

27 February 2026

To: All Elected Members of Slough Borough Council

Budget Setting Advice Note from Head of Paid Service and Monitoring Officer

Members' obligations

Full Council is obligated to set the Council Tax. This is a legal requirement under s.30 of the Local Government Finance Act 1992 and is reserved to Full Council by virtue of s.67. This decision must be made by 11 March 2026. As set out in the report presented to members on 26 February 2026, s.31A of the Local Government Finance Act 1992 requires the Council, as billing authority, to calculate the Council Tax requirement following consideration of the expenditure it estimates it will incur in performing its functions, the reserves that it estimates as appropriate and sufficient, the income it expects to receive and any collection fund transfers – i.e. a balanced budget.

This decision is one of the most important decisions that elected members are called upon to make.

Upon acceptance of office, all elected members agree to fulfil their duties as councillors to the best of their ability and to abide by the Code of Conduct for Members.

The Code requires members to:

1. Act lawfully
2. Act with integrity
3. Lead by example and act in a way that secures public confidence in the role of councillor
4. Exercise responsibilities in the interests of the local community
5. Exercise reasonable care and diligence
6. Do not bring the Council into disrepute

Members are able to hold other councillors to account and to constructively challenge and express concern about decisions and proposed decisions, but you are trusted to make difficult decisions on behalf of your community.

Members' liability

Members are obligated to abide by the Code of Conduct for Members and have a collective responsibility to ensure the Council sets a lawful budget. Voting against budget proposals repeatedly knowing that the result will be that no budget is set is incompatible with the obligations set out in the Code of Conduct.

If an elected member is found to have wilfully refused to set the budget causing a financial loss to the Council, they may be found to be liable for such loss. Any member who is found to have acted deliberately or recklessly in a way which involves persistent failure to facilitate the setting of a lawful budget could be found to have wilfully neglected their public duty and personal liability may arise in the form of misfeasance in public office, depending on the nature and extent of conduct at the Full Council meeting and its impact.

Governance consequences of failure to set a budget

The Council is obliged to comply with its best value duty and is already under the statutory intervention of the Secretary of State for Housing, Communities and Local Government. Members repeatedly voting against budget proposals is likely to be found to be another example of a failure to comply with this duty and may lead to further intervention and directions. Any advice from MHCLG commissioners must be given due weight and taken into account in decision-making.

The Council's s.151 officer and Monitoring Officer have statutory duties to report to Full Council in the event that the Council is unable to balance its budget and the Council has or is intending to act unlawfully.

Failure to set the Council Tax also affects the Council's preceptors, including the Office of the Police and Crime Commissioner (OPCC) for Thames Valley, Royal Berkshire Fire Authority and Parish Councils, all of whom form part of our Council Tax Resolutions.

Cabinet's role

The Leader, via his Cabinet, is required by law to prepare budget proposals for Full Council to consider. These comprise the revenue budget, capital budget and council tax levels. Cabinet has discharged this legal duty by presenting its recommended budget to Full Council, including submitting and securing a minded to decision for exceptional financial support from MHCLG.

Full Council is permitted to ask the Leader to reconsider these proposals based on objections raised by Full Council. The Leader may submit a revision to the estimates or amounts or inform Full Council that Cabinet disagrees with the objections and the reasons for such disagreement.

Full Council's legal duty

Full Council must agree its budget and set the Council Tax by 11 March 2026. This legal duty arises from the Local Government Act 2000, Local Authorities (Functions and Responsibilities) Regulations 2000 and the Local Government Finance Act 1992. This duty is individually and collectively shared between all elected members that make up Full Council.

In deciding how to exercise its duty, Full Council must have regard to the advice of the Chief Finance Officer and the Monitoring Officer. Full Council must act in accordance with the Council's statutory duties, common law duties and administrative law principles.

By failing to set its Council Tax, following the prescribed budget calculations, the Council will be acting unlawfully. In stark terms, this will lead to the Council being unable to deliver services, honour its contractual commitments and pay its staff. The Council will in effect "grind to a halt". This will have a significant impact on most residents, particularly those who are vulnerable and in need of support.

Members have a fiduciary duty to council taxpayers to avoid unlawful action that would result in a loss of significant revenue to the Council or a failure to deliver services risking litigation and adverse financial implications.

Officers' legal duty

The Chief Finance Officer (s.151 Officer) is responsible for the proper administration of the Council's financial affairs. The Monitoring Officer is responsible for ensuring the Council conducts its business in a lawful manner. In the event of a failure by Full Council to set a budget by 11th March 2026 or a budget which is not deemed to represent a robust set of estimates, or demonstrate the adequacy of proposed financial reserves under s.25 of the Local Government Act 2003, this officer may have to issue a s.114 report. This eventuality would fall under s.114 of the Local Government Finance Act 1988, clause 2b which requires the s.151 officer to report if the authority "has taken or is about to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency on the part of the authority". In addition, the Monitoring Officer may also have to issue a report under s.5 of the Local Government and Housing Act 1989 as Full Council will be acting unlawfully. Therefore, it is imperative that Full Council discharge its legal duty to set a lawful budget.

Whilst members are not obliged to seek advice in advance of the meeting, officers remain available to support. This includes the Head of Paid Service, the Monitoring Officer and his deputy, the s.151 officer or his deputy, senior finance officers and democratic services staff. It will be necessary to ensure that any amendment put before Council is legally and technically possible, has been reasonably calculated, sufficiently deliverable as to be robust, sustain a balanced position in the medium term and continue to ensure that reserves are maintained at an adequate level which protects the Council's financial standing. If appropriate, the amendment may need to undergo a high-level assessment of the potential service and equalities impact.

Next Steps

The Council needs to vote by a simple majority to approve the Cabinet's budget or to approve an amended budget. If approving an amended budget, members must take account of the Leader's objections and officer advice.

At the meeting on 5 March 2026, members can vote to approve an amended budget recommended by Cabinet or the original recommended Cabinet budget where Cabinet do not submit an amended budget. Full Council should vote by simple majority to approve the budget proposals.

The Council meeting will need to continue without time limit until a final decision can be reached. Members are expected to work collaboratively and on a cross-party basis to facilitate rather than frustrate the setting of a lawful budget. This does not need to include voting for the budget. Members who feel unable to approve the budget may choose to abstain. Members who wilfully and persistently refuse to set a budget by voting against it have been notified of the potential personal liabilities and consequences of such action.



Will Tuckley

Head of Paid Service



Sukdave Ghuman

Monitoring Officer