Agenda Item: 4

Meeting of:	**Cabinet**
Date of Meeting:	**Thursday, 04 December 2025**
Relevant Scrutiny Committee:	Resources Scrutiny Committee
Report Title:	Budget 2026/27 and Medium Term Financial Plan 2026/27 to 2030/31 Update.
Purpose of Report:	To provide an update on progress following the UK and Welsh Government Budgets announcements in November 2025.
Report Owner:	Executive Leader and Cabinet Member for Performance and Resources
Responsible Officer:	Director of Corporate Resources
Elected Member and Officer Consultation:	Senior Leadership Team
Policy Framework:	This is a matter for Executive decision by Cabinet. The budget in March 2026 will be a Full Council decision.

Executive Summary:

- Cabinet approved the Financial Strategy for the Budget 2026/27 and MTFP 2026/27 to 2030/31 at its meeting on 17th July 2025.
- The report set out the strategy and also the financial forecast at the time based on early work on cost pressures to be fed into Welsh Government and the UK Chancellor's Spending Review in June 2025.
- There had been an expectation of a Welsh Government spending review and three year settlement to follow but that has been deferred given the Senedd elections in May 2026 and also the need for political negotiation in the Senedd for the Welsh Government Budget for 2026/27.
- The Welsh Government published its draft Budget on 9th October. It is a rollover budget only with a 2.5% headline uplift for local government and a floor in place at 2.3%. Given the Vale of Glamorgan's own population forecasts it has been assumed that the Council will be protected at the floor with a Settlement of 2.3%.
- Since the submission of the cost pressures to Welsh Government they have been subject to a series of reviews primarily through the first two rounds of Budget Working Groups in September and October to ensure affordability against available resources.

- The underlying pressures on the Council had amounted £26.742M but these have been pared back to £19.486M. This still leaves the Council with a financial gap of £10.092M in 2026/27 and £29.902M across the medium Term.
- The Council Tax increase for 2026/27 continues to be modelled at 3.9% with the same level of increase in future years of the MTFP.
- Services are working through savings and efficiency proposal against the Reshaping and Transformation framework initially approved by Cabinet in January 2025 and also set out in the Financial Strategy approved in July 2025.
- A Budget for Consultation will be brough forward to Cabinet on 15th January with the four week consultation period starting 16th January running through to 13th February. The proposals will also be reviewed by Scrutiny in February 2026. This will also be informed by the Life in the Vale 2025 work which commenced in October.
- A Draft Budget will then come forward to Cabinet on 28th February 2026 for approval by Full Council on 9th March 2026.

Recommendations

1. Cabinet is recommended to note the challenging financial position faced by the Council with a funding gap of £10.092M in 2026/27 and £29.902M across the medium term.
2. Cabinet is recommended to note the ongoing work to bring forward savings and transformation proposals against the Reshaping Framework in the Budget for Consultation in January 2026.
3. Cabinet is recommended to continue to lobby for multi year settlements, a fair level of funding for the Vale of Glamorgan for Schools and Social Care and for timely notification of grants to schools.

Reasons for Recommendations

1. There continue to be significant financial pressures impacting on the 2026/27 Budget and Medium Term Financial Plan 2026/27 to 2030/31 and it is essential to regularly inform Cabinet of the magnitude of the challenge.
2. Work to continue on establishing a balanced budget and sustainable financial position in the medium term.
3. Whilst recognising the barriers to change it is important to lobby for a fair settlement for the Vale of Glamorgan and for timely grant announcements to enable robust and sustainable financial planning.

1. Background

Financial Strategy 2026/27

1.1 Cabinet approved the Financial Strategy 2026/27 on 17th July 2025. It set out the Council's overall driving factor to deliver the Corporate Plan objectives as set out in Vale 2030 which was approved by Council in March 2025.

1.2 The Strategy also restates the underlying principles in developing the budget and medium term financial plan and the sustainability of the Council's finances, these continue to hold:

i. Focus on Supporting the Most Vulnerable

ii. Sustainable Finances

iii. The underlying estimates need to be robust, and all cost pressures need to be Appropriate Level of Reserves

iv. Generating Local Tax Revenue

v. Fees and Charges

vi. Collective Responsibility to Manage the Finances

vii. Accessible and Transparent Finances

viii. Deliver Best Value.

1.3 A full link to the report is found at:

[Financial Strategy 2026-27]

Where we spend our money

1.4 The Council delivers a very wide range of services (as set out below along with the net spend and proportion of the overall Council spend). The two largest spend areas Schools and Social Care accounted for 71% of the Council's spend in 2025/26, up from 70% the previous year and modelling of the current budget proposals below indicates that this proportion will grow still further in 2026/27 and across the medium term. There is little flexibility in much of the Council's spend with, for example, the Council Tax Reduction Scheme of £12.335M being a national scheme (albeit far from fully funded, nationally) and the Fire Levy of £8.761M being a levy set by South Wales Fire and Rescue Service. There was a consultation on the governance and funding arrangement for Fire and Rescue Service in the autumn and alternative to the levy are being considered.

1.5 Table 1 – Net Expenditure 2025/26

Service	Description	Net Spend 2025/26	% of Base Budget
		£000	%
Schools	Delegated spend for primary, secondary and Special schools including Additional Learning Needs Provision	128,213	39
Social Care	Support services for vulnerable Adults and Children and Young People in our Community.	106,594	32
Corporate Services and Policy	HR and Payroll; Finance including Council Tax, Rates and Benefits; Legal and Democratic Services; and also ICT and Office Accommodation costs total £5M.	16,212	5
Learning and Skills	Central support for schools, libraries, arts and cultural provision.	14,674	4
Council Tax Reduction Scheme	Statutory scheme supporting those on the lowest incomes.	12,335	4
Fire Levy	Payment of the levy to South Wales Fire and Rescue Service	8,761	2.5
Waste and Recycling	The cost of Waste and Recycling Services	8,341	2.5
Borrowing Costs	Capital financing costs and investment income	8,122	2

School Transport	Transporting Children and Young People to Mainstream and Special sector schools	7,355	2
Other Neighbourhood Services	Leisure, Parks, Street Cleansing and Supported Bus Services	7,094	2
Highways	The cost of Highways and Engineering including Flood, Drainage and road maintenance	5,447	2
Regeneration and Planning	Includes management of the Planning function including development of the LDP, Regeneration, Country Parks and Tourism services.	3,115	1
General Fund Housing	Community Safety and Homelessness provision	1,871	1
Democratic Costs	Democratic Costs	1,729	0.5
Regulatory Services	Food safety, animal welfare	1,711	0.5
Total		**331,574**	100

1.6 The Vale of Glamorgan is a relatively low spending Authority providing good value for Money, it has the fifth lowest net expenditure of the 22 Welsh County Councils. It is similarly placed on Council Tax, being sixth lowest (further detail later in the report) and second lowest (21st of 22) for Government support with Revenue Support Grant of £1,666 per capita for 2025/26.

1.7 The benchmarking data has been refreshed since the Financial Strategy was produced with the 2024/25 Outturn numbers now available.

1.8 It presents a very similar picture with the Council very low overall on not expenditure and the majority of service lines at low or very low.

1.9 Table 2 - Benchmarking

Service	Unit	Wales Max	Wales Min	Vale	Wales Context
		£	£	£	
Adult Social Care	18 +	941.13	546.89	727.04	Low
Central	Head	198.33	13.45	28.98	Very Low
Children's and Families	0-17	2,462.92	1,471.14	1,385.89	Very Low
Cultural and Related	Head	121.92	42.64	55.63	Very Low
Education	0-18	7,137.38	5,195.15	6,166.57	High

Environmental and Regulatory	Head	232.66	128.41	134.45	Very Low
Highways and Transport	Head	164.58	74.87	103.92	Average
Housing	Head	387.90	221.50	275.89	Low
Planning	Head	51.22	19.00	52.44	Low
Total		**3,621.64**	**2,779.69**	**2,860.36**	Very Low

1.10 Education is an exception, being high in the Wales context. At the more detailed level mainstream primary and secondary are both Very Low but Special Very High which drives the overall rating.

