

# County Council

## 2025/26 Green Budget Proposal Amendments

Date: Thursday 6 February 2025

Time: 10.00 am

Venue: Council Chamber, Shire Hall

Items on the agenda: -

- |   |               |
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| <b>2. 2025/26 Budget and 2025/30 Medium Term Financial Strategy</b> | <b>3 - 14</b> |
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Warwickshire County Council  
Shire Hall, Warwick

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*This proposal represents an alternative 2025/26 Revenue Budget Proposal. The detail shows differences compared to the Conservative proposals to aid effective debate.*

## **2025/26 Revenue Budget Resolution**

### **Green Group Recommendations to County Council**

**The County Council is recommended to plan its budget framework for 2025/26 on the following basis:**

#### **Section 1: Financial Direction of Travel**

*Delete paragraph 1.3 and replace as follows, renumbering the following paragraphs accordingly:*

- 1.3 Like most County Councils Warwickshire County Council are facing very significant financial risks. We call on central government to relentlessly prioritise solutions to the critical issues that we face around social care, SEND and Home to School Transport. Rearranging the deckchairs of local government diverts huge effort of senior officers and leaders away from these challenges.
- 1.4 We will sustainably tackle the major financial and demand challenges we continue to face as demand for services continues to rise much more quickly than our resources. We will respond to the demographic growth in adult social care, the increasing numbers of children and families needing support, Special Educational Needs and Disabilities (SEND), home to school transport and delivering on the challenges of climate change and commitment to strive to have net zero carbon emissions by 2030.
- 1.5 It would be a huge mistake to cut preventative services that offer support to families across the County, particularly where the evidence base for successful support is strongest – the first 1,001 days. Therefore, we've prioritised protecting Early Years and youth provision, particularly Children's Centres.
- 1.6 We will resource the additional costs we face now whilst retaining sufficient capacity to invest to be more efficient and effective in the future. We will use our investment funds to drive cost reductions through investment in digital technologies and data, reducing demand through targeted prevention activity, adopting more commercial

approaches setting financial returns and payback periods for our investments and continuing to support investment that provides for a buoyant taxbase.

**Delete the current paragraph 1.12 and replace as follows:**

1.12 We will deliver £21.8m of budget reductions in 2025/26, increasing to £78.3m by 2030, through better procurement, improvements in efficiency, increased income and delivering reductions in demand. We all use the services the County Council provides and will ensure they deliver value for money for the taxpayers of Warwickshire.

## Section 4: Revenue Allocations

**Delete the current paragraph 4.1 and replace as follows:**

4.1 To reflect the significant pressures on communities and the increasing demand for services we are responsible for, whilst ensuring we continue to develop so we can deliver the public services expected for the future, we are making allocations totalling £83.296m.

**Delete the current paragraph 4.3 and replace as follows:**

4.3 In addition to meeting the estimated cost of inflation we will also provide £49.335m to meet additional spending need, of which £6.116m is time-limited. Details of the allocations and how we expect the funding to be used are also detailed in **Annex A to Appendix A** for permanent allocations and **Annex B to Appendix B** for time-limited allocations.

## Section 5: Funding Sources

**Delete the current paragraph 5.4 and replace as follows:**

5.4 Our plan for budget reductions will generate savings of £21.820m in 2025/26 and a further £56.510m over the period of the Medium-Term Financial Strategy. Approval is given to the plans for the delivery of these savings detailed in **Annex D to Appendix D**. If during 2025/26 any of the budget reductions are not delivered in full, the Director in conjunction with their Executive Director and Portfolio Holder should identify alternative proposals to ensure the required reductions in expenditure are delivered. We will report on this as part of quarterly monitoring reports to Cabinet.

**Delete the current paragraph 5.7 and replace as follows:**

5.7 We will use £4.998m of reserves in 2025/26 to fund time-limited costs and budget allocations.

## **Section 6: Medium Term Financial Strategy**

**Delete the current paragraph 6.8 and replace as follows:**

6.8 We recognise our MTFS means significant challenges for the organisation, including the changing way in which people want to access services. Our proposals recognise that this will take time and investment and broad engagement with all those affected, both inside and outside the organisation. Our MTFS requires the use of £7.862m of reserves, including £4.998m in 2025/26. The availability of this level of reserves is consistent with our Reserves Strategy, attached at **Appendix C**.

## **Section 7: Executive Director for Resources: Statement**

**Amend the key assumptions for the 2025/26 budget and MTFS in paragraph 7.1 as follows:**

- *provision for specific spending pressures of £129.9m plus £37.4m for future unknown or unquantified spending need;*
- *a programme of budget reductions totalling £78.3m to be delivered in the next five years; and*
- *the use of £7.9m reserves.*

