



Wigan Council Financial Plan 2026 – 27

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Foreword

Director Legal & Finance

Wigan has a population of 320,000 and is the ninth largest metropolitan Authority in England and the second largest in Greater Manchester. Wigan occupies an enviable position, lying between Manchester and Liverpool. The area it covers is still 70% countryside with its “greenheart” covering some 77 square miles, including stunning parks, woodlands, wetlands and green spaces. This combined with its rich sporting heritage makes Wigan an excellent place to live and to locate your business.

The Financial Plan is divided into four sections. Section 1 explains the strategy underpinning the new era of Progress with Unity. Section 2 provides an overview of the revenue budget and contains details of the budget process. Section 3 sets out the Council’s capital plans and Section 4 provides details of our Medium-Term Financial Plan.

The Council considers control of its budgets to be critical to the management of the overall finances of the Council. To this end, Chief Officers are accountable for delivering their services within the allocated budgets. This process is underpinned by the submission of regular budget monitoring statements for scrutiny to Assistant Directors and quarterly budget monitoring reports to Cabinet.

Whilst we are investing in the future, the Council, like other local authorities and many other sectors, continues to face significant financial pressures. Like all households in the borough, the Council is impacted by rising costs and demand, in addition to sustained cuts to our budget over successive years since the start of the austerity period. Through continued, prudent financial planning and the introduction of Progress with Unity, we remain committed to invest in the areas that we know are important to our communities, providing community funding, boosting our town centres and environment along with providing opportunities for young people.

It is hoped that external readers of this document will find the information presented here helpful in understanding the Council’s finances, budget process and the way in which financial resources are allocated to meet the competing demands of the services. My thanks go to the dedicated team of finance staff who have worked hard to produce the budget for 2026/27, and to colleagues in other departments who have helped in the process.

Sarah Johnston, Director of Finance and Legal

Section 1: Progress With Unity

In 2024 the Progress with Unity plan was launched as a movement for change for the next decade.

It builds on the successes and opportunities created during the previous 10 years but also the lessons we have learned along the way.

We know that the world around us has changed significantly and the challenges and opportunities that our communities are living through requires a bold response.

As a partnership between residents, businesses, public services and community organisations we have reflected deeply on what our strengths are - but also where we have not gone far enough or had the impact we had hoped for.

Two key missions have been identified that the council and its partners are committed to delivering:

- **Create fair opportunities for all children, families, residents and businesses**

"Together, we will break down the barriers that create financial, health, education and environmental inequalities in our borough."

- **Make all our towns and neighbourhoods flourish for those who live and work in them**

"Together, in genuine partnership with our residents and businesses, who know our communities best, we will help each town and neighbourhood in the borough to celebrate and maintain their identity whilst understanding and helping to achieve what is needed to thrive."

These missions will be underpinned by action-plans that will have a focus on community wealth and health building, tackling inequalities and supporting communities to fulfil their potential.

Section 2: The Revenue Budget

In order to set a balanced budget over the three years of the Medium-Term Financial Plan, it has been estimated that in addition to £27m of savings currently identified, a further £5.9m will need to be delivered.