1.11 The UK Government published its Spending Review in June. Given the continued tough economic conditions at the time with inflation having temporarily fall in line with Government targets but rising and expected to peak in the autumn and stalled economic growth the resources available to the Chancellor were always going to be limited. Positively a three year settlement was given albeit with modest sums available year on year. Working out how this translated into additional resource for Wales was not easy but the expectation was for average day to day spending to grow by 1.4% per year in reals but that it would be front loaded.

1.12 There was an initial refresh of the Medium Term Financial Plan with the main change being a resetting of assumption on pay inflation and the knock on impact of inflation for pay and especially increases in the Real Living Wage on the Social Services Provider Fees. Funding gap in year one was £13.156M but with a knowledge of greater pressures coming through across the Council which would see this figure increase. The annual review of cost pressures was brought forward to feed into the anticipated spending review to be undertaken by the Welsh Government following the one at a UK level.

1.13 The Council was planning to bring its Reshaping and Transformation proposals forward earlier for 2026/27 based on the prospect of an earlier Welsh Government Budget and Settlement. However, as set out below, due to Senedd Elections in May and the need for the existing Administration have room to negotiate with other groups the announcements have been delayed, some resources held back and the settlement will be for one year only. Therefore, Budget Planning will be more in keeping with previous years with refresh and update only at this point and a Budget for Consultation with full savings and reshaping proposals earl in the new year.

2. Key Issues for Consideration

UK and Welsh Government Announcements

Welsh Draft Budget

2.1 The Welsh Government published its draft budget on 9th October. At this stage it offers a roll over budget only giving a 2.5% uplift for Local Authorities across Wales. Based on Office for Budget Responsibility (OBR) estimates on inflation there was 2.0% for general inflation and 2.2% for pay inflation. Expectations on Business Rate growth were more positive which has enabled the higher settlement figure of 2.5%.

2.2 The Settlement will also see the grant payments received in 2025/26 for the 2% National Insurance increase £221M and the additional 1% funding for the Teachers Pay award £243M to be added to the base.

2.3 The overall Welsh Budget allocates £508M more than 2025/26 all public sector bodies of which £157M was allocates to local government but £231M is held back at this point. There has been speculation as for how this may be allocated especially with the current Welsh administration need to negotiate with other groups in the Senedd for its budget to be approved in the new year. Currently both Health and Local Government have been given the same 2.5 uplift but for Health this below the 3% allocated to Health in England and the 3.3% they've received historically. It does seem unlikely that there will be more to come for local government.

Welsh Government Settlement

2.4 Welsh Government published Council level settlement figures on Monday 24th November. Overall, as anticipated there is a 2.7% increase in Aggregate External Finance across Wales, this is the 2.5% publicised in the Draft Welsh Budget plus 0.3% to fund the floor of 2.3% which is the level of funding received by 11 of the 22 Welsh counties including the Vale of Glamorgan.

2.5 The additional £169.477M is, of course far short of the overall pressures of £560M highlighted in the WLGA pressures exercise which the Council engaged in across the late summer/early autumn.

2.6 The 2025/26 base has been adjusted for the various one offs received in 2025/26 and the balance of the overall Council Tax base across Wales.

2.7 Table 3a – Adjusted Base

	Wales	Vale of Glamorgan
	£000	£000
Aggregate External Finance 2025/26	6,139,078	224,448
Share of Council Tax Base	0	222
Teachers Pay	17,848	802
ALN CO Pay	4,019	181

Public Sector Pay	14,900	606
Fire Pay	273	12
National Insurance	97,223	3,960
Total	**6,273,341**	**230,231**

2.8 The Standard Spending Assessment for Wales is increased by 6.11% to £8.852Bn which is met from increases in Welsh Government Grant, Business Rates and Council Tax. The Vale of Glamorgan's increase is broadly in line that with all Wales position. As per previous years the reduction in the Council Tax Reduction Scheme is somewhat out of odd with on the ground experience.

2.9 Table 3b – Standard Spending Assessment Increases

Block	Wales		Vale of Glamorgan	
	£s	%	£s	%
School Services	176,840	5.38	7,860	5.40
Other Education	2,399	5.64	127	8.05
Personal Social Services	258,073	9.76	9,770	9.93
Roads and transport	-1,001	-0.43	-7	-0.08
Fire	12,305	5.84	529	5.89
Other services	81,788	5.94	3,060	5.67
Deprivation Grant	0	0.00	0	0.00
Council Tax Reduction Scheme	0	0.00	-14	-0.15
Debt financing	-20,829	-7.44	-674	-7.88
Total	**509,575**	**6.11**	**20,651**	**6.16**

2.10 Total Aggregate External Finance (AEF) is £6.442Bn of which £14.107M is Top Up funding from 2025/26 and 2026/27 for the floor protection. The Vale of Glamorgan's provisional AEF is £235.526M of which £2.027M is Top Up funding.

2.11 The Settlement assumed 100% collection of Council Tax and also adds back Second Homes and Long Term Empty Properties so assumes a Council Tax Base of 65,221 which differs to the Tax Base figure collected below which is utilised by the Council as part of its budget setting and excludes premiums and assumes 97.1% in year collection.

2.12 Specific grants have also been rolled over with a 2% uplift from £1.302Bn in 2025/26 to £1.328Bn in 2026/27 so again, no real rems growth. There are some 90 different specific grants in the Settlement with Welsh level detail only available at this point.

2.13 Overall Capital Funding (both General Capital Funding and Capital Grants) reduces from £1.131Bn to £1.080Bn on a like for like basis. This is largely driven by reduction in the Sustainable Communities for Learning as it transitions from Band B to Band C. General Capital Funding has increased by £4M from £200M to £204M in line with the rollover budget. Details of capital funding and nearly 40 capital grants are set out in the Settlement, again at an all Wales level only.

2.14 The £231M of unallocated day to day funding remains unallocated. At this stage it is most likely that it would be required as part of Senedd group negotiation on the approval of the Budget and be directed at Health rather than Local Government. Health has only received a £261M 2.1% uplift in the Provisional Settlement which is historically very low.

UK Autumn Budget

2.15 The Chancellor Rachel Reeves set out her UK Budget plans on Wednesday 26th November with a very wide range of measures covered albeit the main headline for Wales is a further £505m. There is a split between day to day spending of £320M and £185M for infrastructure and of the £320M, £187M will be available in 2026/27. The additional £505M is as a result of consequentials for decisions at a UK level for services devolved to Wales. One of these is the transitional relief in operation for the new Business Rates list which accounts for in excess of £100M of the £186M and there is a likelihood that the Welsh Government would wish to put similar reliefs in place.

2.16 The UK Treasury plans to make tweaks to the way the Welsh Government is funded, giving them more flexibility in it manage its own budget. How much Welsh ministers can borrow and keep in reserves will also be increased, while how much they can take from reserves will be scrapped for 2026/27. On the latter point though, these reserves are known to be very modest. The Treasury says this will give Welsh ministers an extra £425m to spend.

2.17 Mark Drakeford, Cabinet Secretary for Finance & Welsh Language gave the Key Note speech at the CIPFA Cymru Conference on 27th November, the morning after the Chancellor's Announcement. Whilst, as set out in paragraph 2.5 there is prudence exercised on the possibility of further funding to come through for councils over and above the 2.7% increase (Vale 2.3% floor increase) in the Settlement on 24th November he did set out an ambition for further resources for local government when the Welsh Government approves its budget at the end of January 2026, well in advance of approvals in previous years which have been early March.

