

Gloucestershire County Council

2026/27 Draft Budget for Consultation

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Foreword to Draft Budget for Consultation

Welcome to Gloucestershire County Council's Draft Budget for Consultation for 2026/27. The Draft Budget and the Medium Term Financial Strategy (MTFS) is the document that details the Council's proposed budget plans for the next four years, driven by the priorities as set out in the Council Strategy. Every year, we set a budget to decide how we spend public money – and we want to make sure it reflects what matters most to you – A Stronger Future, Built Together.

This budget is about more than numbers. It's about people. It's about investing in the things that matter—supporting communities, protecting our environment, and building a county where everyone feels welcome and is proud to call home.

Costs are rising, demand for services is growing, and we don't yet know how much funding we will get from Government following a change in funding formula called the Fair Funding Review. It is likely that we'll see areas of the country with higher levels of deprivation getting more money than they did previously and other areas, like Gloucestershire, probably getting less. That means we've had to make careful choices—balancing the need to deliver essential services with opportunities to invest where it will have the greatest impact.

Government assumes we will increase council tax and the adult social care precept to the maximum allowed. This will mean a £1.61 weekly increase for a band D property and will raise an additional £26.1 million next year to support delivery of services. Even then, it's not enough to meet the pressures we face or deliver the things Gloucestershire needs. The Council recognises that times are tough, and takes no joy in asking more of residents, but we have a legal duty to keep people safe, well, and supported—and to improve life chances for everyone.

We are also looking inward— cutting duplication and tackling inefficiencies. Every pound must go further, and we're building efficiency into everything we do to allow us to invest in the things that matter most to you.

We're investing in the things that you have told us matter most to you:

- £15 million (over the three years) of additional investment so more maintenance can be done on our highways and more resurfacing schemes delivered across the county'
- £2 million (over two years) of new investment to improve road safety with speed limit reviews and delivery of the community 20s programme.
- An additional £250,000 a year to improve the maintenance and upkeep of our cycleways and footways.
- £2.7 million towards Special Educational Needs and Disabilities (SEND) services to help meet the rising need and demand for Education, Health and Care Plan Needs Assessments so we can provide the right support at the right time to children and families with SEND.
- £21.17 million towards a new special school in Gloucester.
- £80.2 million (over three years) to deliver essential works for our maintained schools.
- £6.35 million towards three new adult care homes to provide high-quality environments that incorporate technology to enhance residents' care,

particularly for individuals with complex needs such as dementia. It will ensure individuals remain within their local communities for their care.

- £500,000 to establish a virtual Adult Social Care Academy: to support paid and unpaid carers get the information and skills they need.
- £3.9 million (over four years) to deliver key refurbishment and vital repairs to your household recycling centres.
- £445,000 (over four years) to support a healthier, more resilient natural and built environment, including responding to the risks and impacts of climate change to the benefit of communities and supporting nature recovery and ecology to the benefit of communities.
- A new annual £1 million Community Prevention Grant Scheme to support people to stay independent for longer and to help reduce health inequalities.
- £384,000 to support young people to achieve by ensuring they are included in their community and can do well in education and go on to find rewarding work.
- £935,000: Libraries towards upgrading library buildings and services
- £1.5 million: towards a new fire and rescue training facility
- £2.5 million: towards replacing ageing frontline fire and rescue vehicles
- £1.3 million: to deliver major refurbishment and expansion of the existing Cinderford fire station to accommodate full-time day crews

To make this possible, we have identified £25.7 million of savings next year and are also reviewing our fees and charges – proposing to make the necessary increases to support our investment plans. We're also tackling an issue that's long overdue—parking charges. For years, the cost of parking has been subsidised by wider council funds, meaning all taxpayers have been covering the gap. Charges haven't been properly reviewed since 2013 and bringing them in line with today's prices is a necessary step to make the system fairer and ensure those who use these services are covering the true cost of delivering them.

There is much to do, and we are ready to roll up our sleeves and get to work Improving Customer Experience with passion, determination, and an unwavering commitment for an ever-stronger Gloucestershire.

A Context

- 1 The Council's draft 2026/27 Budget and the Medium Term Financial Strategy (MTFS) will be presented to Cabinet on 28th January 2026 and recommended to the County Council for consideration and approval on 18th February 2026.
- 2 Prior to the MTFS being finalised the Council is undertaking a period of public consultation on the 2026/27 draft budget between 4th December 2025 and 9th January 2026. This year the public consultation is being carried out earlier to allow more time for feedback to be considered prior to the draft budget report being presented to Cabinet on 28th January 2026.

B 2026/27 Draft Budget

- 3 The 2026/27 draft budget has been prepared using best estimates from the recent Fair Funding consultation and prior year data. The projections are as up to date as possible however until the results of the consultation are known, the Policy Paper released, and the Chancellor's Autumn Statement has taken place on 26th November 2025 data remains uncertain. The provisional financial settlement which quantifies the impacts of the announcements for the Council is not expected until mid-December 2025.
- 4 The draft consultation budget contains the detailed budget proposals for 2026/27 including the general fund revenue budget, the capital programme, and the Dedicated Schools Grant (DSG).
- 5 Estimated funding, including an assumed overall Council Tax increase of 4.99% (2.99% general Council Tax increase plus a 2% Adult Social Care Precept increase), is forecast to be £697.5 million.
- 6 The budget proposals contained in this MTFS show a balanced position for 2026/27, this includes the proposed use of unearmarked reserves of net £0.8 million. The reserve movements are detailed within Annex 5.
- 7 If any additional funding over that currently forecast is announced in the provisional finance settlement in December, the first calling should be to reduce the reliance on one-off income and reserves across the MTFS period and manage financial risks. If the finance settlement is lower than forecast the first calling should be to use the £4.5 million reserve created from the 2024/25 underspend specifically to smooth the impact of the Fair Funding Review.
- 8 The funding assumptions in the draft MTFS are based on best estimates following the government's recent Fair Funding consultation. However, in recent weeks there has been suggestion that MHCLG may be looking to make changes to the proposed formulas reducing the prominence of rurality as well as updating for recently updated Indicators of Multiple Deprivation (IMD). These changes may have a detrimental impact on county council finance settlements and as such Gloucestershire County Council's Leader has encouraged our local MPs to lobby on behalf of the County. We will not know the outcome until the provisional Local Government Finance Settlement in December 2025 and we are therefore carrying more risk and uncertainty at this stage in the financial planning process than in

previous years which may crystallise resulting in urgent difficult decisions needing to be taken. Best endeavours have been made to mitigate this risk through holding a specific earmarked reserves to smooth short term impact.

C A Stronger Future, Built Together – Our new Council Strategy 2025/29

- 9 The Council Strategy – ‘*A Stronger Future, Built Together*’ - is the key high-level document that, along with the MTFs, sets the Council’s strategic policy direction. The four-year strategy was developed following full council elections in May 2025 and was approved by Council in November 2025. It sets out the Council’s vision, its ambitions for the county and its priority themes and outcomes for addressing the challenges and opportunities it faces.
- 10 The Council’s vision is that we want:
- Gloucestershire to be a thriving county where everyone can live a healthy life, get a good education and job and feel proud of their area.
 - A county where everyone is treated fairly and can easily access opportunities and services, where we protect and enhance our natural and built environment, and where everyone feels welcome and included in a kind and caring community.
 - Every child to have the best possible start, with schools and learning that give them the skills and confidence to succeed.
 - Every adult to have the chance to learn, work and be independent.
 - Gloucestershire to be full of energy and ideas, building on our legacy of innovation.
 - Everyone to know they are supported by a council that listens, learns, and does the right thing, providing services people can rely on.

Working with our network of partners, we will take on the critical challenges facing Gloucestershire with ambition, drive, and energy. People will be able to see and feel the difference in their everyday lives.

- 11 The Strategy shows that we are committed to:
- **Education, jobs, and opportunity** - Growing our local economy so people have good jobs near to home and every community benefits. Giving every child the best start in life and helping young people and adults learn and build their futures.
 - **Roads and places** - Fixing and maintaining our roads, ensuring we have excellent public transport, and that our public spaces are safe, clean, and welcoming.
 - **Climate and nature** - Looking after our environment and recognising that tackling climate change starts locally with innovative and sustainable solutions.
 - **Health and wellbeing** - Helping everyone to live healthier lives with the right support when they need it, in vibrant and resilient communities.
 - **Care** - Providing exceptional care for all those that need it, including our most vulnerable children and adults.
 - **Fairness and inclusion** - Tackling poverty and deprivation and transforming services to ensure everyone is included and no one is left behind.

- 12 The Council's priorities for delivering those ambitions are laid out within 4 themes, each with 5 key priority outcomes described within them:
- Theme 1 - Children & young people thrive
 - Theme 2 - Strong, healthy communities that care
 - Theme 3 - A place to be proud of
 - Theme 4 - An open, fair, and sustainable Council
- 13 Directorate Plans for each service area for 2026/27, which expand on the high-level priorities included in the Council Strategy to show annual activity, are provided in Annex 1. The Plans highlight current achievements and future ambitions in relation to the different services provided by the Council.