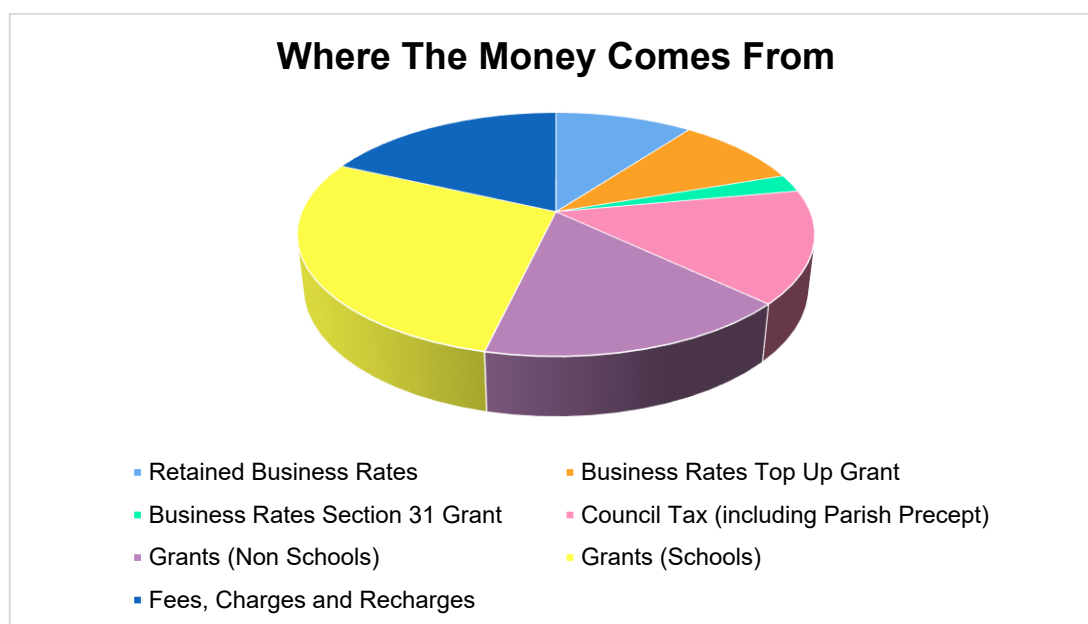
The production of a Medium-Term Financial Plan is based upon professional judgement and a number of assumptions throughout the year, with the final Local Government Finance Settlement being published in February 2025. There are always a number of risks and pressures that cannot be fully quantified at the time of formulating the plan. The key risks are below:

- There is a significant financial pressure within Children's Services, in particular the costs relating to our Looked After Children and the increased requirement for more complex external residential placements.
- Home to School Transport linked to the growth in EHC plans
- The number and complexity of people requiring adult social care is set to increase year on year, including young adults transitioning from Children's Services and ongoing demand pressures through hospital discharge and the impact of an ageing population.
- There is a continued risk associated with inflation.
- The outcome of the Fair Funding Review and Business Rate reset processes
- The Government finance settlements assume that local government will apply a basic Council Tax increase of 2.99% and will apply an additional 2% Adult Social Care precept. Any local decision not to increase Council Tax by the full amount will result in the Council foregoing permanent funding which the government assumes is available to the authority when making grant allocations.
- A balanced budget has been set for 2026/27 and although there continues to be a budget gap over the period, this is due to the inclusion of continued growth for both Adults and Children's services which is designed to address key risks. A longer term sustainable financial plan is key to our continued transformational plans under Progress with Unity.

Where the money comes from

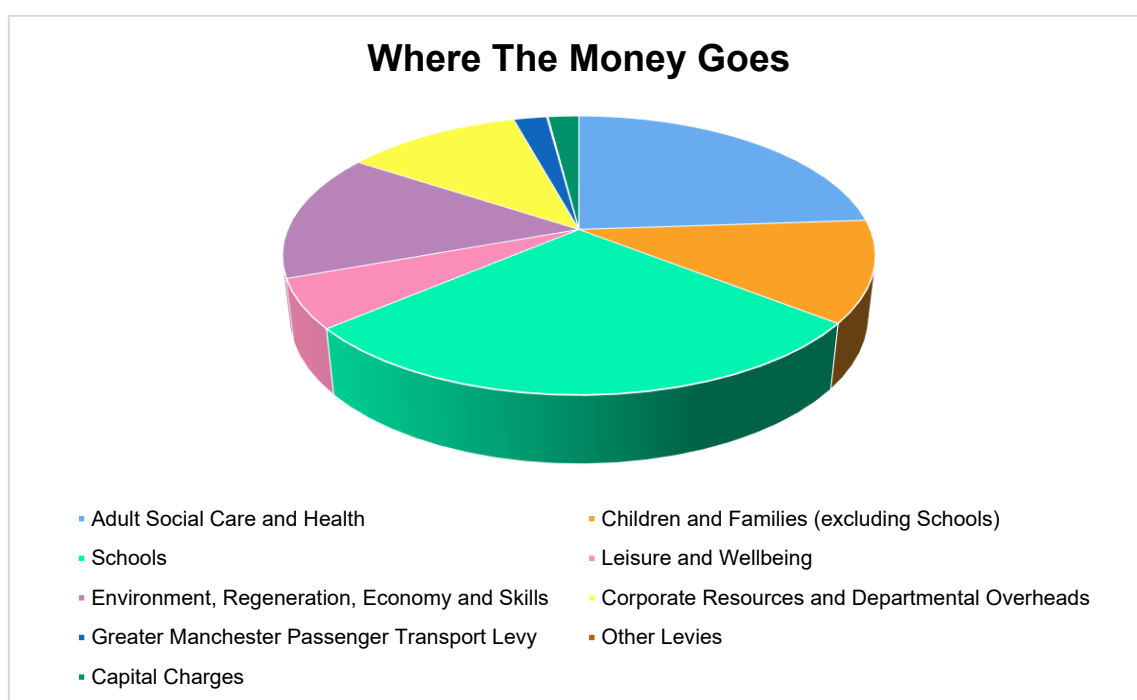
The Council funds its services from a number of sources. The main funding streams that the Council receives are shown here:

Source	Amount (£m)
Retained Business Rates	117.5
Business Rates Top Up Grant	109.1
Business Rates Section 31 Grant	26.6
Council Tax (including Parish Precept)	171.2
Grants (Non Schools)	191.3
Grants (Schools)	322.8
Fees, Charges and Recharges	208.1
Total	1,146.6



What the money is spent on

Source	Amount (£m)
Adult Social Care and Health	273.9
Children and Families (excluding Schools)	134.3
Schools	322.8
Leisure and Wellbeing	65.3
Environment, Regeneration, Economy and Skills	169.9
Corporate Resources and Departmental Overheads	131.5
Greater Manchester Passenger Transport Levy	24.9
Other Levies	1
Capital Charges	23
Total	1,146.6



Council Tax

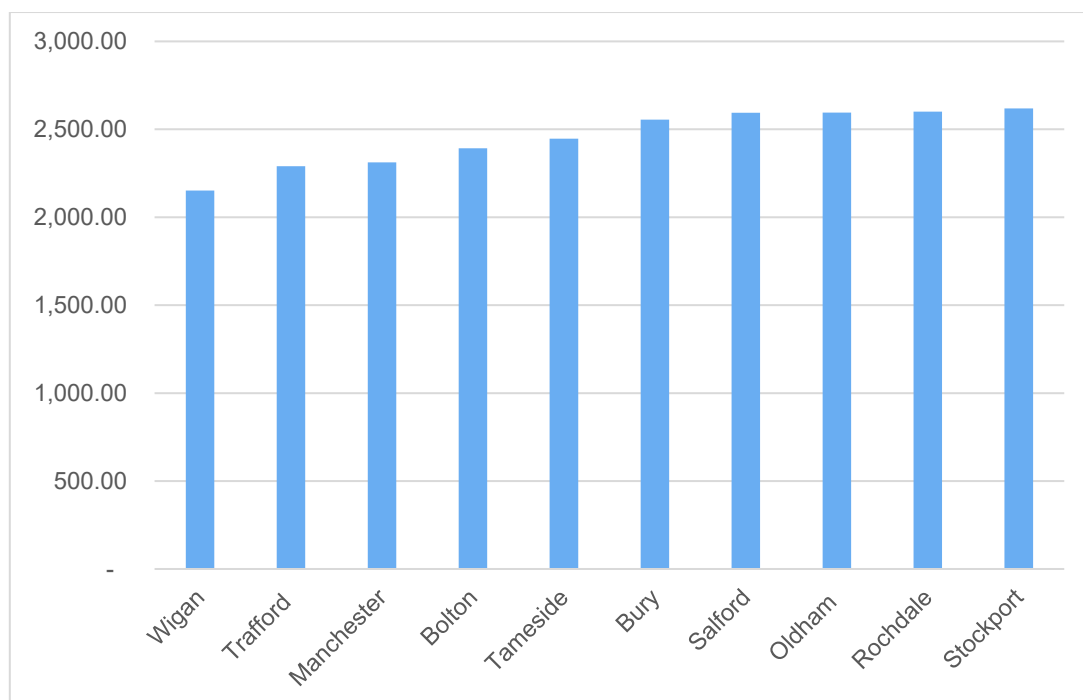
The Council took the decision to raise Council Tax by 2.99% in 2026/27 and by 2% in line with Government policy to provide additional funding for Social Care Pressures. Council Tax is a charge levied on residential properties. Each property is placed in one of 8 bands, A to H, based upon its April 1991 valuation. The valuation of properties is carried out and is the responsibility of the Valuation Office Agency, a government organisation which is separate from the Council. Of the 8 bands, band D is commonly quoted as this represents the average value across the country, although the majority of Wigan properties fall within bands A and B. The Council Tax for a property consists of a number of components for the various services provided to the household. The total Council Tax consists of an element for Wigan Council and amounts for Combined Authority functions including the Police and the Fire and Rescue authorities (known as precepting authorities).