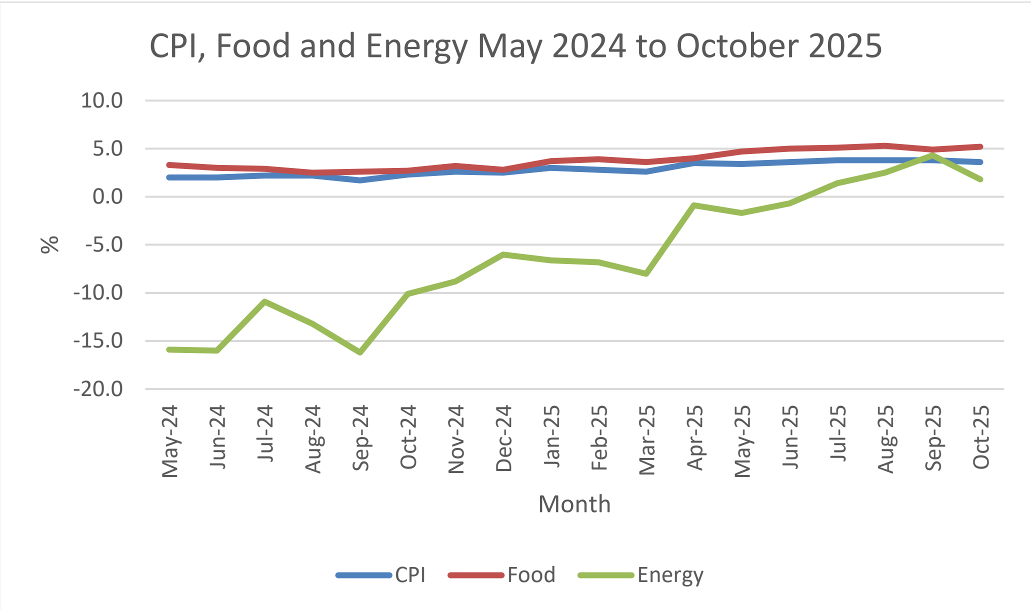
2.18 The other headlines were the removal of the two child benefit cap from April 2026 with 21,610 households in Wales having been impacted since the introduction of the measure in 2017 and a range of tax measures which will undoubtedly impact on local residents.

- National Insurance and income tax thresholds will be frozen for an extra three years beyond 2028 - meaning more people will go into higher bands.
- And the amount that under-65s can put into cash ISAs will be capped at £12,000 a year, with another £8,000 reserved for investments.

- Meanwhile the amount that people can sacrifice from their salary to avoid paying national insurance in pension contributions will be capped at £2,000 a year from 2029.
- A new mileage-based tax for electric vehicles and plug-in hybrid cars will be introduced from 2028.
- A planned council tax surcharge for high value properties will not apply in Wales.
- A decision to impose inheritance tax on farming assets worth more than £1m has been controversial among Welsh farmers.
- The FUW farming union welcomed a decision to allow the threshold to be shared among spouses, but said many families risk facing unaffordable tax bills.

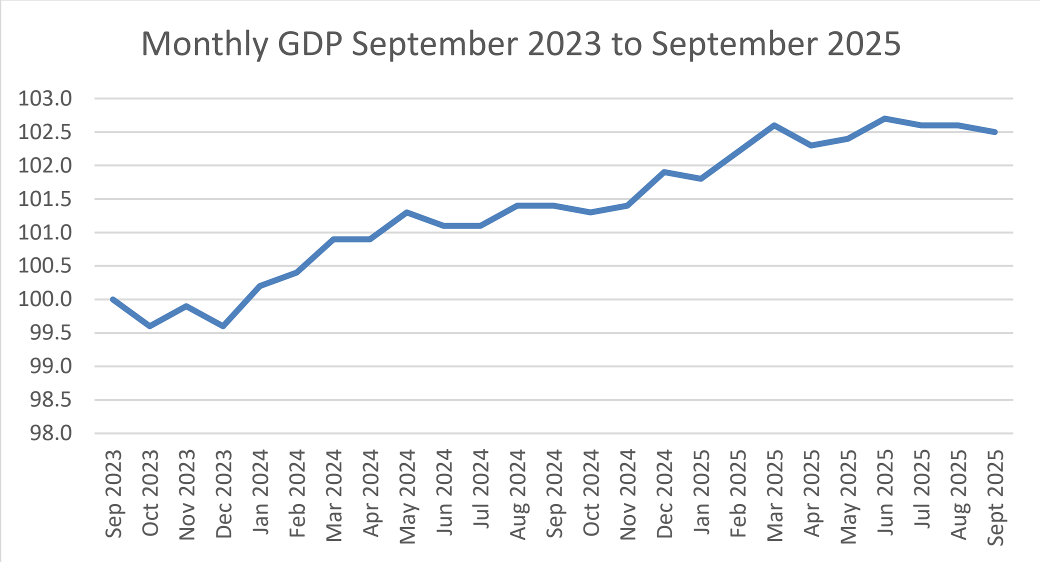
2.19 The overall economic position for the UK economy continues to be challenging, updates on inflation and GDP are provided below but are little unchanged from the position report in the July report.

2.20 Chart 1 - CPI



2.21 Inflation has been stubbornly stuck at 3.8% across July to September 2025 but has eased back to 3.6% in October 2025, its first fall since March when it was 2.6%. Food is higher than the headline rate at 5.2% but energy at least is only up 1.8% year on year.

2.22 Chart 2 -GDP



2.23 Growth in the UK economy has continued to be problematic, the economy has only grown 2.5% since September 2025 and September 2025 was down 0.1% on the previous month and 0.2% on the quarter.

2.24 The OBR's report was presented a little prematurely ahead of the Chancellor's announcement. Whilst growth estimates have been downgraded to 1.5% per annum across 2026/27 to 2028/29. There's been a reappraisal of inflation too, forecast to be down to 2.5% in 2026 and back in line with Government target of 2% in the following year 2027. The budget has been fairly well received by the markets with bond markets stable which is good news for Government borrowing costs.

<u>Current Position</u>

2.25 Table 4 below sets out the current position for 2026/27 and across the medium term. The gap for 2026/27 is £10.092M with pressures of £19.486M only supported by £10.144M of additional funding but this is after a robust review of the pressures brought forward to services which had amounted to £26.742M. **Appendix A(i)** sets out the cost pressures in full and **Appendix A(ii)** provides a reconciliation back to the £26.742M. The following paragraphs provide a full commentary on the assumptions for both funding and cost pressures include explanation of where submitted pressures have been pared back.

2.26 Table 4 – MTFP Summary

	2026/27	2027/28	2028/29	2029/30	2030/31
	£000	£000	£000	£000	£000
Additional Funding					
Grant Settlement	5,162	2,296	2,319	2,342	2,365
Teachers Pay and Pensions	477				

Council Tax	4,128	4,334	4,503	4,679	4,861
Council Tax Base Growth	1,142				
Use of smoothing Reserves	-500	0	0	0	0
School Support from Reserves	-266	0	0	0	0
Total Additional Funding	**10,144**	**6,630**	**6,822**	**7,021**	**7,227**
Investment	912	65	0	0	0
Demography	764	2,800	1,521	1,680	-349
Inflation Pay	7,848	5,391	5,316	5,464	5,187
Inflation Non Pay	5,985	5,105	5,105	5,105	105
Capital Financing	60	375	225	160	196
Other Pressures	3,917	1,145	1,712	925	276
Total Pressures	**19,486**	**14,881**	**13,879**	**13,334**	**5,415**
Reversal of One Off Savings	**750**	**0**	**0**	**0**	**0**
Overall Gap	**10,092**	**8,251**	**7,057**	**6,313**	**-1,812**

Assumptions on Funding

Government Grant

2.27 Modelling undertaken when the draft Welsh Budget was announced assumed that similar to 2025/26 that the Vale of Glamorgan would be protected by the floor arrangements. Hence whilst the headline settlement for Wales is 2.5%, the assumed uplift for the Council is 2.3%. It is very difficult to forecast for future years and the 1% per annum increases for 2027/28 onwards are only indicative. Work undertaken by the Cardiff University Fiscal Unt following the June Spending Review suggest minimal growth equivalent to real terms reductions and this has been used as a guide.