D Consultation

- 14 Consultation on the draft 2026/27 budget proposals will take place between 4th December 2025 and 9th January 2026. Stakeholders are asked to give their views on our overall priorities, the proposed growth proposals, and any potential impact on service levels.

Consultation will take place with the following groups:

- All Gloucestershire residents,
 - Key partners including Health, the Independent and Voluntary sectors and town and parish councils,
 - Trade Unions and professional associations,
 - Staff, via the usual communication channels,
 - Gloucestershire businesses,
 - Schools, via the Schools Forum, open meetings, and Head Teacher groups.
- 15 Prior to finalising the proposed budget for consideration by Cabinet on 28th January the views expressed through the consultation will be carefully considered and where appropriate be incorporated into the final budget proposals.
- 16 The Corporate Overview and Scrutiny Committee will also carry out their budget scrutiny process on 7th January 2026 and will include briefings from Executive Directors and Cabinet Members.
- 17 Following this meeting the Corporate Overview and Scrutiny Committee will feed back their views to the Cabinet prior to the final budget being proposed.
- 18 Following consultation and scrutiny, the detailed 2026/27 budget, the 4-year MTFS and supporting policy documents will be considered by Cabinet on 28th January 2026, with the recommended MTFS being put to the County Council for consideration and approval on 18th February 2026.

E Finance Settlement and Funding Assumptions 2026/27

- 19 The Council receives its funding through several sources including business rates income, government grants, council tax and charging for some of its services through fees and charges.
- 20 In June 2025, the Fair Funding Review was launched nationally alongside a Council Tax Modernisation consultation. These followed an earlier consultation released in April 2025, Resetting the Business Rates System. These consultations propose to fundamentally change the way the money is distributed by central government and could have wide ranging implications on the finances of the Council from 2026/27. As yet, the outcomes of these consultations are unknown, and at the time of writing we await the Autumn Statement in late November and the Provisional Local Government Settlement in December 2025. The expectation is that a Policy Statement will be released in late November 2025 accompanied by a “comprehensive response” to the Fair Funding Review consultation, the timing will be too late for it to be incorporated into this document and will be reflected on the next iteration.
- 21 Forecasts on funding has been updated based on the consultation paperwork, working in conjunction with our advisors, PIXEL Financial Management, and County Council Network. This has allowed us to determine a likely outcome for planning purposes in the absence of any more formal funding announcement. Once the Policy Statement is received figures will be updated, however funding levels will remain uncertain until the provisional Finance Settlement, expected in mid-December 2025, is received. It is anticipated that the settlement will cover a three-year period to 2028/29, allowing more certainty on future funding streams. Final funding will not be confirmed until the final Finance Settlement in February 2026. The final Budget and MTFS will be presented for approval by the County Council on 18th February 2026.

Business Rates Retention

- 22 The Business Rate Retention Scheme (BRRS) was introduced nationally in 2013/14. The Scheme allowed councils to retain a portion of business rates raised locally - the current scheme is a 50% retention scheme. This means the business rate yield is divided equally between central and local government. A consultation was launched in April 2025 to look at resetting the system because to date all growth has stayed with the authorities that have generated it, making the system unbalanced.
- 23 The BRRS was designed from the outset to be periodically reset, to ensure that the distribution of resource is realigned with need. It has been over a decade since the BRRS was introduced, and a reset has not happened. Retained business rates growth has continued to accumulate where it has been collected contrary to the aims of the original system. The Resetting of Business Rates Baselines in 2026/27 aims to ensure funding is targeted where it is needed most and restoring the balance between aligning funding with need and rewarding business rates growth. GCC currently loses from this imbalance, so a reset is a favourable from the Council’s perspective.

- 24 The 2026 reset will happen alongside significant changes to the business rates tax system. As a result, the approach taken to the reset in 2026/27 will need to recognise and reflect two significant changes to tax policy. Both these factors will create turbulence in the business rates that each local authority collects and retains locally:
- Firstly, significant changes to the business rates tax system are expected in 2026 with the introduction of additional business rates multipliers, alongside the removal of temporary time limited reliefs currently in place.
 - Secondly, a revaluation is due to take place in 2026 which will update the rateable values of properties to reflect changes in the property market.
- 25 These changes will directly impact what data will be available to recalculate local authority Business Rates Baselines (BRBs) ahead of the 2026 reset. Figures in this report are therefore based on the best available data, and figures could move significantly as more information is released. Variable factors include the rates for the new multipliers that, at the time of writing, are expected to be announced at the November 2025 Budget, the impact of the revaluation due in 2026, as well as the economic and fiscal context.
- 26 A more fundamental consultation on the future of BRRS is anticipated by the end of the current financial year. This consultation will cover a wider range of more strategic issues, including tier splits (and the potential inclusion of mayoral combined authorities in the BRRS), risk and reward, levy and safety net payments, the duration of the reset, and factors such as business rates pooling.

Pooling

- 27 GCC along with the District Councils in the County have been part of a business rates pooling arrangement since the scheme was introduced. Pooling provides additional income for the County and provides for joint additional resources to fund countywide projects through the Strategic Economic Development Fund (SEDF). It is unclear whether Pooling will still be beneficial once all the changes have been made to the BR system. An invitation to Pool has been received, however it is difficult to determine whether it will be beneficial based on the absence of data. Until the Policy Statement is released figures cannot be calculated. We are therefore liaising with the districts, the Society of County Treasurers, and the Society of District Treasurers to ask MHCLG to delay the application deadline to after the provisional Local Government Finance Settlement. Only then can it be determined whether a continuation of the Pool will be beneficial. GCC and the districts have gained from pooling annually by an average of £3.9 million, with GCC receiving an average gain of £1.1 million.
- 28 GCC does not include these pooling gains as part of the budgeted income from the BRRS. Any pool gain is added to the Business Rate Reserve and applied against future pressures. Due to changes to the levy rate and the Business Rates reset, pooling is highly unlikely from 2026/27.
- 29 GCC will also receive money from the BRRS relating to Renewables. The BRRS for renewable energy projects is designed to ensure that local authorities retain a portion of the business rates income generated by renewable energy projects. This

retention is intended to support communities that host renewable energy projects and to align with the government's policy intention that business rates paid in respect of any such new projects should be kept fully by the local authorities within whose areas the projects are situated. GCC receives money from schemes in Stroud and Tewkesbury, currently totalling £1.3 million per year. This amount is included within the budgeted business rates figure.

Other Funding Streams

- 30 In addition to BRRS income, GCC also receives several other grants, which central government include within the Core Spending Power (CSP) of local authorities. With the fundamental review of funding, the breakdown of this CSP will change substantially from 2026/27 with many previously separate funding streams being rolled into the Settlement Funding Assessment (SFA). Current expectations on the funding streams are as follows:

- **Settlement Funding Assessment**

This funding stream is an amalgamation of all the previously separate funding streams that have built up over the past few years to address spending burdens of local government. It is an un-ringfenced funding stream and consists of three grants, Revenue Support Grant, the Better Care Grant, and Top Up Grant. Also included within this funding stream is the National Non-Domestic Rates (NNDR) income (although this is not a grant but rather an indicative total for Business Rates income). Total forecast SFA for 2026/27 is £223.0 million. This is broken down as follows:

	£000
Revenue Support Grant	113,052
Top Up Grant	53,424
Business Rates Income	31,829
Better Care Grant	24,704
Total SFA	223,009

A number of previously separate funding streams are now part of Revenue Support Grant, including:

Section 31 business rates grants
New Homes Bonus
Social Care Grant
Market Sustainability and Improvement Fund
Domestic Abuse Safe Accommodation Grant
Employer National Insurance Contributions Grant

- **Public Health Grant**

This grant is forecast to remain as a separate funding stream. GCC is forecasting to receive £28.8 million in 2026/27, the same as that received in 2025/26. This funding forms part of the Council's base budget but is currently ring fenced for Public Health activities.

- **Inshore Fisheries**

This is an un-ringfenced grant and is intended for Inshore Fisheries. The forecast funding for 2026/27 is cash-flat at £122k.

- **Children's Social Care Prevention Grant**

This was a new funding stream in 2025/26, and it is forecast to remain separate to SFA for 2026/27, although it is not yet known if it will be combined with other funding streams for Children's Services. It is currently forecast at a cash flat level for 2026/27 of £1.6 million.

Council Tax

- 31 Well over half of GCC's funding comes from Council Tax. Current assumptions are that the Adult Social Care (ASC) precept will increase by 2%, and that the Council Tax referendum limit will remain at 3%. The budget for 2026/27 therefore proposes to raise council tax by 4.99% - 2.99% from general council tax with an additional 2% for Adult Social Care. Using these assumptions, a forecast 1.25% uplift in the taxbase and an assumed Collection Fund surplus of £2.8 million based on the average received over the past few years (final figures will not be known until January 2026), generates a total of £443.9 million.
- 32 2025/26 was the first year that districts could charge a premium on second and long-term empty homes following changes to regulations. The Collection Fund could therefore be volatile depending on the outcome of these changes during 2025/26 and whether predictions made on the additional income were in line with expectations. As discussions take place with the districts figures for the Collection Fund surplus may be revised.
- 33 The Council's current proposal for 2026/27 Band D Council Tax is £1,763.46, including Adult Social Care precept, compared to £1,679.65 in 2025/25. This is an increase of £83.81 or just over £1.61 per week.
- 34 Forecast Council Tax levels for each band based on a 4.99% increase are shown below.

