

# Budget 2026/27

## Statement from the Leader of the Council and Cabinet Member for Finance

December 2025

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We are now entering into our third year of setting our budget proposals, and our approach is continuing to follow the same fundamentals as the past two years. We are focussing on the ongoing revenue pressures and delivering against our financial sustainability plans and our Capital Investment Plan. This is alongside ensuring we are concentrating on the things that residents have told us matter to them.

It is fair to say though that this year's proposals do contain a level of uncertainty. This has come from us having to prepare our budget proposals without knowing what the financial settlement from Government will be. We are unlikely to receive that clarity until just before Christmas.

Because of this, we are using the best estimates from advisors with experience of local authority financial settlements. That is not an ideal position for any council to be in, but it is the responsible and sensible approach. We must continue to plan ahead, even when the financial picture is uncertain.

What we can say with certainty is that Torbay Council has remained in a secure financial position for a number of years. This has been achieved through us being strict with our decisions and careful planning. As a result, there are relatively few changes in this year's budget compared with last year. There are no substantive cuts to any services delivered directly by the Council and we are looking at directing funding to a small number of areas where significant pressure has built up over the past 12 months. This is about rebalancing the budget as we move forward, ensuring resources are targeted where they are genuinely needed.

We regularly look forward, and forecasts have indicated that the next few years will be financially challenging and we are expecting Torbay to have less government financial support to work with over the next few years. We will need to find financial savings, but we are striving to do that through improved efficiency in order to protect the services our residents need and value. In the coming year we are hopeful that there will be an element of transitional support which will fund the remaining gap in the budget. We will continue to work on developing financial sustainability plans which could help close any remaining financial gap next year and will certainly be required over the next few years.

It is still possible that the funding we receive from Government will exceed our expectations. It did so last year and could do so again. If extra funding becomes available through the funding settlement we would be interested to know where residents would like to see this funding spent. Our consultation is asking for your views on a number of these ideas, and we want to hear which of these you feel should be prioritised.

Two years ago, we set up Operation Brighter Bay and Operation Town Centres to show how important it is to improve where we live for everyone. Both these respond directly to what our residents have told us mattered to them. Operation Brighter Bay makes our Bay more attractive and safer, and Operation Town Centres addresses anti-social behaviour and its sources, so that

everyone can ensure our town centres are welcoming. We are proposing a continued focus on these two areas, ensuring it extends into all our residential areas.

We are also looking at improving the offer for our children and young people through to those who are working and want to improve their skills. Our play parks and activities are important to those who use them and we are listening to young people to understand what's missing and what they would like. We are also keen to support job creation and encourage new businesses to choose the Bay as a place to base themselves.

Alongside the revenue budget proposals, we are issuing an update of our plans for our Capital Expenditure over the next few years. Alongside a range of smaller projects taking place, these plans show the funding for the Paignton and Preston Waterfront Development which are incorporating the enhanced sea defences. There is also funding to progress the major regeneration projects for all three of our Town Centres as well as significant funds towards the first phases of the restoration of The Pavillion in Torquay and Oldway. There are also capital commitments to cover the development of detailed plans for enhancements of the Brixham Fish Market, a new Brixham multi-storey car park and expansion of employment space in support of our High Tech Industries in Paignton.

Despite the challenges we have described above, we believe we are delivering for the people of Torbay as we promised to do. With you, our residents, at the heart of everything we do, we want to hear your thoughts. Along with your feedback, the confirmation of the Government settlement and feedback from members of the council this will help us to set a balanced budget for 2026/2027 and provide a sustainable financial future for Torbay Council.



Councillor David Thomas  
Leader of Torbay Council



Councillor Alan Tyerman  
Cabinet Member for Housing, Finance and  
Corporate Services

Alongside this statement the following will also be published and will be available on the Council's website:

- **Chief Finance Officer's Report**

This provides more details in relation to the future funding of Torbay Council in light of the draft Local Government Finance Settlement.

- **Proposed Fees and Charges**

The amount that the Council proposes to charge for its services over the next year.

- **Draft Capital Investment Plan 2025/2026**

This explains the outcomes that we are seeking to achieve from our Capital Plan and which capital schemes the Council plans to fund over the coming year.

Other documents, which will be updated and published on the Council's website, will include the draft Council's Revenue Reserves Policy, the Capital Strategy, and the Treasury Management Strategy.

We will also publish a full copy of our Revenue Budget Digest for 2026/2027 after the final budget has been set. This provides a description of what each Council service does and how much it is expected to spend next year and how much income they will receive.

# Timetable

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Consultation on the budget proposals, both for the public and partner organisations, will commence on 3 December 2025 until 18 January 2026 so as much feedback as possible can be gathered. The consultation questionnaire can be found at [www.torbay.gov.uk/consultation](http://www.torbay.gov.uk/consultation).

The Council's Overview and Scrutiny Board will be holding its Priorities and Resources Review Panels during the consultation period when the Cabinet's proposals will be discussed in detail. These meetings will take place during the week commencing 8 December 2024.

Having considered the feedback from the consultation (including from the Overview and Scrutiny Board), the Cabinet will agree its final budget proposals at its meeting on 17 February 2025. This meeting is open to the public.

The Council will meet on 26 February 2026 (open to the public at the Riviera International Conference Centre, Torquay) to agree the revenue and capital budgets and set the overall Council Tax for Torbay, having received notifications from the Fire and Rescue Authority, the Police Authority and Brixham Town Council about their Council Tax requirements.

Details of the meetings when the budget proposals will be discussed are available on the Council's website: [www.torbay.gov.uk/meetings-and-decisions](http://www.torbay.gov.uk/meetings-and-decisions)

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For more information, please contact [engagement@torbay.gov.uk](mailto:engagement@torbay.gov.uk)

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