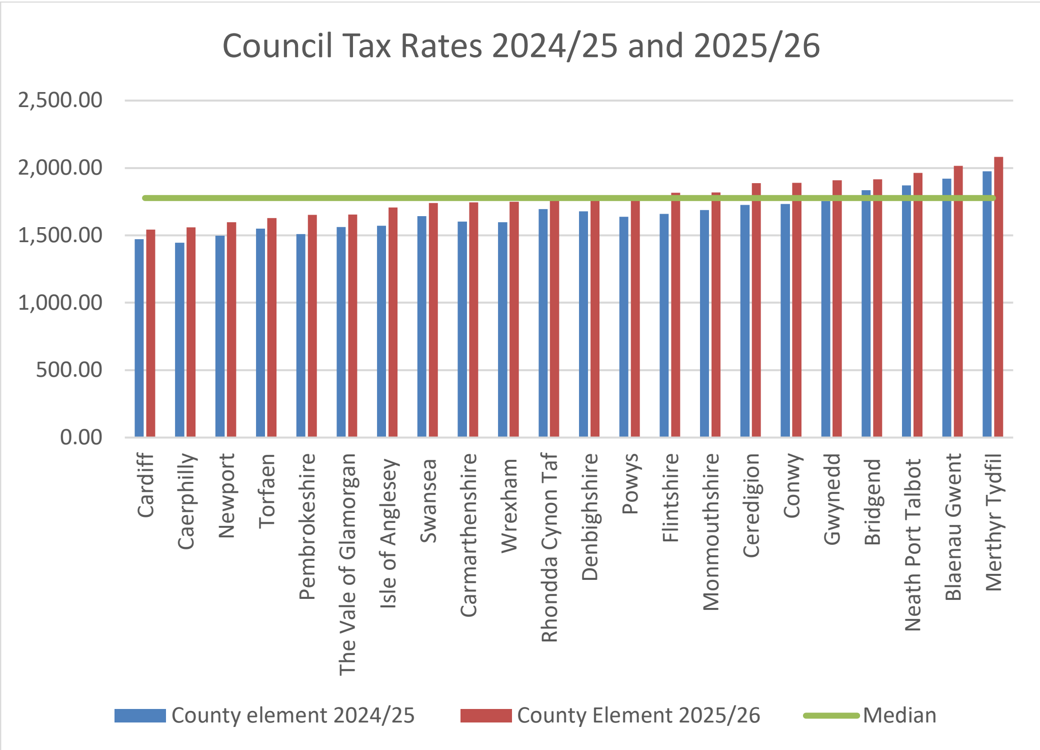
2.28 There were grant payments from Welsh Government in 2025/26 to cover shortfalls in funding for pay awards in the 2025/26 settlement. These amounted to £1.408M and the Welsh Government confirmed these would be built into the Revenue Support Grant base for future years. These proposals include £0.477M which reflect the pressure coming forward from schools associated with Teachers Pay as Local Government Pay has already been reflected in the base budget for 2025/26.

2.29 As set out in the Welsh Government Settlement section above the Council has faired a little better than expected on the Council Tax Base Settlement and some of the one off transfers into the base which also means the 2.3% is greater too. This position will be fully reflected in the January report.

Council Tax

2.30 Council Tax continues to be modelled at 3.9%. As set out below with inflation measured by CPI stalled at 3.8% for September (was 8.8% in July and August too) it is difficult to envisage pay awards at the 2% assumed in the draft Welsh Government. On top of this are inflationary pressures in social care driven by the Real Living Wage set at 6.7% for 1st April 2026 along with demographic demands in both Children's and Adults. The level of Council Tax will undoubtedly need to be considered further as work continued to towards establishing a balanced budget. Increases in Council Tax in the Vale of Glamorgan have been lower than the average increase for Wales with the Band D charge consequently moving significantly below the median.

2.31 Chart 3 – Council Tax Levels for Welsh Authorities.



2.32 Draft Council Tax base figures are available for 2026/27 and will be brought forward to Cabinet on 18th December. The Band D equivalents have increased by 664 to 64,634 which will deliver a further £1.142M of revenue.

2.33 The Council Tax assumptions continue to be based on a 97.1% in year collection rate.

Reserves

2.34 There was one off support from reserves in 2025/26 to provide additional support and guidance to schools on producing balanced budgets. This drops out in 2026/27.

Spending Pressures

Investment

2.35 There were investment proposals totalling £1.674M in 2026/27 put forward across all service of which, at this stage, only £0.912M is taken forward for this update. There is modest investment of £0.137M in Learning and Skills with additional resource in the Sensory Team and an extension of the one off Procurement for schools which is intended to build on the procurement savings that have been identified in the sector to date. There is proposal to fund £0.237M across a number of preventative initiatives on Social Services enhancing family and placement stability. The proposals set out £0.130M across two years for apprenticeship roles in Environment and Housing enabling the service to 'grow their own specialist staff'. In addition the investment pressures include £0.436M in Corporate Resources primarily to strengthen resilience in a number of services and addressing ICT risks.

Demography

2.36 There is an unusual situation in schools at present with a decline in mainstream pupil numbers but continued significant growth in demand for special school places driving a net reduction of £0.636M. Learning and Skills had put forward £1.098M to address the special school demand but only £0.598M is being taken forward which effectively reduces the unit of resource across Ysgol Y Deri. The growth in special school places does have an impact on transport costs managed in Environment and Economy with an additional £0.350M allocated.

2.37 There is continued growth in Social Care across Children's and Adult with a further £1,050M allocated for additional children, young people and adults with care needs on top of addressing the in-year pressures in 2025/26 which are picked up under other pressures.

Pay Inflation

2.38 Pay inflation is the greatest individual cost across the Council amount at £7.848M. The OBR have been forecasting inflation of between 1.7% and 1.9% and pay growth of 2.2% for 2026/27. This has been the basis of the Welsh Government's neutral budget. However, it goes without saying that OBR have been overly optimistic in their forecasts in recent years and a more prudent line is being taken with pay awards for Teachers and NJC both assumed at 3%. In previous years there has been a paring back of allocations against the forecast levels of awards but that is not a sustainable approach and is not being applied for 2026/27.

2.39 The Cardiff and Vale Pension Fund administered by Cardiff City is subject to its triennial review for 2026/27. The actuary is reporting back in December and given the strong performance of the Fund over the past three years there is the prospect of reduced employer contributions from 1st April 2026. An update will be given in the January Cabinet report.

General Inflation

2.40 There are £5.985M of Non Pay Inflation pressures which are predominantly social care driven. The cost pressures submitted had been somewhat higher but the key component of the social care provider fee pressures was the increase in the Real Living Wage and whilst this is up 6.74%, well above the general pressure measured by CPI which was 3.6% in September it is nevertheless less than was anticipated. The other key Non Pay Inflation pressure is utility costs which require £457K in schools and £100k Corporately. The smoothing reserve arrangements have unwound but costs have not returned to their pre Russia invasion of the Ukraine levels.

Capital Financing

2.41 Capital Financing costs in 2026/27 are to cover the Sustainable Communities for Learning borrowing costs with Cardiff Capital Region commitments continuing to slip and a mall sum for Structures schemes. This enables the Council to continue to invest in Vale of Glamorgan Schools. Future years of the MTFP cover both Sustainable Communities for Learning and Cardiff Capital Region commitments.

Other Pressures

2.42 There are other pressures of £3.917M. A large component £1.353M is in Social Care where it has been necessary to address the base for pressures and non delivery of savings in 2025/26. Of a similar magnitude are £1.230M of Additional Learning Needs and Special Schools pressures in Learning and Skills enabling increased support for Additional Learning Needs in the Mainstream sector and via Welsh speaking resource bases and satellite resource bases in the Secondary sector. £2.264M had been sought by the Directorate but it is anticipated a proportion of this will be met from Welsh Government specific ALN grant.

<u>Balancing the Budget</u>

2.43 Despite the initial review of cost pressures, there is currently a significant gap and given previous years' experience not one which would be met and indeed delivered through the reshaping and transformation programme. The approach, therefore, continues to be three pronged:

i. Managing pressures
ii. Increasing Funding
iii. Reshaping and Transformation.

2.44 There will be a further review of the cost pressures but this will be mindful of not storing up potential overspends in 2026/27 and holding back on preventative spend which would mitigate longer term pressures.

2.45 Government grant and Council Tax are the key funding streams. The Council continues to lobby for a fair settlement and also that the Welsh Government fully releases the £231M currently held back.

2.46 Council Tax is a policy decision and is currently modelled at 3.9%. However, given the very modest grant settlement and capacity for savings there is undoubtedly upward pressure here.

2.47 The key driver to ensure financial sustainability is the Council's Reshaping Programme. This has emerged over the past two budget cycles and following an outline report to Cabinet in January 2024 the full prospectus was approved at Cabinet on 10th October 2024. A summary of the key elements of the Programme in the following paragraphs with a link to the full programme below.