Band	2025/26	2026/27 Budget	Increase on 2025/26
	£	£	£
A	£1,119.76	£1,175.64	£55.88
B	£1,306.40	£1,371.58	£65.18
C	£1,493.02	£1,567.52	£74.50
D	£1,679.65	£1,763.46	£83.81
E	£2,052.90	£2,155.34	£102.44
F	£2,426.16	£2,547.22	£121.06
G	£2,799.41	£2,939.10	£139.69
H	£3,359.30	£3,526.92	£167.62

Nearly two-thirds of households in Gloucestershire are in Bands A, B or C.

F Revenue Budget Proposal

- 35 The proposed revenue budget for 2026/27 totals £697.5 million, a net increase of £32.4 million from 2025/26.
- 36 The 2026/27 budget is made up of £54.1 million of investment in services offset by a net £800k use of reserves and £20.9 million of budget reductions, removal of 2025/26 one-off growth, additional income, savings, and efficiencies. See summary table below – full details are included in Annex 2.
- 37 As detailed in Annex 6, the projected net revenue budgets for 2027/28, 2028/29 and 2029/30 are £724.5 million, £753.3 million, and £788.6 million, respectively. The 2026/27 budget proposals are balanced with a net transfer from reserves of £800k. The 2027/28 budget proposals are also balanced following the use of £2.1 million use of non-earmarked reserves to fund one-off pressures. There remain budget gaps in 2028/29 and 2029/30 of £0.8 million and £4.0 million respectively, where additional savings will need to be generated by additional funding or efficiencies.

38 A summary of the draft budget (excluding specific grants) is provided below.

Medium Term Financial Strategy – 2026/27 Budget – Overall Summary

Budget Area	Approved 2025/26 Budget	Removal of 2025/26 One Off Budget Adjustments	Agreed Budget Transfers between Service Areas	MTFS 2025/26 Base Budget	Pay Inflation Costs	Investments	Efficiencies and Additional Income	Use of Reserves	Proposed 2026/27 Budget	Percentage Increase / Decrease (Excluding Reserves)
	£'000	£000	£000	£'000	£000	£000	£000	£000	£'000	%
Programme Budget Areas										
Adults	224,921	-	718	225,639	1,721	20,703	-4,462	-500	243,101	8.31%
Vulnerable Children	151,666	-94	1,285	152,857	1,843	5,526	-5,323	-197	154,706	2.13%
Other Children Services	42,757	-	560	43,317	659	3,598	-659	-	46,915	9.72%
Economy, Environment and Infrastructure	89,322	5,229	774	95,325	942	7,449	-6,294	-1,565	95,857	9.07%
Community Safety	27,359	-	499	27,858	727	730	-285	-	29,030	6.11%
Public Health & Communities	38,922	796	-289	39,429	93	668	-580	-	39,610	1.77%
Corporate Resources	51,269	-	1,438	52,707	1,303	3,079	-932	-1,231	54,926	9.53%
Technical & Countywide	38,863	1,400	-4,985	35,278	-69	5,122	-9,715	2,693	33,309	*-21.22%
Total Budget	665,079	7,331	-	672,410	7,219	46,875	-28,250	-800	697,454	4.99%

*Note: Technical & Countywide includes centrally held technical budgets, including capital financing, borrowing costs and investment returns. These budgets fluctuate each year and are revised in line with borrowing assumptions and investment projections.

39 The 2026/27 draft budget is funded as follows:

	£000
Original 2025/26 Budget	<u>665,079</u>
Removal of One-off investments	7,331
Revised 2025/26 Base Budget	<u>672,410</u>
2026/27 Proposed Pay Inflation	7,219
2026/27 Proposed Cost and Spending Pressures	46,875
2026/27 Proposed Cost Reductions	(28,250)
2026/27 Use of Reserves	(800)
Total 2026/27 Budget	<u>697,454</u>
Less:	
Settlement Funding Assessment	223,009
Public Health Grant	28,835
Inshore Fisheries	122
Children's Social Care Prevention Grant	1,572
Collection Fund Surplus	2,767
Budget to be met from Council Taxpayer	<u>441,149</u>

Council Tax at Band D = £1,763.46

- 40 The proposed budget for 2026/27 contains provision to fund key budget pressures including estimates for unavoidable contractual inflation, pay (including the impact of the National Living Wage), demographic increases in demand led services and corporate priorities.
- 41 The current budget also includes provision for a 3% pay award in 2026/27 with a central pay and prices contingency for any unexpected pressures.
- 42 The Council also receives a number of specific grants. More information on the value of these grants is expected during November and December – projections will be included in the MTFS document for January Cabinet and County Council in February.

G Dedicated Schools Grant (DSG)

- 43 In 2025/26 the current gross DSG is £724.8 million. The grant is allocated in four distinct blocks intended to fund Schools, Early Years provision, support for High Needs pupils and Central Services for Schools.
- 44 Due to the timing of the summer 2025 Spending Review, the DfE have advised that the announcement of the schools and high needs national funding formula (NFF) allocations for 2026/27 will be delayed until late 2025. Provisional uplifts to the DSG

for 2026/27 are therefore unknown at the point of writing. The final 2026/27 DSG allocations, including the census update, should be announced in December 2025.

- 45 Gloucestershire's High Needs Block, like most local authorities nationally, is in deficit. A technical instrument – a Statutory Override – exists, which allows Local Authorities to hold a ring-fenced deficit (i.e. overdrawn) reserve balance for DSG. The forecast deficit balance as of 31 March 2026 is £123.6 million. Based on current information it is anticipated that a deficit budget of £43.5 million will be set in 2026/27 and £44.0 million in 2027/28. This will increase the cumulative deficit beyond £211.1 million by the expected end of Statutory Override on 31 March 2028. Given the ongoing funding challenges with High Needs services, it is expected that deficits will continue in future years unless additional funding is allocated and reforms to SEND legislation are implemented. Policy announcements are expected in the Fair Funding Review and the SEND White Paper which has been delayed until early in the new year.
- 46 This creates a risk that General Fund balances will be required to meet the cumulative deficit, as of 1 April 2028. Based upon current trajectories, the Council's Useable Revenue Reserves will be insufficient to meet the deficit as at 1 April 2028. This creates a risk of insolvency, which Local Authorities and representative groups nationally continue to highlight to Central Government.
- 47 Annex 5 includes reserve projections for the MTFS period, including the anticipated growth in the DSG Deficit Reserve.

H Flexible Use of Capital Receipts

- 48 The flexible use of capital receipts allows local authorities to use capital receipts from the sale of assets to fund revenue costs associated with transformation projects. This policy, originally put in place in 2016, has been extended to 2030.
- 49 The proposed budget 2026/27 does not anticipate the use of capital receipts in this way. However, given the on-going transformation programme and the financial challenges faced by GCC it may become necessary to consider using capital receipts in this flexible manner in future. Using capital receipts in this way will require the approval of the County Council.
- 50 When developing and adopting a Flexible Use of Capital Receipts Strategy the impact on the Council's Prudential Indicators will be carefully considered.

I Council's Financial Standing and Risks

- 51 Under the Local Government Act 2003 the Council has a responsibility to ensure that reserves are adequate. During 2025/26 all reserves have been examined in detail.

- 52 A summary of the Council's forecast revenue reserves during the period of the MTFS are as follows:

	31 March 2026	31 March 2027	31 March 2028	31 March 2029	31 March 2030
	£'000	£'000	£'000	£'000	£'000
Earmarked Revenue Reserves - Non Schools	123,247	93,293	80,568	61,939	50,034
Earmarked Reserves – School Related	23,921	23,921	23,899	23,899	23,899
General Fund Reserve	37,034	36,463	36,463	37,664	39,428
Total Useable Revenue Reserves	184,202	153,677	140,930	123,502	113,361

Statutory Override Deficit (DSG)	(123,554)	(167,093)	(211,108)	(253,094)	(295,387)
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- 53 In recent years, Gloucestershire County Council has taken a risk-assessed approach to the General Fund Reserve balance each year. A non-exhaustive list of risks is again included within Annex 5. A prudent sector standard has been adopted - to hold a minimum General Fund Reserve balance at 5% of the Council's net operating budget each year. The General Fund Reserve balances above are increased each year to maintain this threshold. For years 3-4, this is achieved by an annual transfer from the Business Rates Retention Reserve. More information is detailed in Annex 5.
- 54 Non School Revenue Earmarked Reserves are forecast to fall from £123.2 million as at 31st March 2026, to £50.0 million as at 31st March 2030. See Annex 5 for more information.
- 55 The reserve projections above include the proposed net drawing of £0.8 million to balance the 2026/27 budget, plus a further £2.1 million for one-off expenditure in 2027/28.
- 56 Total Useable Revenue Reserve projections should be viewed in conjunction with reserve deficits, currently held separately through Statutory Override (SO). SOs are technical accounting instruments which exist for a fixed period of time and require Authorities to hold deficit balances separately to positive balances. During the MTFS period, SOs for Financial Instruments and Dedicated Schools Grant deficits are due to expire on 31st March 2029 and 31st March 2028, respectively.
- 57 This creates an implied risk that Useable Revenue Reserve balances will be required to mitigate any deficits upon expiry. The DSG deficit, as highlighted in Section G, is significantly larger than the Council's Useable Revenue Reserve balances.
- 58 In addition to the DSG deficit issue mentioned above there are a number of other emerging risks that may impact on the assessment of the adequacy of reserves. These include:
- Energy from Waste Electricity Prices - Current electricity pricing suggests that we will not be able to achieve a break-even position. There is therefore a risk that

a drawing from reserves or in-year mitigations will be needed to balance the budget if prices remain at the current level in 2026 and beyond.