Wigan Council Net Budget Requirement	(£m)
	410.2
Less:	
Retained Business Rates	-117.5
Business Rates Top Up Grant	-109.1
Recovery & Adjustment Support Grant	-12.6
Council Tax Requirement	171.1
Add:	
Precept for Greater Manchester Police	15.4
Precept for Greater Manchester Fire & Mayor	28.5
Total Council Tax	214.9

The table below shows the amount of Council Tax payable at each of the statutory valuation bands into which properties have been placed by the Government Valuation Office, together with the number of properties in each Band. In calculating its tax base of 99,900 for 2026/27, the Council amends property numbers for expected new builds, demolitions, single person discounts, other discounts and exemptions, properties adapted for the disabled and estimated losses on collection and then converts the total to a Band D equivalent as required by legislation. The values shown below are inclusive of all precept amounts and are not solely for Wigan Council.

Band	Valuation	Properties	Council Tax
A	Up to £40,000	69,252	£1,434.35
B	£40,001-£52,000	35,053	£1,673.42
C	£52,001-£68,000	26,076	£1,912.47
D	£68,001-88,000	13,552	£2,151.54
E	£88,001-£120,000	7,798	£2,629.65
F	£120,001-£160,000	2,023	£3,107.77
G	£160,001-£320,000	658	£3,585.89
H	Exceeding £320,000	55	£4,303.08

This graph compares Wigan's total Band D Council Tax for 2026/27 with the equivalent for the other Greater Manchester Authorities. Wigan has the lowest Band D in the region.



Service budgets

The Council's services can be categorised over three headings – People, Places and Resources. The Revenue Estimate for each of the Directorates is shown below along with the Housing Revenue Account (HRA):

	People (£m)	Places (£m)	Resources (£m)
Employees	331.5	64.1	24.8
Premises Related Expenses	26.4	13.2	0.4
Transport Related Expenses	10.7	8.6	0.1
Supplies and Services	31.9	42.6	10.2
Third Party Payments	338.2	20.6	3.9
Transfer Payments	25	-	57
Support Services	32.7	20.7	13.6
Total Expenditure	796.4	169.8	110.1
Grants and Contributions	407.7	12.2	62.1
Rents, Sales, Fees and Charges	58.9	16	2.6
Recharges	49.1	84.4	20.8
Total Income	515.7	112.6	85.5
Total Net Expenditure	280.7	57.2	24.6

Note that not all of the Council's budgets are related to a specific service. The Council also has corporate budgets for example for precepts, levies, interest and statutory provision for the repayment of debt.

Housing Revenue Account (HRA)

The Housing Revenue Account is the ring-fenced account used by the council to manage income and expenditure across our housing stock. It is a statutory account that ensures that the finances of council housing are separated from other council activities and services. This ensures that the rents paid by tenants are only used to fund housing-related services.