2.48 Reshaping Programme Update

2.49 The framework contains five interrelated themes:

iv. Target Operating Model

v. Service Transformation

vi. Strengthening Communities

vii. Digital Innovation

viii. Economic Resilience

2.50 These themes are being used to identify, develop and deliver individual streams of activity within the overarching Reshaping Programme. Sponsors and project managers are in place for all of the elements.

Target Operating Model

2.51 This theme considers issues around the Council's processes, people, structure, governance and technology and how the organisation should look and function to deliver our priorities and core activity.

2.52 The Council's Target Operating Model (TOM) is the way in which the overall strategy of the organisation (via Vale 2030) will be delivered in strategic terms. Defining the organisation's TOM will take the objectives of the Reshaping Programme and vision of the organisation for Strong Communities with a Bright Future and enable a set of organisation-wide principles to be developed on issues such as structure, delivery models that will/will not be acceptable, the Council's strategic approach to partnership working, how people are managed and developed, as well as decision making, performance and scrutiny approaches. The TOM provides the direction and enabling activity to deliver the work involved in the other transformation themes, supported by key Council strategies such as the People Strategy, Digital Strategy, Medium Term Financial Plan, Corporate Asset Management Strategy and forthcoming Data Strategy. This theme is both about 'what' we do and also 'how' we do it.

Service Transformation

2.53 A key component of the transformation programme is considering how individual services can be transformed to make them more sustainable in the medium to longer term.

2.54 This theme takes the principles defined by the TOM and apply them to individual services (or combinations of services). Consideration is given to the best model for operating services, such as in collaboration with partners, by internal reorganisation, the role of digital technology and other service delivery models such as social enterprise, not for profit arms-length trading and others.

Strengthening Communities

2.55 This theme seeks to develop the Council as an enabler and facilitator rather than direct provider of some services as well as defining how the organisation interacts with partners.

2.56 Work to strengthen our communities is integral to how we transform as an organisation and there are a range of activities underway to take forward this work, reflecting our role as an enabler and facilitator as well as a provider of services.

2.57 This theme will be important as the financial position of the Council means that in the future some services may not be possible to deliver directly (and indeed, as has been seen, are sometimes more appropriately and effectively delivered by others with support of the Council, for example, the previous service transformation to create community libraries which ensured libraries continued to be viable within individual communities).

Digital Innovation

2.58 The digital innovation theme will involve the Council seeking to ensure that digital innovation is at the heart of what we do and secures efficiency across the board. The Digital Strategy is based around themes of community & involvement, organisation and processes, people and skills and data and insight. This shows how it complements the other themes of Reshaping (notably, Service Transformation) and the key strategic documents referenced earlier in this report.

Economic Resilience

2.59 The theme of economic resilience is centred around the Council's role in supporting economic resilience in how to 'level up' and ensure that a place-based approach is effective in the creation of sustainable communities with good employment.

2.60 Areas of focus within this theme include the Council's response to the UK Government's Levelling Up and Transforming Towns funding, alongside the use of Council assets to support economic resilience. The TOM will influence this theme in the Council's approach to working with Capital Region partners in the attraction of business to the county to support sustainable and high-quality jobs.

Next steps

2.61 A Councillor briefing is planned for Monday 15th December. It will be focussed on this report but will also enable Members to seek clarification and ask questions.

2.62 Services are concluding work on reshaping and transformation proposals with a view to enable a balanced budget to be formulated during the remaining weeks of December.

2.63 This report reflects the draft Council Tax base position for 2026/27; this will be formally approved by Cabinet on 18th December 2025. Council Tax Precept dates and the Second Homes and Long Term Empty Property Policy will also be considered at that meeting.

2.64 A Budget for Consultation will be published early in the new year to be approved by Cabinet on 15th January 2026. This will signal the start of a four week consultation period with residents and key stakeholders. As per 2025/26 there will be a full suite of Equality Impact Assessments at this point to support meaning consultation. It is also anticipated that an interim update from the Life in the Vale work will be available to inform on current views of the Vale of Glamorgan's residents.

2.65 There will be joint scrutiny of the budget proposals in mid February 2026 under the new arrangements in place in the 2025/26 civic year.

2.66 <u>Timetable</u>

Date	Group	Activity
18th December 2025	Cabinet	Council Tax Base, Council Tax Reduction Scheme, Precept dates and premiums
January 2026	Scrutiny, Cabinet and Council	HRA Business Plan and Rent Setting
15th January 2026	Cabinet	Budget for Consultation, both Revenue and Capital.
January/February 2026	Residents/Stakeholders /Scrutiny	Consultation and scrutiny on Council budget proposals.
February 2026	Cabinet	Draft Budget and MTFP, also Capital Programme and Treasury Strategy
11th March 2026	Full Council	Approves Budget and Council Tax

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

3.1 The delivery of the Council's Corporate Plan and well-being objectives is significantly influenced by the available finance to deliver services. This report provides the context in which the Council will be operating in the immediate and medium term.

3.2 This report provides an immediate and medium-term projection of the Council's financial position, however the decisions to be taken on the Budget and Medium Term Financial Plan in the coming months will be influenced by the need to think about the longer-term implications of decisions, including the continued lobbying of Welsh Government for a fairer settlement for the Vale of Glamorgan and in supporting calls to mirror the English approach with multi-year funding arrangements. This is a key driver for the redefining of the Reshaping Programme to ensure a balance of tactical financial decisions and longer-term transformation.

3.3 The approach to setting a balanced budget described in the body of this report includes reference to collaboration and the value of this approach has been well evidenced in recent years, most notably in the response to the pandemic, where the pooling of resources (whether financial, capacity or expertise) resulted in improved outcomes and better value for money. Additionally, the inclusion of the strengthening communities transformation theme indicates the value placed on collaboration and recognition of the integrated nature of the Council's work within the wider public and third sectors.

3.4 The report sets out proposals for consulting widely on the Council's budget, demonstrating the importance being placed on involving people in decision making and this will be further strengthened through the use of insight gained through the engagement on the Council's new Corporate Plan for 2025 to 2030 as well the public opinion exercise. In understanding the views of others through this process, decisions will be taken in an integrated way – both internally and externally.

4. Climate Change and Nature Implications

4.1 There are no implications arising directly from this report. However, the availability of funding to support the decarbonisation work of the Council will directly impact on the ability to deliver net zero by 2030.

5. Resources and Legal Considerations

Financial

5.1 Set out in the body of the report.

Employment

5.2 There is a significant budget gap at this stage of the budget setting process and given that salaries and wages are a major element of the Council's overall spend there is likely to be an employment impact when savings proposals come forward in January. There is also a specific theme in the savings and framework to explore organisational design and within the transformation themes on target operating model and service transformation.

5.3 Where any potential employment impacts arise, the Council will follow its existing policies and procedures and ensure that there is full engagement with staff and the Trades Unions.

Legal (Including Equalities)

5.4 The Council is required under statute to fix its Council Tax for the financial year 2026/27 by 11th March 2026 and to do so will have to agree a balanced revenue budget by the same date.

5.5 The Financial Strategy and process for approving the 2026/27 Budget and MTFP at Council in March 2026 will be aligned to the Council's agreed Corporate Plan 2025 and the development of the 2026/27 Directorate Plans.

5.6 The budget proposals as set out in the report has due regard to the requirements of the Council's Strategic Equality Plan including the Equalities Act 2010 and Public Sector Equality Duty for Wales. The subsequent development of specific proposals and strategies set out in the report will require the completion of Equality Impact Assessments. This involves systematically assessing the likely (or actual) effects of policies on individuals who have a range of protected characteristics under the Act.