- Fair Pay Agreement – Adults and Children’s Services. An agreement is expected to come into effect in 2028 that may have substantial implications for workforce planning and budgeting. National lobbying is in progress to mitigate this potential risk.
- Fire PFI - A full external and independent review is being undertaken because there is a risk that the current reserve will be insufficient.
- Ways of Working efficiency – a ways of working efficiency of £5 million per annum is assumed from 2028/29 based on activity analysis undertaken by PWC across the Council during September and October 2025. Detailed proposals to achieve this target are yet to be finalised and funding will be required to implementation, which will be considered by Cabinet in the final budget on 28th January 2026
- Achievement of savings – the Budget has an efficiency and additional income target of £28.3 million for 2026/27, rising to a total of £66.7 million by the end of the MTFS period. The Council has a good track record of achieving such targets but there is a risk these will not be achieved and close monitoring, oversight and reporting remains critical.
- Savings to be identified – the final 2 years of the MTFS also have unidentified budget gaps for which additional savings will need to be found to balance the budget in those years. There is a risk that these will not be found and / or new pressures materialise and so early attention will need to be given.
- Local Government Reorganisation – the estimated cost of LGR is expected to be in the range of £21-30 million. GCC and the other councils in Gloucestershire will need to identify this level of reserves in advance of the proposed vesting day of the new Councils in April 2028. Further consideration to this will be given in the final budget to Cabinet on 28th January 2026.
- Fair Funding Review - there is a risk that the finance settlement and fair funding review leave GCC in an adverse position than planned. A reserve of £4.5 million has been set aside for this eventuality.

J Section 151 Officer Review of the Budget – Section 25 Statement

- 59 Section 25 of the Local Government Act requires the section 151 officer to report on the robustness of the estimates contained in the budget and the adequacy of reserves.
- 60 In October 2019, a new requirement to have regard to the CIPFA Financial Management Code (FM Code) was introduced to ensure all local authorities had robust financial management processes in place. The Council has reviewed the FM Code and has concluded that processes are in place to ensure compliance. Compliance with the FM Code is reassessed each year.
- 61 The level of General Reserves needs to reflect the risks the Council is facing. The level of risk will be impacted by the robustness of the budgets, the ability to generate planned savings / efficiencies, the adequacy of budgetary control and external factors

such as inflation and interest rates. Where practical, mitigation actions are planned to reduce the level of identified risks. The Council has adopted a policy of maintaining General Reserves at a minimum of 5% of net revenue expenditure. Further details of general reserve risk analysis can be found in Annex 5.

- 62 In preparing the budget the following risks have been taken into account in the budget:
- Current spending trends and, where known, additional unavoidable cost pressures have been built into the proposed 2026/27 budget. Current spending trends, especially the volatility of expenditure in social care and the emergence of new cost pressures will continue to be monitored as the budget is developed. This may result in the need to reprioritise resources prior to the final budget being approved by Council in February 2026.
 - Known service-related financial pressures and risks have been explicitly considered by all Directorates when preparing the budget.
 - The level of reserves has been examined and will continue to be closely monitored, in the context of protecting the Council from existing and future liabilities.
 - Balancing the Council's budget requires financial savings and efficiencies to be achieved. Whilst robust programme management plans have been put in place to deliver savings there is inevitably some residual risk.
 - The highest risk areas continue to be demand led services, especially care for older and vulnerable people.
 - Provision has been made for pay awards, pension costs and national insurance increases, contractual inflationary pressures, and the forecast impact of the National Living Wage.
 - The reserves held are invested and the interest received supports the Council's budget.
 - Consideration to the pressures within the DSG High Needs Block Funding have been made as part of the budget setting process. This continues to be a significant risk to the Council's financial sustainability. The DSG spend will need to be closely monitored during 2026/27 and beyond.
 - There is still a risk that the new funding settlement is less than expected. A reserve has been set aside to cover for some of this eventuality.
- 63 On the basis of the above, the Section 151 Officer's advice is that the level of reserves, following the movements indicated earlier, are adequate and the financial standing of the Council is sound in the context of the key risks, on the basis the DSG Statutory Override remains in place. However, it should be noted that this is an unsustainable position for the Council to be in and should government not come forward in early 2026 with appropriate measures to address the cumulative deficit and ongoing cost pressures arising from SEND an alternative approach to maintaining the Council's solvency into the medium term.

- 64 Annex 2 highlights the net use of £800k million unearmarked reserves which are proposed to achieve a balanced budget in 2026/27. There are further reserve commitments detailed within Annex 5.

K Public Sector Equality Duty

- 65 An Equality Impact Assessment covering the final budget proposals is being drafted and will be included in the January 2026 Cabinet report.

L Capital Strategy and the Prudential Code

- 66 The prudential framework for local authority capital investment was introduced through the Local Government Act 2003. CIPFA developed the Prudential Code for Capital Finance in Local Authorities (the Code) as a professional code of practice to support local authorities in taking decisions on capital investments.
- 67 The Capital Strategy, Annex 7, has been developed in line with the CIPFA guidance. It gives a high-level overview of how capital expenditure; capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. The capital programme has been developed in accordance with the Capital Strategy.
- 68 The objectives of the Code are:
- To ensure that capital expenditure and investment plans are affordable.
 - For the Council to be accountable by providing a clear and transparent framework.
 - All external borrowing and other long-term liabilities are within prudent and sustainable levels.
 - Treasury management and other investment decisions are taken in accordance with professional good practice.
- 69 The Council's Capital Strategy sets out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and the impact on the achievement of priority outcomes. The capital strategy forms part of the Council's integrated revenue, capital, and balance sheet planning.
- 70 The Council complies with the Prudential Code by:
- Having a Capital Strategy,
 - Having medium term plans (Council Strategy and MTFS)
 - Complying with the Treasury Management Code of Practice, and
 - Producing indicators for affordability and prudence.

M Capital Expenditure

- 71 The proposed capital programme is set out in Annex 8a, with details of the financing of this programme being provided at the start of this annex.
- 72 The proposed capital programme provides future investment (excluding 2025/26) in the county totalling £649.6 million. The main investment relates to Economy, Environment and Infrastructure (£407.3 million), Schools and facilities for children (£104.3 million), Corporate Resources (£47.8 million), Adults (£66.4 million), Fire and Rescue Service (£23.5 million) and Public Health (£0.3 million).

N New Capital Investment

- 73 The capital programme contains an estimate of £92.4 million of new investment in capital schemes, spread over several financial years, as set out in the table below.
- 74 Priority schemes not supported by grants have been included within the new programme on the basis that they will be funded from borrowing and revenue reserves. These new schemes recommended for approval amount to £39.4 million and are detailed in Annex 8b.
- 75 Additionally, Annex 8b lists schemes totalling £51.2 million which are proposed to be removed from the existing capital programme.
- 76 An estimate of £53.0 million new capital funding from Government grant allocations has been included (see Annex 8c for more detail).

New Capital Funding Available 2026/27 onwards	£000
New MTFS Bids	39,422
Grants	
Adults – Disabled Facilities Grant 2026/27 (estimate)	8,490
Schools – Schools Condition Allocation 2026/27 (estimate)	6,300
Schools – Basic Need Capital Allocation 2026/27	5,620
Schools – Basic Need Capital Allocation 2027/28	3,564
E,E&I – Highways Maintenance Block Grant 2026/27 (estimate)	25,890
E,E&I - Highways Local Transport Grant 2026/27	3,114
Total Grants	52,978
Total New Capital Funding 2026/27 onwards	92,400

Adults

- 77 An indicative figure for the Disabled Facilities Grant of £8.5 million has been included for 2026/27 based on the allocation received for 2025/26.

Schools

- 78 An indicative figure for the Schools Condition Allocation of £6.3 million has been included for 2026/27 based on the allocation received for 2025/26.
- 79 The Council has received notification from the Department for Education of Basic Need Grant allocations of £5.6 million for 2026/27 and £3.6 million for 2027/28.

Economy, Environment, and Infrastructure

- 80 An indicative figure for the Maintenance Block Grant allocation of £25.9 million has been included for 2026/27 million based on the allocation received for 2025/26.
- 81 The Council has received notification from the Department for Transport of a Local Transport Grant of £3.1 million for 2026/27.