Income

HRA Income	Year 1 2026/27 (£m)	Year 2 2027-28 (£m)	Year 3 2028-29 (£m)
Dwelling Rents	-110.1	-114.4	-117.8
Non-Dwelling Rents Garages & Land	-0.4	-0.4	-0.4
Income from Service Charges	-1.5	-1.5	-1.6
Solar PV, Leaseholder & Other Income	-2.1	-2.1	-2.1
Interest earned on HRA Balances	-0.3	-0.2	-0.2
Total Income	-114.3	-118.6	-121.9

Expenditure

HRA Expenditure	Year 1 2026/27 (£m)	Year 2 2027/28 (£m)	Year 3 2028/29 (£m)
Contribution to Bad Debt Provision	1.1	1.1	2.4
Supervision and Management	29.4	29.6	29.3
Service Charge Costs	2.7	2.8	2.8
Revenue Day to Day Repairs, Voids & Adaptations	36.4	39.2	38.9
Revenue Programme Repairs	9.7	9.8	10
Debt Charges	13.2	14.1	14.1
Depreciation	23	23	23
Direct Revenue Financing	2	2	3
Total Expenditure	117.6	121.5	123.4

Net Surplus/Deficit	3.3	2.9	1.4
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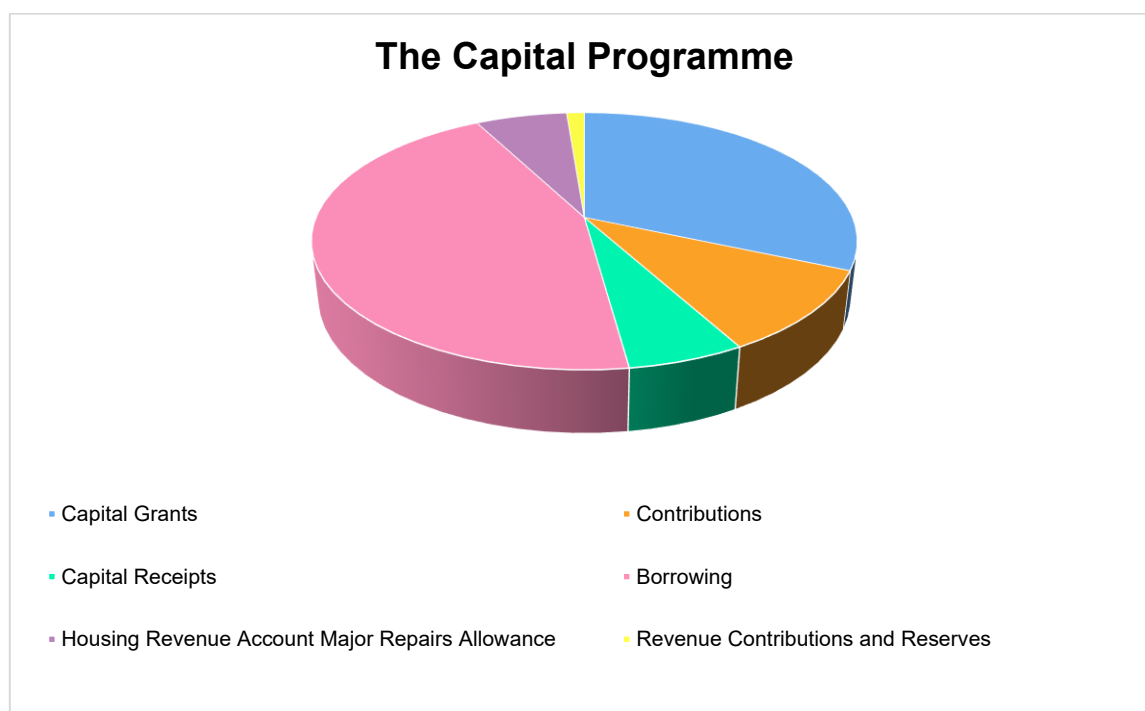
Balance Brought Forward	-17.2	-14	-11.1
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Balance Carried Forward	-14	-11.1	-9.7
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Section 3: The Capital Programme 2026/27 to 2028/29

The Council operates a rolling Capital Programme which is continuously monitored. The programme of works planned for 2026/27 amounts to £240m. The following shows how this is funded and provides an analysis of the major schemes.