6. Background Papers

Financial Strategy – Cabinet 17th July 2025

Cost Pressures **Appendix A(i)**

Description		2026/27	2026/27 Revised	2027/28	2028/29	2029/30	2030/31	Category of Growth
		£000's	£000's	£000's	£000's	£000's		
Directorate: Learning and Skills								
Delegated Schools								
Schools	Special school demographic increase	1,098	598	1,003	1,124	468	-	Demographic
Schools	Demographic adjustment mainstream pupils -The reduction in pupils from the latest two years of verified data (January 2024 plasc to January 2025 plasc) has shown a decrease of 265 mainstream pupils. .	-1,234	-1,234	567	-833	-18	-729	Demographic
Schools	Additional Learning Needs funding for mainstream schools	1,010	510	-	-	-	-	Pressure
Schools	Expansion Whitmore Resource base	260		-	-	-	-	Pressure
Schools	Expansion Pencoedtre Resource base	162		-	-	-	-	Pressure
Schools	Welsh medium secondary ALN resource base at Ysgol Bro Morgannwg.	216	216	-	-	-	-	Pressure
Schools	Satellite specialist resource bases in secondary schools. - Develop satellite bases in Cowbridge and St Cyres.	193	193	-	-	-	-	Pressure
Schools	Specialist resource base at St Richard Gwyn - The consultation for the St Richard Gwyn new build included the provision of a 60 place resource base.	-	-	-	758	542	-	Pressure
Schools	Energy Pressures	457	457	-	-	-	-	Inflationary
Schools	Rates	69	69	-	-	-	-	Inflationary
Schools	Schools Teaching pay Award 2026/27	3,134	3,134	2,788	2,872	2,958	3,046	Inflationary - Pay
Schools	Schools Non-teaching pay Award 2026/27	1,142	1,142	1,263	1,301	1,340	1,380	Inflationary - Pay
Schools	Schools Teaching pay Award 2025/26 base correction to 4%	477	477	-	-	-	-	Inflationary - Pay
Schools	Schools Non-teaching pay Award 2025/26 base correction	174	174	-	-	-	-	Inflationary - Pay
Delegated Schools		**7,158**	**5,736**	**5,621**	**5,222**	**5,290**	**3,697**	
Central Learning and Skills								
Learning & Skills	Schools Procurement Support	53	53	-	-	-	-	Investment
Learning & Skills	Data Analysis Capacity	50		-	-	-	-	Investment
Learning & Skills	Sensory team expansion - Due to the amount of pupils requiring access to braille in the medium of Welsh	84	84	-	-	-	-	Investment
Learning & Skills	Restructuring of the complex needs teamin order to meet increasing demands due to the ALN reform.	76	-	-	-	-	-	Investment
Learning & Skills	Out of county and Independent Schools complex needs placements.	111	111	98	115	-	-	Pressure
Learning & Skills	Reduction in Out of County Income	112	-	102	111	83	51	Pressure
Learning & Skills	IDP Officer for looked after children, EOTAS and OOC and ALN Resource Base Manager currently grant funded	182	-	-	-	-	-	Investment
Learning & Skills	Extend lease of Temporary demountable buildings at Ysgol Y Deri	170	170	-99	-71	-	-	Pressure
Learning & Skills	New temporary demountable building at Ysgol Y Deri.	-	-	161	160	-	-	Pressure
Learning & Skills	Pay Award (non-schools) Central Learning and Skills Staff	525	525	282	231	236	240	Inflationary - Pay
Learning & Skills	Counsel Fees for ALN	30	30	-	-	-	-	Pressure
Learning & Skills	Revenue impact of additional Sustainable Communities for Learning St Richard Gwyn	-	46	22	28	-	-	Capital Financing
Learning & Skills	Revenue impact of additional Sustainable Communities for Learning Ysgol Iolo -	-	-	227	-	-	-	Capital Financing
Learning & Skills	Revenue impact of additional Sustainable Communities for Learning YYD	12	10	-	-	-	-	Capital Financing
Central Learning and Skills		**1,405**	**1,029**	**793**	**574**	**319**	**291**	
Total Learning and Skills		**8,563**	**6,765**	**6,414**	**5,796**	**5,609**	**3,988**	
Directorate: Social Services								
Children Services								
Social Services	Emergency Duty Team	90	90					Pressure
Social Services	Therapeutic Support - enhancing family stability	81	81					Investment
Social Services	Therapeutic Support - enhancing placement stability	71	71					Investment
Social Services	Increase in demand for community services to avoid placement costs - disabled children and young people - Dom Care	300	142					Pressure
Social Services	Increase in demand for community services to avoid placement costs - disabled children and young people - Direct Payments	100	121					Pressure
Social Services	Agency Saving Cost Pressure	136						Pressure
Social Services	Provider Fees - Additional funding for third party providers in 2025/26	642	642	500	500	500	-	Inflationary
Social Services	External Placements - In year Pressure 2025/26	573	500	-	-	-	-	Pressure
Social Services	Internal Placements - pressure on 2025/26 budget	245	245					Pressure
Social Services	Increased demand / need to provide equipment via the joint equipment store and uplift in costs of equipment and the regional Section 33	21	21	-	-	-	-	Pressure
Social Services	Pay Awards Children and Young People Services	244	244					Inflationary - Pay
Social Services	Pay Awards Youth Justice	31	31					Inflationary - Pay
Social Services	External Placements - Demographic Projections	427	400	200	200	200		Demographic
Total Children Services		**2,961**	**2,588**	**700**	**700**	**700**		
Adult Services								
Social Services	Provider Fees - Additional funding for third party providers	6,560	4,267	4,500	4,500	4,500	-	Inflationary
Social Services	Transition overview - 18 to 25 - Social Work practitioner post -cost avoidance for specialist placements	55	55	-	-	-	-	Investment
Social Services	Increased demand to meet the financial support needs of people without a corporate appointee and Shared lives residents where hosts cannot manage banking.	100	-	-				Pressure
Social Services	Adjusting Base Budget Direct Payments	100	-	-	-	-	-	Pressure
Social Services	Adjusting Base Budget Adult Placements	234	234	234	-	-		Pressure
Social Services	Pay Awards Adult Services	311	311					Inflationary - Pay
Social Services	Revenue impact of New Capital Bids - Older Persons Accom - Revenue cost of borrowing to progress the scheme	-	-	-	12	62	18	Capital Financing
Social Services	Demographic Pressures - increased numbers of people requiring care and support	650	650	650	650	650	-	Demographic
Adult Services		**8,010**	**5,517**	**5,384**	**5,150**	**5,150**		
Resource Management and Safeguarding								
Social Services	Income recovery capacity	38	-	-	-	-	-	Investment
Social Services	Mosaic license	226	226	-	-	-	-	Pressure
Social Services	Pay Award Resource Management and Safeguarding	361	361	-	-	-	-	Inflationary - Pay
Social Services	Lead Practitioner - Exploitation	67	67	-	-	-	-	Investment
Total Resource Management and Safeguarding		**692**	**654**	**-**	**-**	**-**		
Total		**11,663**	**8,759**	**6,084**	**5,850**	**5,850**		
Environment and Housing								
Environment and Housing	Installation of residential disabled parking bays	50	-	-	-	-	-	Investment
Environment and Housing	Funding of one engineering position to progress flood risk management plans	60	-	-	-	-	-	Investment
Environment and Housing	Funding of apprenticeship posts (4)	130	65	65	-	-	-	Investment
Environment and Housing	Grass Cutting	50	50	-	-	-	-	Inflationary
Environment and Housing	Weed Control	25	-	-	-	-	-	Inflationary
Environment and Housing	Cost of B&B Homelessness Accommodation	-500	-500	-	-	-	-	Pressure
Environment and Housing	New Homelessness legislation	1,000	-	339	339	-	-	Pressure
Environment and Housing	New Homelessness legislation-Additional staffing resource Housing Options Team	200	160	-	-	-	-	Pressure
Environment and Housing	Highway Repairs - Increased costs of footway and carriageway repairs due to continued underfunding of highway and footway resurfacing / refurbishment.	300	300	250	250	250	200	Pressure
Environment and Housing	Ash Die Back	50	50	-	-	-	-	Pressure
Environment and Housing	Pencoedtre Splash Pad Consider as part of place making	40	-	-	-	-	-	Pressure
Environment and Housing	Public conveniences additional funding to improve standards	90	-	-	-	-	-	Pressure
Environment and Housing	Waste Contract Contractual Inflation and New Developments	100	100	5	5	5	5	Inflationary