O Borrowing

- 82 In recent years, due to the significant differential between interest rates charged by the PWLB and interest earned on invested balances, GCC has internally funded borrowing by offsetting from investment balances and using working capital and reserves. This strategy essentially involves lending investment balances to ourselves to reduce overall interest costs. With the recent turmoil in the markets and the rapid increase in interest rates, PWLB rates have increased. Rates remain above that which GCC can achieve by investing surplus funds.
- 83 Since 2024/25 capital financing from borrowing has been approved to be borrowed externally. However, the strategy of maintaining borrowing internally wherever possible has been continued with a number of short-term loans taken since then to manage liquidity. If external borrowing is needed GCC will consider all funding sources, including Public Works Loan Board (PWLB), banks, pension funds and local authorities, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code.
- 84 Capital receipts can also be used to fund capital expenditure and repay debt. A Disposal Schedule will be considered by Cabinet in March 2026. Currently forecast capital receipts are being used to fund the existing capital programme, so it is not anticipated that this will be a source of funding for new schemes approved in this MTFS and there remains a key risk to capital financing from the quantum and timings of capital receipts.
- 85 GCC will remain open to the potential for capital investment opportunities arising from commercial activities linked to regeneration. Any such opportunities will be subject to a robust business case with the assumption that the scheme is self-funding with no impact on the revenue budget.

P Treasury Management and Investment Strategy

- 86 The proposed Treasury Management Strategy Statement 2026/27 is shown in Annex 9. It will be considered by the Audit and Governance Committee on 22nd January 2026 alongside the Non-Treasury Investment Strategy.
- 87 Annex 9 provides details of:
- Treasury Management Strategy for 2026/27.
 - Non-Treasury Management Investment Strategy 2026/27.
 - Policy on the use of Financial Derivatives.
 - Minimum Revenue Provision (MRP) Statement.

Annexes

Annex 1	Directorate Plans
Annex 2	Budget Movements by Service Area
Annex 2a	Summary of 4-year proposals by Service Area
Annex 3	Budget Summaries by Service Area
Annex 4	Medium Term Financial Planning Framework
Annex 5	Reserve Strategy and Balances Analysis
Annex 6	Future Years Budgets
Annex 7	Capital Strategy
Annex 8a	Capital Programme
Annex 8b	New Capital Schemes Funded from Borrowing
Annex 8c	New Capital Funding Available onwards
Annex 9	Treasury Management Strategy and Investment Strategy

Annex 1 – Directorate Plans

Adult Social Care
Context, Direction & Strategic Outcomes
<p>Adults Vision and Mission</p> <p>“We make the difference that matters”</p> <p>“We make a difference by enabling people to help themselves and each other, doing the best we can to help people build resilience, thrive and live a good life”</p> <p>Local/regional/national shift in priorities</p> <p>Our Improvement Plan - Adult Social Care Improvement Gloucestershire County Council</p> <p>Our Annual Report - Adult Social Care annual report published Gloucestershire County Council</p> <p>The past year has seen Adult Social Care responding to its CQC inspection rating of “Requires Improvement” as well as maintaining its transformation programme. Adult Social Care published its Older Person’s Prevention Strategy, pushing forward the shift in focus towards prevention, improving the quality of how we deliver our functions, including those delegated and on the voice of people with lived experience. The CQC inspection has also accelerated our focus on using data and intelligence to understand the difference we make and the outcomes we are achieving. Regionally South West Councils have likewise focussed on CQC inspection preparedness, as well as international recruitment, digital awareness, performance and data, income and debt, and a blueprint model for care and support. Nationally we have seen a continued call for long term investment in social care, and a focus on prevention (including early support, closer to home), the social care workforce (including international recruitment), support for carers and the ongoing need for charging reform.</p> <p>Reflections, progress on council strategy</p> <p>Current & future strategic priorities</p> <ol style="list-style-type: none"> 1. Make early intervention and prevention, with strength-based working, part of all aspects of our work across the system and in our proactive engagement with the Integrated Care System <ul style="list-style-type: none"> • We have published our Prevention Strategy for Older People. In the coming year we will develop our strategy for how we support working-age adults with disabilities and long term conditions to remain as independent as possible, as well as progress our work with people experiencing multiple disadvantage. 2. We will build a world class ‘model’ of short-term care with NHS and other partners; improving the impact of short-term help to make sure people regain their independence whenever possible. <ul style="list-style-type: none"> • The Council has taken the decision to bring in-house our reablement, occupational therapy and mental health social work services. • In the coming year, a newly designed reablement and OT service will bring about a fundamental redesign of short term community based services focused on regaining and maintaining independence. 3. Deliver a Technology Strategy: exploring the potential of technology to support carers and improve the quality of care that people receive.

- We have awarded the contract for our Technology Enabled Care service. In the coming year we will further explore the potential of technology to improve customer experience, information advice and guidance and efficiency of our systems, starting with carers.
4. Work with independent care providers to address capacity gaps and over provision including use of central government funding to improve the terms and conditions of care sector staff
- We have brought in-house our commissioning team, which means we have dedicated resource for adult social care commissioning to focus on capacity and provision in the social care market.

Strategic pressures/ demands/ changes which influence Adult Social Care service provision:

Budget pressures/changes

GCC Adult Social Care budget has been lowest in its comparator group for the past five years:

Spend on adult social care per person, aged 18+ 2023/24 (latest available data from LGI Inform)	GBP per person	% difference to GCC
10th percentile for All English single tier and county councils	687.89	31%
Mean for South West (ADASS Region)	642.38	23%
Mean for All English single tier and county councils	597.59	14%
Total for England	590	13%
Mean for Gloucestershire CIPFA nearest neighbours	578.32	10%
Gloucestershire	523.7	
90th percentile for All English single tier and county councils	489.16	-7%

In terms of expenditure per head, GCC is not the lowest, but still 13% below the England average:

Budget per head of population	GCC	Min of comparators (exc GCC)	Mean of comparators	Max of comparators	% difference to Mean
2021/22	276.22	264.1	318.3	380.29	-13%
2022/23	283.04	296.82	338.02	403.13	-16%
2023/24	307.64	336.29	372.81	439.87	-17%
2024/25	345.27	350.78	406.63	469.96	-15%
2025/26	383.54	388.29	439.32	498.67	-13%

Adult social care has committed to a combined savings programme (MTFS period 25-29) amounting to 8% of the total budget (25/26 budget £224.833M). The department has improved its savings delivery compared to previous years, achieving £1.6M savings in 24/25 and achieving £3.1M savings by end of Q2 25/26.

As part of this MTFS planning process undertaken in 2024 we committed to further scoping the potential for longer term transformation in four key areas linked to our strategic objectives:

- Reablement (Short term care)
- Review of our Inhouse Services (Capacity gaps and overprovision)
- Adults working age service modernisation (Early intervention and prevention, Technology)
- Customer journey including intermediate care - pathway redesign (Early intervention and prevention, Technology)

All of these programmes are now within our Transformation Programme for delivery over the next 2 years.

Market pressures – increasing costs; availability and demand

The Fair Pay Agreement delivered via the ASC Negotiating Body as a result of national policy to “Make Work Pay” will have an impact on the Adult social care budget. At time of writing this impact has not been fully assessed. The Fair Pay Agreement will set minimum standards for pay and terms and conditions enforceable by law.

The number of people who need social care has risen over recent years, nationally and locally. The changing demographic in Gloucestershire outlined below will see increased demand for services over the next 25 years. The rising cost of social care is driven by two main factors: increasing demand for services, and the increasing costs of providing those services. The unit cost of providing care services is going up, driven mainly by workforce costs. Care workers, who make up most of the workforce, have benefited from the introduction of the National Living Wage. Gloucestershire is a relatively wealthy county and an attractive place for older people to retire to and we do not expect this to change over the next 20 years.

There is therefore a significant private market for care for older adults in Gloucestershire and also a considerable number of placements made into Gloucestershire by other local authorities for adults of working age. Overall, we purchase 56% of all care – including 52% of care for older people and 63% of care for adults of working age. However, it is important that we do not assume that these current levels of wealth in older people, often backed by home ownership and more generous pensions, will continue indefinitely (Gloucestershire Preparation for CQC Inspection - Self assessment and supporting resources, 2024). This could mean that fewer of those adults who are currently in their 50s and 60s have the resources to fund their own care and could therefore need to access Gloucestershire County Council-funded care sooner. The government is being called upon to address the challenge of social care funding now that the planned charging reforms have been postponed indefinitely, and we anticipate the Casey review to address these issues.

Legislation or policy impacting delivery

The key document for adult social care policy at time of writing is the ADASS roadmap “A Time to Act” ([adass-time-to-act-april-2023-1.pdf](#)) which outlines 10 areas of focus:

- Reimagine care and support with people who draw on it
- Improve assessment and planning to put people in the lead
- Community capacity for wellbeing and prevention
- More people live at home, or in a place they call home
- Better support for carers
- Join up care and support for fulfilled lives
- More accessible and affordable for everyone
- Diverse and sustainable providers, focused on outcomes
- Harness the potential for digital technology
- Redesign and reward the workforce

The NHS 10 year plan outlines “three shifts” which significantly impact Adult Social Care – a focus on prevention, community delivery of services away from acute service, and digital transformation.