**All other assumptions remain unchanged**

**Amend Risk 2 – Demand Growth Risk as follows:**

### **Risk 2 – Demand Growth Risk**

*The Council continues to face growth in demand for services, particularly care services and education, at a faster rate than the general pace of demographic change. Whilst the assumptions unpinning the demand-led allocations in this resolution for 2025/26 and the level of provision for demand growth over the remaining four years of the MTFS are based on the latest available information, whether they are sufficient remains a risk. This risk is compounded by 22% of the savings plan being linked to demand management, primarily in adult social care. Arrangements will need to be put in place to monitor the rate of growth in demand relative to the assumptions made and whether any upwards variation can be accommodated within the £37.4m set aside in the MTFS for future unknown and unquantified spending pressures. If demand growth in excess of this provision does occur,*

*and in the absence of long-term reform of the funding of adult social care, there will be a need to consider further budget reductions.*

***All other risks remain unchanged.***

## Section 8: Summary of Service Estimates

**Delete Section 8 and replace as follows:**

- 1.1. Approval be given to the individual service net revenue estimates shown below, which will be finalised for the service estimates to be presented to Cabinet in April 2025 of:

	Base Budget £	Additional Investment £	Budget Reductions £	Funding Sources £	Total £
Children and Families	107,502,673	8,812,000	(1,592,000)		114,722,673
Education Services	192,626,792	2,151,000	(229,000)		194,548,792
Economy and Place	23,767,060	470,000	(749,000)		23,488,060
Environment, Planning and Transport	72,630,309	9,098,000	(1,518,000)		80,210,309
Fire and Rescue	26,639,704	471,000	(172,000)		26,938,704
Strategic Infrastructure & Climate Change	1,485,851	0	(48,000)		1,437,851
Health and Care Commissioning	8,835,200	348,000	(1,308,000)		7,875,200
Public Health	25,042,304	597,000	(334,000)		25,305,304
Social Care and Support	215,825,588	46,909,000	(12,518,000)		250,216,588
Enabling Services	27,252,338	2,066,000	(431,000)		28,887,338
Finance	9,204,178	295,000	(381,000)		9,118,178
Strategy, Planning and Governance	6,191,929	239,000	(103,000)		6,327,929
Workforce and Local Services	11,176,732	193,000	(277,000)		11,092,732
Corporate Services – spending	44,045,480	11,647,000	(2,160,000)		53,532,480
Corporate Services - schools and funding	(182,788,394)	0		(230,071,235)	(412,859,629)
	<b>589,437,744</b>	<b>83,296,000</b>	<b>(21,820,000)</b>	<b>(230,071,235)</b>	<b>420,842,509</b>
<u>Contributions to/(from) reserves:</u>					
- Earmarked Reserves	(1,013,634)				(1,013,634)
- General Reserves				(4,998,278)	(4,998,278)
<b>Budget Requirement</b>	<b>588,424,110</b>	<b>83,296,000</b>	<b>(21,820,000)</b>	<b>(235,069,513)</b>	<b>414,830,597</b>

**All other sections/paragraphs remain unchanged.**

## Changes to the 2025-30 Permanent Investment Proposals

Figures in brackets represent a reduction in the budget allocation. Figures without brackets are an increased allocation.

Purpose of the Allocation by Service	Allocation	Indicative Additional Future Allocation			
	2025-26 £'000	2026-27 £'000	2027-28 £'000	2028-29 £'000	2029-30 £'000
<b>Gully Cleaning</b> - An allocation to increase the gully cleaning service	100				
<b>Corporate Services</b>					
<b>Medium Term Financial Strategy Risk Provision</b> - A provision for future unknown and unquantified spending need to mitigate future potential costs as part of ensuring the Council's services are sustainable over the medium-term.			100	(200)	(1,275)
<b>Annual Change in Permanent Allocations</b>	<b>100</b>	<b>0</b>	<b>100</b>	<b>(200)</b>	<b>(1,275)</b>
<b>Total Change in Permanent Allocations</b>	<b>100</b>	<b>100</b>	<b>200</b>	<b>0</b>	<b>(1,275)</b>



## Changes to the 2025-30 Time-limited Investment Proposals

Figures in brackets represent a reduction in the budget allocation. Figures without brackets are an increased allocation.

Purpose of the Allocation by Service	Allocation	Indicative Additional Future Allocation			
	2025-26 £'000	2026-27 £'000	2027-28 £'000	2028-29 £'000	2029-30 £'000
<b>Social Care &amp; Support</b>					
<b>Direct Payments</b> - An allocation to fund further work to increase take up of direct payments in adult social care	50	0	0	0	0
<b>Care Leavers</b> - An allocation to fund help for care leavers age 18-25	10	10	10		
<b>Total Change in Time-Limited Allocations</b>	<b>60</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>0</b>

### Changes to the 2025-30 Proposed Budget Reductions

Figures in brackets represent an increase in the budget reduction. Figures without brackets are a reduction on the savings required.

Purpose of the Reduction by Service	Reduction	Indicative Additional Future Reduction			
	2025-26 £'000	2026-27 £'000	2027-28 £'000	2028-29 £'000	2029-30 £'000
<b>Children &amp; Families</b>					
<b>Children &amp; Family Centres</b> - strategic review and repurposing of provision of Children and Families centres including through synergies with libraries and other council services/buildings where appropriate.				900	
<b>Environment, Planning &amp; Transport</b>					
<b>Street Lighting</b> - Reduction in energy costs through investment in more efficient dimming technology and following a review of lighting operations and energy procurement to make street lighting as cost effective as possible.			100		
<b>Trading Standards</b> - Review and prioritisation of work of the Trading Standards team using an intelligence-led model, resources will be allocated against areas of highest detriment & impact.				100	

## Changes to the 2025-30 Proposed Budget Reductions

Figures in brackets represent an increase in the budget reduction. Figures without brackets are a reduction on the savings required.