Environment and Housing	HGV drivers (market forces rate)	650	-	25	25	25	25	Pressure
Environment and Housing	Pay Award Neighbourhood Services	636	636	530	424	432	441	Inflationary - Pay
Environment and Housing	Pay Award General Fund Housing	39	39	33	26	27	27	Inflationary - Pay
Environment and Housing	Pay Award Building Services	17	17	14	11	12	12	Inflationary - Pay
Environment and Housing	Pay Award Building Cleaning and Security	59	59	49	39	40	41	Inflationary - Pay
Environment and Housing	Revenue impact of New Capital Bids - Structures - Revenue cost of borrowing to progress the scheme	4	4	19	18	46	46	Capital Financing
Environment and Housing	ALN transport - The cost of transport for the Demographic increase pupils Ysgol y Deri,	380	350	380	380	380	380	Demographic
Total Environment and Housing		**3,380**	**1,330**	**1,709**	**1,518**	**1,217**	**1,177**	
Place								
Place	Replacement Local Development Plan - cost of public enquiry and Programme Officer	150	50	-	-	-	-	Pressure
Place	Ecology Assistant- Planning	54	-	-	-	-	-	Investment
Place	Strategic Development Plan - Regional Working	50	-	-	-	-	-	Investment
Place	Moving the DEF System to the Cloud	12	12	-	-	-	-	Pressure
Place	Pay Award Place	162	162	135	108	110	-	Inflationary - Pay
Total Place		**428**	**224**	**-64**	**88**	**89**	**-**	
Directorate: Corporate Resources								
Corporate Resources	Coroner	70	70	35	25	25	-	Pressure
Corporate Resources	Registars - Proposed changes to birth and death registrations arising from a Home Office project for the digital transformation of the service giving rise to a loss of income.	51	51	-	-		-	Pressure
Corporate Resources	Pay Award Corporate Resources	536	536	298	304	310	-	Inflationary - Pay
Corporate Resources	Granicus Platforms to support public participation strategy and wider communication and marketing activity across the organisation. Upgraded CMS to enable development of a new website to support Digital Strategy and signalling change agenda. Continued media and online comment monitoring to enable measurement and evaluation of a new communications strategy	25	25	-	-	-	-	Pressure
Corporate Resources	Policy and Insight Partner Budget Corrections	71	21	-	-	-	-	Investment
Corporate Resources	Human Resources Capacity including Business Partner Resource and Health and Safety	111	111	-	-	-	-	Investment
Corporate Resources	Finance Capacity including Accountancy and Exchequer	141	141	-	-	-	-	Investment
Corporate Resources	Document Imaging Process - existing revenues and benefits system isn't Windows 11 Compliant. There would some year one implementation costs too.	64	64	-	-	-	-	Pressure
Corporate Resources	Capital salaries - new accounting treatment has meant a reduction in the overall sum charged to the Capital Programme	150	125	-	-	-	-	Pressure
Corporate Resources	Utility costs - these hadn't reduced as much as forecast in 2024/25 with the pressure masked by the provision to be stepped down in 2025/26.	150	100	-	-	-	-	Inflationary
Corporate Resources	Cloud Migration - Backup and Storage to move to a hybrid cloud solution. Approved by Cabinet on 1st May 2025, minute C330.	108	108	-	-	-	-	Pressure
Corporate Resources	Digital – PSBA investment	75	75	-	-	-	-	Investment
Corporate Resources	Digital - System Pressures including rental, software and wireless	71	71	-	-	-	-	Pressure
Corporate Resources	Digital – Data Analytics Tools (website feedback)	14	6	-	-	-	-	Investment
Corporate Resources	Digital – C1V training resource	10	-	-	-	-	-	Investment
Corporate Resources	Lone Worker Scheme income of £10k no longer paid	10	-	-	-	-	-	Pressure
Corporate Resources	Digital - Out of Hours Support Charges	9	9	-	-	-	-	Pressure
Corporate Resources	Legal Services Community Services Grant Provision	69	-	-	-	-	-	Investment
Corporate Resources	Trainee Solicitor - currently funded from Legal Reserve, part of succession planning	39	39	-	-	-	-	Investment
Corporate Resources	Oracle Licences	90	128	-	-	-	-	Inflationary
Corporate Resources	Registrar's software licences and maintenance for Zipporah and RON System hosted by NPTC - booking and payments systems for weddings. Shortfall in budget provision	9	-	-	-	-	-	Inflationary
Corporate Resources	Democracy Counts Elector8+ - Election Management, Licence Fee, Support & Maintenance, Count Result Software. Shortfall in budget provision - Reserves	13	13	-	-	-	-	Pressure
Corporate Resources	Revenue impact of New Capital Bids - Decarb Civic Offices - Revenue cost of borrowing to progress the scheme	-	-	-	18	-	-	Capital Financing
Total Corporate Resources		**1,886**	**1,693**	**333**	**347**	**335**	**-**	
Policy								
Policy	City Deal - Revenue Costs Associated with Prudential Borrowing for the Council's Contribu	107	-	107	149	52	132	Capital Financing
Policy	Council Tax Reduction Scheme	500	500	-	-	-	-	Pressure
Policy	Members Remuneration - Independent Remuneration Panel for Wales Draft Annual Repor	172	172	100	100	100	100	Inflationary
Total Policy		**779**	**672**	**207**	**249**	**152**	**232**	
Corporate								
Corporate Resources	Debt Recovery Legal Resource	43	43	-	-	-	-	Investment
Total Corporate		**43**	**43**	**-**	**-**	**-**	**-**	
Total		**26,742**	**19,486**	**14,682**	**13,847**	**13,252**	**5,397**	

Cost by Type	**2026/27**	**2026/27 Revised**	**2027/28**	**2028/29**	**2029/30**	**2030/31**
Investment	1,674	912	65	-	-	-
Demographic	1,321	764	2,800	1,521	1,680	-349
Inflationary - Pay	7,848	7,848	5,391	5,316	5,464	5,187
Inflationary	8,324	5,985	5,105	5,105	5,105	105
Pressure	7,452	3,917	1,145	1,712	925	276
Capital Financing	123	60	375	225	160	196
Total	**26,742**	**19,486**	**14,881**	**13,879**	**13,334**	**5,415**

Total by Service	**2026/27**	**2026/27 Revised**	**2027/28**	**2028/29**	**2029/30**	**2030/31**
Schools	7,158	5,736	5,621	5,222	5,290	3,697
Learning & Skills	1,405	1,029	793	574	319	291
Social Services	11,663	8,759	6,084	5,862	5,912	18
Environment and Housing	3,380	1,330	1,709	1,518	1,217	1,177
Place	428	224	135	108	110	-
Corporate Resources	1,929	1,736	333	347	335	-
Policy	779	672	207	249	152	232
Corporate	-	-	-	-	-	-
Total by Service	**26,742**	**19,486**	**14,881**	**13,879**	**13,334**	**5,415**