The government has appointed Baroness Louise Casey to lead an independent commission on adult social care, which will run in two phases and report its final findings by 2028. The first phase, due in 2026, will outline a plan to implement a National Care Service and initiate a national dialogue on the future of adult social care. It will address the distinct needs of older people and working-age disabled adults, aiming to deliver practical, phased reforms that enhance productivity, prevention, and user empowerment. The commission will analyse current funding and accountability structures, particularly across local authorities and the NHS, to recommend improvements that support broader health system goals, including reducing hospital admissions and delayed discharges—all within existing fiscal constraints.

Evidence Base *(needs analysis)*

Current needs in the community driving service development:

1. Market Position Statement

[Gloucestershire market position statement \(MPS\) 2024 | Gloucestershire County Council](#)

2. JSNA

[Adults and Older People | Inform Gloucestershire](#)

3. LG Inform

[Adult Social Care Assurance in Gloucestershire - Preparing for self-assessment \(Pilot Data Pack\)](#)

4. Our Self-Assessment for CQC Inspection

[Our self assessment - introduction | Gloucestershire County Council](#)

5. Adult Social Care Data Hub (NHS England)

[Adult social care data hub - NHS England Digital](#)

6. Older Adults Prevention Strategy

<https://www.gloucestershire.gov.uk/media/lfeh44ue/adult-social-care-strategy.pdf>

7. CQC Inspection Report <https://www.gloucestershire.gov.uk/media/lfeh44ue/adult-social-care-strategy.pdf>

Facts and figures which describe our demographic

The overall population of older people will be increasing every year for the next 20 years, however different cohorts within that see very different growth profiles:

- The number of older people aged 65–74 will increase up to 2037 before beginning to decrease again
- The number of older people aged 74-85 will see an increase in number every year, however the most extreme period of that growth will be between 2033 - 2043
- The number of older people aged over 85 will see the most extreme period of growth between today - 2033

During the same period, Gloucestershire is expected to see minimal change in the number of adults of working age. A stark but relatively consistent drop in birth-rate since 1969 means that this cohort had generally stopped growing naturally and increases are driven by migration into Gloucester, either from abroad or domestically. However, nationally the prevalence of disability among working-age adults has increased over recent years.

The [most recent data \(Family Resources Survey Financial Year 2022-2023, 2023\)](#) shows that the prevalence of disability among working-age adults is 23% – up from 15% in 2010/11.

Adults Vision and Mission

“We make the difference that matters”

“We make a difference by enabling people to help themselves and each other, doing the best we can to help people build resilience, thrive and live a good life”

Identifying the equality and diversity issues e.g. barriers to accessing services, disparities in outcomes. Taken from our [Diversity Report](#)

Older people (65 years and over) with a physical support need make up almost 60% of those supported or cared for by Adult Social Care. People with a learning disability account for just over 20% of people receiving support. 18-64 year olds with a physical support need made up 15% of those in receipt of a service. People with a mental health need formed the remaining 5% of those supported. The balance of care between these groups has remained broadly steady over time.

27% of the overall adult population of Gloucestershire live in more deprived areas (the five lowest deciles within the County). There is a greater representation of these adults among those receiving support from Social Care (40%).

At the end of 2023/24, half of carers considered themselves to have no disability (49%), which is positive considering the additional burden that caring may place on health and wellbeing. However, half of carers did state that they had a disability or health need of their own (49%). This is an increase compared with last year (43%).

Overall, Adult social care needs to make further progress on its ability to use data to address equity and access needs among the Gloucestershire population.

Bench-marking comparators e.g. neighbouring councils; previous years' figures

Reablement/Independence Outcomes

- % of clients receiving short-term support who required lower-level support or none afterwards: Gloucestershire = 95.8% (England = 79.4%).
- % of users aged 65+ still at home 91 days after reablement: Gloucestershire = 91.7% (England = 83.8%).
- Explanation: These ASCOF measures track how effective reablement is at helping people regain independence.
- Implication: Gloucestershire is a positive outlier, indicating very strong reablement effectiveness.

Adult Social Care User Experience – Quality of Life Factors From the ASCS (Adult Social Care Survey):

- “Home is clean and comfortable”: 97.5% (England 94.1%)
- “Can get food and drink when they like”: 96.3% (England 93.7%)
- “Feel clean and presentable”: 96.1% (England 93.3%)
- “Easy to find information about services”: 74.3% (England 67.9%)
- Explanation: These metrics capture users’ self-reported quality of life and support.
- Implication: Gloucestershire is a positive outlier, performing significantly above peers on several quality-of-life measures.

CQC Ratings – Community-based Services

- Gloucestershire: 57.3% of community locations rated Good/Outstanding vs England average 51%.
- Explanation: Based on CQC inspection ratings of domiciliary care and supported living.
- Implication: Gloucestershire is a positive outlier, with a higher-than-average share of good/outstanding ratings for community services.

Carers Survey – Breaks from Caring

- Carers able to have a rest from caring for 1–24 hours: Gloucestershire 26.7% vs England 21.7%.
- Carers able to take a break of 24+ hours: Gloucestershire 14.8% vs England 16.1%.
- Explanation: SACE (Survey of Adult Carers in England) metrics assess support for unpaid carers.
- Implication: Mixed picture – Gloucestershire does better than average for short breaks but worse for longer breaks, suggesting limited access to sustained respite.

Safeguarding – Concerns and Enquiries

- Gloucestershire has lower safeguarding concerns and enquiries raised compared with peers.
- Explanation: This tracks safeguarding activity – concerns raised and enquiries under Care Act s42.

<ul style="list-style-type: none"> • Implication: Being a low outlier may mean either lower incidence or under-reporting/barriers to raising concerns. CQC notes this as an area to scrutinize.
Reviews - Low Rate of Reviews for Long-Term Support Clients
<ul style="list-style-type: none"> • Metric: % of adults accessing long-term support for 12+ months who had a review in 2023/24: Gloucestershire: 21%, England average: 59%, County average: 63% • Explanation: This metric measures the proportion of adults receiving long-term social care support who have had their care reviewed in the past year. Reviews are essential for ensuring care remains appropriate and effective. • Implication: Gloucestershire's rate is the lowest among its peers, indicating a potential risk that people's needs and circumstances may not be regularly reassessed, which could impact outcomes and satisfaction
Direct Payments - Very Low Uptake of Direct Payments
<ul style="list-style-type: none"> • Metric: % of care users who receive direct payments (all ages): Gloucestershire: 11.4%; England average: 25.5%; County average: 26.5% • Explanation: Direct payments allow individuals to arrange and pay for their own care, offering greater choice and control. • Implication: Gloucestershire's rates are among the lowest in England, especially for carers (0%), suggesting barriers to uptake or a lack of promotion/support for this option

Resources		
<p>Our staff</p> <p>We have continued to increase the PDR completion rates. We have completed a robust organisational development plan for our senior managers in the past year and have action plans in place following a review of the skills and competencies to support our middle and first line managers through management forums, self-directed learning, and group development over the next 1-3 years. Recruitment has been positive with Social Work Apprentices and ASYEs becoming Social Workers. We have implemented a recruitment slowdown process to support with managing the budget but have improved recruitment levels overall.</p>		
Net Revenue Budget 2026/27 £: Adults: £243.101 million See Annex 2 for details	Capital 2026/27 £: Adults: £16.573 million See Annex 8a for details	Savings /Cost Reductions 2026/27 £: Adults: £4.462 million (includes 3% fee uplift target £977K) See Annex 2 for details

Priorities for the year	
<i>Title/description</i>	<i>Key Dates 2026-27</i>
Council Strategy Outcome 7: People receive an excellent adult social care service when they need it. People know where to go to get the right information to help themselves and each other.	
Priority: Ensure the way we assess individual need and deliver care and support are fit for the future Key Project: Pathways to Independence Programme Resulting in process and practice that are more efficient and effective, reducing waiting times and improving overall customer experience	March 27
Priority: Develop our approach to co-production with people with lived experience of disability and long term conditions Key Project: People's Experience Programme Leading to increased visibility and evidence of coproduction being used with individuals and across service development.	March 27
Priority: Digitise, connect, and transform services safely and securely Key Project: Digital Solutions and Innovation Programme Developing clearer ways to help people plan for and manage current and future care needs, reduced overall waiting times and fewer poor experiences resulting in complaints	March 27
Priority Deliver our Data and Intelligence and Quality Strategies, to improve oversight and decision making Key Projects: <ul style="list-style-type: none"> • Strategic performance framework dashboard development • Data skills and capability development • CQC Improvement plan delivery Applying a consistent approach to management and use of qualitative and quantitative data and intelligence, which will help us to address gaps in our data, and develop further work to understand our population, and the compounding impacts of multiple disadvantage and inequality.	March 27
Council Strategy Outcome 8: People thrive and live a good life, supported to maintain their independence by services that work together in their communities.	
Priority: Develop our approach to our statutory obligation to prevent reduce and delay needs for care and support Key Project: Prevent, Reduce, Delay Programme Ensuring that increasing numbers of people needing care and support have their needs met through the delivery of short term services or alternative service provision, decreasing reliance on long term care and increasing independence	March 27
Council Strategy Outcome 9: People are supported by a care sector which is resilient and by a workforce of paid and unpaid carers who are skilled, motivated, and valued.	
Priority: Develop our internal and external workforce strategies focusing on recruitment and retention, learning and development, and digital skills and capability Key Project: Task groups overseen by ASC Workforce Development Board	March 27