Funding Source	(£m)
Capital Grants	75.7
Contributions	25
Capital Receipts	14.1
Borrowing	106.8
Housing Revenue Account Major Repairs Allowance	15.5
Revenue Contributions and Reserves	3
	240.1



Borrowing

Government departments provide support for capital expenditure as capital grants to directly support capital expenditure. The Council's revenue budget supports its capacity for borrowing. The Council is free to set its own borrowing limits subject to the Prudential Code, in which case, as the name suggests, proposals for the use of unsupported borrowing are based on a business case approach, where revenue savings or additional revenue income will be sufficient to pay for the borrowing costs.

Major projects

Examples of the projected key capital projects that the Council will be involved in during 2026/27 include:

People	2026/27 Expenditure (£m)
SEND - High Needs Provision	3.6
Wood Fold IFE New Build and Refurb	6.3
Hope School and College Relocation	21
Disabled Facilities Grant Adaptations	7.5
Places	
Structural Maintenance to Roads, Bridges & Lighting	6.7
Town Centre Investment Framework	57.1
Ashton Town Centre Local Regeneration Fund	4.9
Leigh Town Centre Local Regeneration Fund	4.8
Standish S106 Infrastructure	1.5
Lowton & Golborne S106 Infrastructure	5.6
Haigh Hall and Woodland Park	21.5
Pride in Place Impact Fund	1.5
Housing	
New Build and Purchase of Stock	18.9
Aids, Adaptations, Planned Maintenance and Upgrades	39.5

Three year - Capital Programme Summary

The total expected cost of all current capital projects combined is shown in the second column of the table below. This includes expenditure incurred on open projects in previous years in addition to the expected future payments that will be required to complete projects. Details of payments forecast for the next three years to 2028 are also included:

DIRECTORATE	Payments Forecast 2026/27 - 2028/29		
	2026/27 (£m)	2027/28 (£m)	2027/28 (£m)
People Directorate			
Children & Young People	37.3	25.2	0.2
Adult Services	10.1	8.3	5.7
Places Directorate			
Environment (Roads)	6.8	4.8	4.8
Environment (Other)	2.8	2.8	0.2
Economy & Regeneration	92	48.4	9.8
Housing (HRA)	58.4	40.5	30.8
Resources Directorate			
Culture	24.3	17.2	0
Corporate	8.4	1.3	0.6
Total Capital Programme	240.1	148.4	52.1

Section 4: Medium Term Financial Plan

This plan sets the Council's Medium Term Financial Strategy for 2026/27 – 2028/29 and highlights a number of key pressures the Council is likely to face over that period.

The Council has successfully met the financial challenges to date by taking decisions early which have ensured that the Council has remained in a sustainable position whilst continuing to deliver vital front-line services. The Medium-Term Financial Plan has been produced to ensure effective financial planning continues to contribute to corporate priorities in line with strategic goals and can support the missions of Progress With Unity. The ongoing transformation of our services, with an emphasis on protecting our front-line services is key to the delivery of a robust financial strategy that continues to provide and improve value for money for residents. The MTFP is produced alongside the capital strategy and treasury management strategy to ensure budgets set are sustainable.

Despite these achievements, clear challenges remain both locally and nationally as outlined in Section 2. Uncertainty on future funding allocations, inflation and demand pressures in adult and children's social care continue to be the biggest risks.

There is a requirement on all directorates to ensure that efficiency savings are made alongside service improvements.

Medium Term Financial Plan

Funding	2026/27 (£m)	2027/28 (£m)	2027/28 (£m)
Business Rates	226.6	243.8	240.2
Council Tax	171.1	181.4	192.3
Funding Floor Grant including Adjustment Support	8.6	4.8	1.4
Recovery Grant Uplift	4	5.2	7.2
Total Funding	410.2	435.2	441.1
Previous Year's Net Budget Requirement	383.1	426.7	430
Inflationary Uplift	5	6.2	5.2
Growth	39.3	13.1	14.5
Grant Changes	-3	0.2	0.1
Budget Pre-Savings	424.4	446.2	449.8
Budget Gap	14.3	11	8.7
Savings Proposals Identified	-14.3	-10	-4
Remaining Budget Gap	0	1	4.7