Purpose of the Reduction by Service	Reduction	Indicative Additional Future Reduction			
	2025-26 £'000	2026-27 £'000	2027-28 £'000	2028-29 £'000	2029-30 £'000
<b>Public Health</b>					
Following review, reduce or discontinue Public Health funding to services which are not a core duty to deliver, at the contract end point: a) - <b>adult weight management and physical activity on referral</b> (alternative offers are available locally) b) - <b>community TB</b> (to bring the local model in line with other areas with a different funding arrangement) c) - contribution to Home Environment Assessment and Response Team ( <b>HEART</b> ) d) - <b>domestic abuse and sexual assault</b> (consultancy, training and communications, outreach within the Warwickshire Domestic Violence and Abuse (WDVA) Service and Independent Sexual Violence Advice)	25				
<b>Workforce and Local Services</b>					
<b>Libraries</b> - Targeted expansion of Community Managed Library network.			100		
<b>Libraries</b> - Review Sunday opening hours.		50			
<b>Total in-year change to budget reductions</b>	<b>25</b>	<b>50</b>	<b>200</b>	<b>1,000</b>	<b>0</b>
<b>Total cumulative change to budget reductions</b>	<b>25</b>	<b>75</b>	<b>275</b>	<b>1,275</b>	<b>1,275</b>

## Annex E to Appendix E

## Medium Term Financial Strategy 2025-30 - Summary

	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m
<b>Spending</b>					
Base Budget - on-going spend from the previous year	588.4	645.0	670.2	701.2	731.5
Demand and other permanent increases in spending need	78.4	40.7	47.6	46.8	46.7
Time-limited spending allocations	4.9	0.9	0.3	0.0	0.0
Savings plan	(21.8)	(15.5)	(16.6)	(16.5)	(8.0)
<b>Total Net Spending</b>	<b>649.9</b>	<b>671.1</b>	<b>701.5</b>	<b>731.5</b>	<b>770.2</b>
<b>Resources</b>					
Government grants	(135.3)	(133.3)	(132.8)	(132.3)	(131.8)
Business rates	(94.8)	(94.7)	(96.6)	(98.5)	(100.5)
Council Tax	(414.8)	(441.1)	(471.2)	(503.5)	(537.9)
<b>Total Resources</b>	<b>(644.9)</b>	<b>(669.1)</b>	<b>(700.6)</b>	<b>(734.3)</b>	<b>(770.2)</b>
<b>Use of/(contribution to) reserves</b>	<b>(5.0)</b>	<b>(2.0)</b>	<b>(0.9)</b>	<b>2.8</b>	<b>0.0</b>
<b>Net (surplus)/deficit</b>	<b>(0.0)</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>

***This proposal represents an alternative 2025/26 Capital Budget Proposal. The detail shows differences compared to the Conservative proposals to aid effective debate.***

## **2025/26 Capital Budget Resolution**

### **Green Group Recommendations to County Council**

#### **Section 1 - Financial Direction of Travel**

***Delete the Sustainable Futures section within the table in paragraph 1.10 and replace as follows :***

Sustainable Futures	<ul style="list-style-type: none"><li>• Defending Warwickshire against flooding, including significant investment in nature-based solutions</li><li>• Investment to reduce the Council’s carbon footprint.</li><li>• A sustainable transport network that supports a low carbon future and rural connectivity to places of work, improving air quality, active travel to deliver the positive benefits of outdoor activity, reducing congestion and enabling appropriate infrastructure for new housing. Schemes which are predominantly aimed at increasing safe and enjoyable walking and cycling journeys to work, school and leisure will be strongly prioritised, and existing transport schemes being developed will be reviewed to assess their benefit and priority in line with LTP4.</li><li>• Support for communities, schools and businesses to reduce their environmental impact, energy usage and emissions, including a Green Shoots 2 programme and assessment of gainshare schemes.</li><li>• Increase bio-diversity and ecology through green corridors, environment banks and tree-planting.</li></ul>
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#### **Section 2 – 2025/26 Capital Programme**

***Add the following paragraph as 2.3:***

- 2.3 We will review the allocation to the Thriving Economy and Places outcome, including the activity of the WPDG, to assess whether it would be appropriate to reallocate some funds to Sustainable Futures.

We will conduct a review of the criteria for all capital schemes yet to start listed in table to ensure that they align with the Council's strategic priorities.

## **Section 7 – Executive Director for Resources: Statement**

***Add the following after the third paragraph:***

*In reviewing the capital programme, including WPDG activity, consideration will need to be given to any impacts on the Council's revenue budget and MTFS given the forecast cash inflows from WPDG activities.*

***All other sections/paragraphs remain unchanged.***