Delivering an increased number of people in the ASC workforce through recruitment and retention activity and increased workforce capacity and capability through skills development	
<p>Priority: Develop our strategic commissioning priorities, supporting providers and supporting innovation</p> <p>Key Projects: Reshaping Care Programme Developing improved contract management and quality assurance mechanisms, increased capacity in the market, and targeted ways of supporting increasing numbers of people in their own homes or close to their homes.</p>	March 27

Children's Services
Context, Direction & Strategic Outcomes
<p>The strategic vision for Children's Services in Gloucestershire is: <i>A great place to grow up where children and young people thrive and live lives of choice and opportunity.</i></p> <p>Our theory of change: delivering better value and improved outcomes by getting it right for children and families from the earliest point.</p> <p>What we're trying to achieve</p> <ul style="list-style-type: none"> • A county that works for children and families: An aspirational, inclusive, and cohesive system founded on earlier intervention and prevention, that has the views of children, young people and families at the heart of its design and delivery. • Right service, right place, right time: working closely with partners to deliver services in a way that makes sense to families (local, multiagency, integrated) • Sustainable outcomes: building communities where children belong, and families can access the universal support that helps them thrive. • Workforce: investing in our workforce, partnerships, and practice methodology to drive improving quality and performance for children and young people • Value: Balancing the budget and delivering savings by creating a virtuous circle: reducing demand for specialist and statutory services, improving commissioning practice, delivering improved sufficiency, and containing costs at the top end of the system to invest in more of what works at an earlier point. • External validation: Regulatory inspections good or better. <p>What we're doing to achieve it</p> <ul style="list-style-type: none"> • <u>One Plan for all children and young people (Coalition & HWB)¹</u> <ul style="list-style-type: none"> ○ Co-produced, unifying plan based on the principles of equity, access, inclusion, and quality. ○ Three pillars setting out actions for starting well (early years), growing well (school age), being well (adolescence in early adulthood), with a living well foundation located in the wider determinants of health (economy, housing, environment) ○ Sets our strategic direction and enables leverage of additional funding. • Early Help & Family Hub development (Children's Centres/Youth Services ++) • Early years, childcare, and wraparound extended entitlement and sufficiency - development work. • Our Ambitions Plan – a multi-agency plan, coproduced with our Ambassadors and partners, driven by the multi-agency Ambitions Board, independently chaired and scrutinised. • Families First Partnership (FFP) – major DfE reforms which will transform the way we deliver statutory services for child in need of help and protection. Led by a multi-agency FFB board, sitting under our Ambitions board. • <u>Homes@theHeart Sufficiency Plan²</u> and market management (children in care/care leavers) – focusing on supporting and strengthening birth families, family based foster care, fostering and opening our own children's homes/supported accommodation.

¹ [gcc_4196-one-plan-for-cyp-in-gloucestershire-2024-30_dev14.pdf](#)

² [302a-sufficiency-strategy-2025.pdf](#)

- Corporate Parenting Strategy 2025-28³ – setting out our commitment to being the best possible corporate parents to children in our care, working within GCC and with key partners to create a meaningful offer of support and help for children in care and care leavers.
- SEND and Inclusion Local Area Partnership Board and SEND Local Area Improvement Plan delivering improvement and development:
 - Special School and Alternative Provision sufficiency: The delivery of 2 x 200 place all-through special schools – Gloucester (Jan 2027 – build phase), Cheltenham (2028 – in planning phase; sponsor confirmed Sept 2025)
 - DfE SEND and Alternative Provision Change Programme – Phase 2
 - Delivering Better Value Plan – 5 yr DSG recovery plan
 - Responding to inspection recommendations
 - Workforce and partnership development – Educational Psychology operating model and EHCP casework coordinator legal expertise, relational practice, and whole school mainstream inclusion pilot.

Success measures

Driven by Ambitions Board and Plan – improved outcomes are being delivered:

- Improvement of the quality of Social Care practice (ILAC June 25 inspection report⁴):
“Since the last inspection in 2022, when services were judged to require improvement, credible leaders, with strong corporate and political support, have been relentless in their ambition to improve children’s lives. With a robust focus on creating the conditions for success, services are now judged to be good overall.”:
 - The impact of leaders on social work practice with children and families: **outstanding**
 - The experiences and progress of children who need help and protection: **good**.
 - The experiences and progress of children in care: **outstanding**
 - The experiences and progress of care leavers: **good**
 - Performance is largely in line with Statistical Neighbour group or better and good/outstanding LAs – evidences the rebalancing of the system we have been focused on (source: Q4 benchmarking)
 - Continued stability of workforce & Educational Psychologist capacity – use of remote and locum workforce – EP Advice backlog cleared and evidence of return to statutory timeliness.
 - Feedback from children and young people, Bright Spots, and other means
 - Continued improvement in school attendance, overall and persistent absence, with specific improvement focus on the factors contributing to severe absence. The launch and impact of the multi-agency county Attendance Strategy.
- However:
- Some variability still evident across localities
 - Some gains remain fragile.
 - Disproportionality evident in key areas of delivery – Youth justice, school suspensions etc

³ gloucestershire.gov.uk/media/dvrgurcp/gcc_4464-children-in-care-and-care-leavers-strategy-a4-landscape-digital-final-21225.pdf

⁴ [50283717](#)

- Address NEET through ETE commission and strategic development of pathways across all services in Children's Services, recognising that a holistic approach is needed to help our children and young people achieve their aspirations.

Regulatory context

Like all Local Authorities, Gloucestershire's Children's Services operate within a strong regulatory context inclusive of:

- Ofsted Framework for the Inspection of Local Authority Children's Services (ILACS)
- Ofsted and the Care Quality Commission's framework for inspecting local area SEND arrangements for children and young people with special educational needs and/or disabilities.
- Ofsted, the Care Quality Commission, and His Majesty's Inspectorate of Constabulary and Fire & Rescue Services Joint Targeted Area Inspections (JTAI).
- His Majesty's Inspectorate of Probation Youth Justice services inspection.
- Ofsted Social Care Common Inspection Framework (children's homes and supported accommodation)

Following recent inspections in relation to ILACS (June 25), Local Area SEND (December 2023) and JTAI (June 2023), Children's Services anticipate further regulatory activity in the coming 18 months relating to Youth Justice, SEND, JTAI and Children's Homes.

High risk areas

- Significant change to deliver in a still fragile system.
- Evidence of unabated and increasing demand
- Slow down of the economy & cost of living crisis.
- Increasing SEMH; HOTH; volatility of market
- DSG deficit and the need for national legislative change to support the establishment of financially sustainable national and local SEND arrangements.

Evidence Base (*needs analysis*)

Our population – including relevant performance and QA as well as demographics.

Population 646,627 of which:

- 129,325 are aged 0-17 years (20%)
- 45,263 are aged 18-24 years (7%)
- 90354 school aged
- 18,582 are FSM (30% increase from 2020)
- Slightly more boys than girls (51% v 49%)
- 16.6% of 0-17 are from non-White British backgrounds – a growing group and higher than the 13% for the Glos population, but well below national (32.1% of 0–17-year-olds), with Gloucester City more diverse than the rest of the county.

Schools

- 301 schools
- Mixture of maintained, academies, grammars - selective.
- Schools perform well which belies the growing attainment gap for children with vulnerabilities and from disadvantaged backgrounds.

SEND (snapshot Sept 25)

- 7038 EHCP
- 628 EHC Needs Assessment in progress.
- Demand for assessment up 12% on previous academic year

Social Care past 6 months (March 25 to August 25)

- 5,079 contacts progressing to social care.
- 12,806 other contacts (not progressing to social care for a response)
- 4,200 Referrals
- 3,999 Social care assessments completed.
- 1,289 S47 enquiries
- 367 ICPCs

Snapshot (August 2025):

- Children open to social care inc early help 4,116.
- Child in Need 956
- Child Protection 453
- Children in Care 774
- Care Leavers 637 (In touch 95.6%, suitable accommodation 93.1%, EET 53.5%)

Performance & Quality (Quarter 1 2025/26)

- 53% of KPIs better than or within tolerance of target
- 66% of audits assessed as good or better.

Workforce

Our workforce strategy, practice framework and SW Academy offer are delivering improvements.