Appendix A(ii) Cost Pressures Review Analysis				Schools			Learning & Skills			Social Services			Environment & Housing			Place			Corporate Resources			Policy			Total		
	Adjusted	Raw	Difference	Adjusted	Raw	Difference	Adjusted	Raw	Difference	Adjusted	Raw	Difference	Adjusted	Raw	Difference	Adjusted	Raw	Difference	Adjusted	Raw	Difference	Adjusted	Raw	Difference	Adjusted	Raw	Difference
				£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Investments																											
Procurement and Data Resource	53	103	-50	0	0	0	53	103	-50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	53	103	-50
ALN Resource	84	342	-258	0	0	0	84	342	-258	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	84	342	-258
Preventative Children Services	152	152	0	0	0	0	0	0	0	152	152	0	0	0	0	0	0	0	0	0	0	0	0	0	152	152	0
Transition Practitioner Post	55	55	0	0	0	0	0	0	0	55	55	0	0	0	0	0	0	0	0	0	0	0	0	0	55	55	0
Income Recovery	43	81	-38	0	0	0	0	0	0	0	38	-38	0	0	0	0	0	0	43	43	0	0	0	0	43	81	-38
Exploitation Practitioner	67	67	0	0	0	0	0	0	0	67	67	0	0	0	0	0	0	0	0	0	0	0	0	0	67	67	0
Investment Environment and Housing	65	240	-175	0	0	0	0	0	0	0	0	0	65	240	-175	0	0	0	0	0	0	0	0	0	65	240	-175
Ecology Planning and Strategic Development	0	104	-104	0	0	0	0	0	0	0	0	0	0	0	0	0	104	-104	0	0	0	0	0	0	0	104	-104
Additional Capacity Corporate Resources	273	323	-50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	273	323	-50	0	0	0	273	323	-50
Digital Investment	81	99	-18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	81	99	-18	0	0	0	81	99	-18
Legal Capacity	39	108	-69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	39	108	-69	0	0	0	39	108	-69
	912	1674	-762	0	0	0	137	445	-308	274	312	-38	65	240	-175	0	104	-104	436	573	-137	0	0	0	912	1674	-762
Demography																											
Mainstream Pupils	-1234	-1234	0	-1234	-1234	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-1234	-1234	0
Special School Pupils	598	1098	-500	598	1098	-500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	598	1098	-500
External Children's Placements	400	427	-27	0	0	0	0	0	0	400	427	-27	0	0	0	0	0	0	0	0	0	0	0	0	400	427	-27
Adults Placements	650	650	0	0	0	0	0	0	0	650	650	0	0	0	0	0	0	0	0	0	0	0	0	0	650	650	0
Special School Transport	350	380	-30	0	0	0	0	0	0	0	0	0	350	380	-30	0	0	0	0	0	0	0	0	0	350	380	-30
	764	1,321	-557	-636	-136	-500	0	0	0	1,050	1,077	-27	350	380	-30	0	0	0	0	0	0	0	0	0	764	1,321	-557
Pay Inflation																											
Schools Pay Award	4927	4927	0	4927	4927	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4927	4927	0
Local Government Pay	2921	2921	0	0	0	0	525	525	0	947	947	0	751	751	0	162	162	0	536	536	0	0	0	0	2921	2921	0
	7,848	7,848	0	4,927	4,927	0	525	525	0	947	947	0	751	751	0	162	162	0	536	536	0	0	0	0	7,848	7,848	0
Non Pay inflation																											
Provider Fees Children Placements	642	642	-	0	0	0	0	0	0	642	642	-	0	0	0	0	0	0	0	0	0	0	0	0	642	642	-
Provider Fees Adults Placements	4,267	6,560	- 2,293	0	0	0	0	0	0	4,267	6,560	- 2,293	0	0	0	0	0	0	0	0	0	0	0	0	4,267	6,560	- 2,293
Members Remuneration	172	172	-	0	0	0	0	0	0	-	-	-	0	0	0	0	0	0	0	0	0	172	172	0	172	172	-
Utility Costs	557	607	- 50	0	0	0	457	457	0	-	-	-	0	0	0	0	0	0	100	150	-50	0	0	0	557	607	- 50
ICT Contract Inflation	128	99	29	0	0	0	0	0	0	-	-	-	0	0	0	0	0	0	128	99	29	0	0	0	128	99	29
Other Contract Inflation	219	244	- 25	0	0	0	69	69	0	-	-	-	150	175	-25	0	0	0	0	0	0	0	0	0	219	244	- 25
	-	-	-	0	0	0	0	0	0	-	-	-	0	0	0	0	0	0	0	0	0	0	0	0	-	-	-
	5,985	8,324	-2,339	0	0	0	526	526	0	4,909	7,202	-2,293	150	175	-25	0	0	0	228	249	-21	172	172	0	5,985	8,324	-2,339
Pressures																											
ALN Mainstream	510	1,010	- 500	510	1010	-500	0	0	0	-	-	-	0	0	0	0	0	0	0	0	0	0	0	0	510	1,010	- 500
Resource Base	409	831	- 422	409	831	-422	0	0	0	-	-	-	0	0	0	0	0	0	0	0	0	0	0	0	409	831	- 422
ALN Legal	30	30	-	0	0	0	30	30	0	-	-	-	0	0	0	0	0	0	0	0	0	0	0	0	30	30	-
ALN Premises	170	170	-	0	0	0	170	170	0	-	-	-	0	0	0	0	0	0	0	0	0	0	0	0	170	170	-
Out of County	111	223	- 112	0	0	0	111	223	-112	-	-	-	0	0	0	0	0	0	0	0	0	0	0	0	111	223	- 112
External Placements Children	1,008	1,218	- 210	0	0	0	0	0	0	1,008	1,218	- 210	0	0	0	0	0	0	0	0	0	0	0	0	1,008	1,218	- 210
External Placements Adult	234	434	- 200	0	0	0	0	0	0	234	434	- 200	0	0	0	0	0	0	0	0	0	0	0	0	234	434	- 200
Emergency Duty Social Care	90	90	-	0	0	0	0	0	0	90	90	-	0	0	0	0	0	0	0	0	0	0	0	0	90	90	-
Agency Social Services	-	136	- 136	0	0	0	0	0	0	-	136	- 136	0	0	0	0	0	0	0	0	0	0	0	0	-	136	- 136
Joint Equipment Store	21	21	-	0	0	0	0	0	0	21	21	-	0	0	0	0	0	0	0	0	0	0	0	0	21	21	-
Waste HGV Driver	-	650	- 650	0	0	0	0	0	0	-	-	-	0	650	-650	0	0	0	0	0	0	0	0	0	-	650	- 650
Housing Step Down	- 500	- 500	-	0	0	0	0	0	0	-	-	-	-500	-500	0	0	0	0	0	0	0	0	0	0	- 500	- 500	-
Housing New Legislation	160	1,200	- 1,040	0	0	0	0	0	0	-	-	-	160	1200	-1040	0	0	0	0	0	0	0	0	0	160	1,200	- 1,040
Highway Repairs	300	300	-	0	0	0	0	0	0	-	-	-	300	300	0	0	0	0	0	0	0	0	0	0	300	300	-
Other Neighbourhood	50	180	- 130	0	0	0	0	0	0	-	-	-	50	180	-130	0	0	0	0	0	0	0	0	0	50	180	- 130
Place	50	150	- 100	0	0	0	0	0	0	-	-	-	0	0	0	50	150	-100	0	0	0	0	0	0	50	150	- 100
Digital to Cloud	120	120	-	0	0	0	0	0	0	-	-	-	0	0	0	12	12	0	108	108	0	0	0	0	120	120	-
Coroner	70	70	-	0	0	0	0	0	0	-	-	-	0	0	0	0	0	0	70	70	0	0	0	0	70	70	-
Other Digital	408	418	- 10	0	0	0	0	0	0	226	226	-	0	0	0	0	0	0	182	192	-10	0	0	0	408	418	- 10
Council Tax Reduction Scheme	500	500	-	0	0	0	0	0	0	-	-	-	0	0	0	0	0	0	0	0	0	500	500	0	500	500	-
Corporate Resources	176	201	- 25	0	0	0	0	0	0	-	-	-	0	0	0	0	0	0	176	201	-25	0	0	0	176	201	- 25
	3,917	7,452	-3,535	919	1,841	-922	311	423	-112	1,579	2,125	-546	10	1,830	-1,820	62	162	-100	536	571	-35	500	500	0	3,917	7,452	-3,535
Capital Financing																											
Sustainable Communities for Learning	56	12	44	0	0	0	56	12	44	-	-	-	0	0	0	0	0	0	0	0	0	0	0	0	56	12	44
Structures	4	4	-	0	0	0	0	0	0	-	-	-	4	4	0	0	0	0	0	0	0	0	0	0	4	4	-
City Deal	-	107	- 107	0	0	0	0	0	0	-	-	-	0	0	0	0	0	0	0	0	0	0	107	-107	-	107	- 107
	60	123	- 63	-	-	-	56	12	44	-	-	-	4	4	-	-	-	-	-	-	-	-	107	- 107	60	123	- 63
	19,486	**26,742**	**-7,256**	**5,210**	**6,632**	**-1,422**	**1,555**	**1,931**	**-376**	**8,759**	**11,663**	**-2,904**	**1,330**	**3,380**	**-2,050**	**224**	**428**	**-204**	**1,736**	**1,929**	**-193**	**672**	**779**	**-107**	**19,486**	**26,742**	**-7,256**