,000 for 2028/29.

FINANCIAL IMPLICATIONS:

18. The budget presented in the appendices to this report, represents an overall precept increase of 14% from last year (however only a 7.6% increase on our current budget).

19. This budget would equate to an annual cost of £251.87 for a Band D Taxpayer. This represents and annual increase of £31.53 or 61p per week.
20. The above costs have risen slightly from the last figures reported, which is mainly due to a reduction in the Tax Base for Colne, from 5016.7 to 5003.13.

RECOMMENDATION:

21. That Members approve the three year budget presented, as recommended by the FES Committee.
22. That authorisation is given for the Precept Request Form for 2026/27 to be completed and submitted to Pendle Borough Council before the deadline date of Monday, 2nd February 2026.

REASONS FOR RECOMMENDATION

23. To allow the budget for 2026/27 to be agreed and the level of precept increase to be determined.

SUMMARY OF KEY POINTS:

24. The FES Committee have recommended a budget representing a 14% increase on last year's precept.
25. Members should consider the figures presented with a view to making a decision on the value of precept to be requested.

POLICY IMPLICATIONS:

26. None directly arising from this report.

DETAILS OF CONSULTATION:

27. Council Officers, Maintenance Staff, PWLB and the FES Committee.

SUPPORTING PAPERS:

- Appendix 1 – Detailed budget by codes
- Appendix 2 – Budget Summary (Future Budgets Vs Start of Year Budget)
- Appendix 3 – Budget Summary (Future Budgets Vs Current Budget)
- Appendix 4 – Precept Summary

FURTHER INFORMATION, PLEASE CONTACT: Gina Langley