

<h2 style="margin: 0;">RECORD OF EXECUTIVE DECISION BY CABINET</h2>

ITEM:	Draft Budget and Medium Term Financial Plan 2026/27
Cabinet Members Present:	Councillors Jo Monk (Chairman), Alan Amos, Justin Bowen, Ian Cresswell, Sue Eacock, Stephen Foster, Karl Perks, Nic Price and Rob Wharton
Date of Decision:	13 January 2026
Purpose:	To consider the draft Budget Report which looks at the Council's current financial position, 2026/27 precept need and the updated draft Medium Term financial plan.
DECISION:	<p>Cabinet:</p> <ul style="list-style-type: none"> 1a) approved for consultation the draft Net Budget Requirement of £618.670 million, as set out in Appendix 1. b) requested that Cabinet Members continue to work with their respective Strategic Directors and Assistant Directors to identify further options to reduce the current reported gap by either additional savings or agree strategies to reduce the current growth and demand assumptions prior to the final budget report which is due to be presented to Cabinet on 5 February 2026. c) noted the earmarked reserves schedule as set out in Appendix 4. d) noted the current MTFP position as set out in Appendix 5. e) noted the outcome of the budget consultation set out in Appendix 7. f) noted that under his powers as Section 151 Officer, the Chief Financial Officer has written to Government to request Exceptional Financial Support (EFS) in the form of a capitalisation direction and increase in Council Tax above 5% to support the budget in 2026/27 with a letter to Ministry of Housing,

	<p>Communities and Local Government (MHCLG) attached at Appendix 8.</p> <p>2. The Cabinet Member with Responsibility for Finance and Efficiency recommended that Cabinet recommends to Full Council on 15 January 2026 the approval of the variations to the Capital Programme as identified in paragraphs 150 to 158, namely:</p> <ul style="list-style-type: none">a. reduce the expenditure funded by borrowing totalling £1 million relating to the scheme entitled Improve Accessibility for SEND in Mainstream Schools (paragraph 150);b. reduce the expenditure funded by borrowing totalling £1 million relating to the scheme entitled Post 16 Additional Specialist Provision (paragraph 151);c. reduce the expenditure funded by borrowing totalling £1 million relating to the scheme entitled Social Care Projects (paragraph 152);d. remove the £12 million borrowing from the Redditch Railway Station budget and replace with a £1 million scheme funded by the 2026/27 Local Transport Grant allocation (paragraph 153);e. reduce expenditure funded by borrowing by £1 million relating to Railway Station Upgrades (paragraph 154);f. remove the expenditure funded by borrowing by £1.485 million relating to Shrub Hill Frontage (paragraph 155);g. reduce the expenditure funded by borrowing by £0.1 million relating to the Rail Investment Strategy (paragraph 156);h. change in funding for the scheme entitled Hampton Bridge from £6 million of borrowing to £6 million from within the Local Transport Grant from the DfT (paragraph 157) and
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	<ul style="list-style-type: none">i. reduce the expenditure funded by borrowing by £2.5 million in 2026/27 relating to the Structural Carriageway works with £1 million of this being funded by the increase in the DfT Highways Maintenance Funding (paragraph 158); <p>3. The Cabinet Member with Responsibility for Finance and Efficiency recommended that Cabinet recommends to Full Council on 15 January 2026 the approval of the savings identified by Strategic Directors to reduce the revenue budget by £9.1 million as identified in paragraphs 106 to 110 and in detail at Appendix 3 namely:</p> <ul style="list-style-type: none">a. Consolidation of Adult Replacement Care Provision (Learning Disabilities)b. <i>At the start of the meeting Cabinet agreed to remove recommendation 3b “Car park charges at Countryside centres” from the recommendations.</i>c. Reduction in Hive Business Ratesd. Deletion of vacant posts in HRe. Deletion of vacant posts in ITf. Changes in Pension Contributionsg. Deletion of vacant posts in Financeh. One - off Reduction in spend on Monitoring and Evaluation within E&Ii. Highways Re-Organisationj. Staffing reductions in Economyk. Reduction in use of Consultants within E&Il. Increase in income for highways development managementm. Pollution Control reduction in budgetn. County Hall – decommissioning additional savingso. Additional income generation from tenancy at Wildwoodp. Facilities Management: Restructure
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	<p>q. HTST: Severn Card income r. HTST: Review Programme s. HTST: Unavailable Routes</p>
Reason(s) for the Decision:	As set out in the report. To make the necessary arrangements to consult on the draft 2026-27 Budget proposals to ensure the continued strategic planning and management of the Council's budgetary and financial arrangements and the delivery of the Council's Corporate Plan.
Alternative Options Considered:	The budget proposals will be the subject of a wide consultation process. Feedback from this will inform the budget setting process and be reported to Cabinet on 5 February 2026 (and Council in February).
Conflict of Interest (any declared by a consulted Cabinet Member/any dispensation granted)	None
Date the decision is due to take effect:	20 January 2026 Call in does not apply as the decision launches the draft budget for consultation in accordance with the Budget and policy framework rules (Appendix 6 of the constitution).

HAZEL BEST, ASSISTANT DIRECTOR, LEGAL AND GOVERNANCE