1,561 employees of which:

- 503 education colleagues
- 58 commissioning colleagues
- 1,000 social care colleagues
- 8.5% declare BME background
- 3.6% declare a disability
- 85% declare as female
- 22.8% are aged between 26-35 years
- 50.8% are aged 36- 55 years of age
- 20.8% are aged 56 and over and.
- 44.8% are graded 8- 11 - £36,124 to £52,805 per annum
- 37.7% are grade 1- 7 - £23,656 to £35,235
- Sickness absence levels remain consistently low (average working days lost per FTE 1.81 days – target of 2.1)
- Turnover is 9% overall and 8.3% for voluntary turnover both of which are below the GCC average of 10.5% and 9.5%, respectively.
- Stability: social work agency use has significantly reduced from c35% in 2022/23 to 18.1% in September 25 (138 to 76)
- Turnover levels for social care have also markedly reduced from 28.7% (Aug 2022) to 16.4% (September 2025)

Resources		
<i>Guidance - Summarise – budget and resource headlines</i> <ul style="list-style-type: none"> <i>Trends and Influences</i> <i>Context/ highlight issues</i> <i>People recruitment, retention, training, and skills</i> 		
Net Revenue Budget 2026/27 £: Vulnerable Children: £154.706 million (after reserves net off of £197k) Other Children's Services: £46.915 million Total: £201.621 million See Annex 2 for details	Capital Budget 2026/27 £: Schools: £33.719 million Non-Schools: £2.851million Total: £36.570 million See Annex 8a for details	Cost Reductions and Income Targets £: Vulnerable Children: £5.323 million Other Children's Services: £659k Total: £5.982 million See Annex 2 for details

Priorities for the year	
List - key projects <ul style="list-style-type: none"> <i>Include the actions and outcomes that you will track through Council Strategy Action Plan monitoring</i> <i>Include the equalities, diversity, and inclusion related priorities you have identified in your needs analysis. What actions address the gaps identified?</i> 	
Title/description	Key Dates 2026-27
Council Strategy Outcome 1 : Give every child the best start in life by enabling excellent early years provision and the chance to grow up with the support of family help and protection delivered locally, when it's needed.	
Alignment of Gloucestershire Family and Youth Hubs with NHS Neighbourhood Health Plans.	September 2026 Collaborate with ICB, GHC, and GCC public health through the Children's Wellbeing Coalition under the One Plan to agree the platform for delivery of place-based delivery for children's services.
Operational delivery of Best Start in Life (BSIL) programme.	From April 2026 Utilisation of DfE grant funding to drive improvement so that 75% of children achieve the Good Level of Development (GLD) target. Identify one BSIL Family Hub, and evidence-based interventions for families.
Continued delivery of our innovative Short Breaks partnership with the Barnwood Trust,	2027 onwards developing our specification and procurement of Short Breaks services
Work with partners and families to design and deliver multiagency family help and child protection teams as part of our Families First Partnership Transformation programme	January 26: begin multi-agency child protection team pilot in Tewkesbury March 26: Publish new Levels of Intervention May 26: Family Help model finalised

	<p>May 26: New Family Meeting whole service offer implemented</p> <p>July 26: GSCP publish new assessment protocol</p> <p>Oct 26: New assessment live</p> <p>Oct 26: MACPT model and Family Help model implementation</p>
<p>Council Strategy Outcome 2 : Be ambitious for children with Special Educational Needs and Disabilities (SEND), ensuring they have opportunities to take part in family, community, and school life, and can develop their independence as they enter adulthood.</p>	
Opening additional early years SEND Assessment Centres in the Cotswolds and Forest of Dean through support provided for pivoting existing provisions or one new Assessment Centre.	Ongoing:
<p>Council Strategy Outcome 3 : An excellent wide-ranging education for all.</p>	
Work with early years and childcare providers to ensure sufficient places are available, well equipped to support children's development, and inclusive of children with additional needs	Ongoing: implement agreed processes to deliver and maintain the Wraparound Childcare - National Pathfinder
Deliver 520 additional special school places by opening two 200-place all-through special schools (2027 and 2028) and by expanding the county's Resource Base offer on mainstream sites	January 27: Opening of Wheatridge East Special school
Alternative Provision 3-Tier model & Alternative Provision Specialist Taskforce - Developing the operating model to offer outreach earlier intervention into schools and the specialist taskforce wraparound support for children accessing alternative provision.	Pilot in 25-26, with expanded rollout 26-27 .
In partnership with schools, colleges, education settings and employers promote an excellent balanced education for all ages, linking education and skills with life chances and industries – establishment of Education, Employment and Training Strategy with clear, planned pathways and support for ALL	<p>April / June 26: launch and pilot of EET strategy focusing on Care Leavers in 1st instance</p> <p>Autumn 27: expand and roll out of EET strategy</p>
Develop school capacity and support children to succeed by encouraging parent and community engagement and other opportunities to partner with schools	Ongoing:
<p>Council Strategy Outcome 4: Be outstanding corporate parents and family to children growing up in our care and entering adulthood.</p>	
Develop our fostering offer so more children in care can grow up in a family, close to their community and those they care about, including into adulthood when that's right for them.	Jan 26: roll out Fostering improvement scheme and official launch of Supported Lodging scheme
Open four children's homes and a supported accommodation project so that even more of our children can grow up and enter adulthood in Gloucestershire.	<p>Jan 26: open 3rd children's home</p> <p>March 26: open Supported Accommodation</p> <p>March 27: open 4th home for cyp with complex needs</p>

Improve the pathways into education, training, and employment for care leavers so that more of our young people succeed	April / June 26: launch and pilot of EET strategy focusing on Care Leavers in 1 st instance
Work with housing partners to ensure young people get the right accommodation offer at the right time, in the right place and can stay for as long as they need to	Spring 26: Housing Summit
<i>Council Strategy Outcome 5: The council is an innovative and agile organisation that attracts additional resources to support children and families and offers excellent career opportunities for a highly skilled children's services workforce.</i>	
Develop the Social Work Academy to recruit, retain and train a multi-disciplinary children's workforce, extend our workforce strategy to maximise routes into employment, and provide excellent opportunities for qualification, career development and progression	April 26 – launch SWA service plan setting out work to develop pipelines into social work, revised rating offer, support to residential care staff, apprenticeships offer, closer links with ASC.
Develop work with partners and communities to maximise income streams (social investment, other funds) in our relentless pursuit of the delivery of accelerated and sustainable improvements	Jul 2026: Continue the development of the partnership agreement with the VCSA, and our link partners to maximise Gloucestershire income streams whilst reviewing existing initiatives like the Barnwood short-breaks and Summerfield Trust Catalyst programme.
We will scope a strategic partner and explore alternative delivery models to provide accelerated and sustained improvements for children and families	December 2026: Review of current s17 spend by operational social work and commissioning teams to inform procurement options at scale.

Public Health and Communities
Context, Direction & Strategic Outcomes
<p>The Public Health and Communities team continue to deliver the council's statutory duties to improve and protect the health and wellbeing of the Gloucestershire population and support the creation of healthy communities and places. We work from childhood through to adulthood, ensuring the best healthy start in life for children and young people through to supporting people to age well. In line with the Council strategy, tackling inequalities underpins our strategic direction and we prioritise work to reduce disparities and ensure that all residents have the same opportunities to enjoy good health and wellbeing. It is important that we shape solutions with communities. A core strategic priority in 26/27 is the delivery of the Grassroots Neighbourhood Fund, a new Councillor-led grant scheme, aimed at investing in community projects to improve health. Neighbourhood health is also a focus in the government's new 10-year Health Plan, and we will work with partners across the NHS, social care, and the voluntary and community sector (VCS) to understand the opportunities as we develop our local approach to place based working.</p> <p>The Government's 10-year Health Plan prioritises prevention, including initiatives to reduce the harm caused by smoking, obesity, and alcohol. We will continue to use the Public Health Grant to invest in high quality, evidence-based provision to enable everyone to live healthier lives for longer. In 26/27, this includes continuing to invest national grant funding into additional stop smoking services, and developing our strategic approach to tobacco control, weight management, and oral health improvement.</p> <p>The Government's Giving Every Child the Best Start in Life strategy (July 2025) sets ambitious local targets to increase the proportion of children achieving a 'Good Level of Development' at the end of reception, and we will work closely with Children's services and wider partners to deliver this.</p> <p>The development of the county's One Gloucestershire Integrated Care System (ICS) embedded collaborative working across the health and social care system, and Public Health is a core member of the One Gloucestershire Health and Wellbeing Partnership and the Health and Wellbeing Board. Collaboration with system partners remains a priority, alongside the ongoing delivery of the seven strategic priorities in the Gloucestershire Joint Health and Wellbeing Strategy (2020-2030).</p> <p>Our local Integrated Care Board is clustering with Bristol, North Somerset, and South Gloucestershire ICS, and we will work with the new cluster to build on the opportunities for partnership working.</p> <p>We are committed to improving the lives of individuals and communities who may be more vulnerable to poor health, discrimination, or exclusion. In 26/27, we will continue the team's work to support the health and wellbeing of refugee and asylum-seeking communities in the county, through the administration of the Homes for Ukraine and United Kingdom Resettlement Scheme (UKRS). We will also work with partners to develop our Making</p>

Every Adult Matter programme to transform services for those experiencing multiple disadvantages, such as substance misuse and homelessness.

The council strategy has a strong focus on ensuring that the communities where people live and work are healthy places. This includes addressing the social, economic, and environmental factors that impact on our health, optimising the co-benefits for health from the council's strategic work on climate change, economic development, and active travel. We will champion a 'health in all we do' approach where health and equality impacts are considered across the council's decisions and programmes.

Evidence Base (*needs analysis*)

Our understanding of need in the local community is set out in our [Joint Strategic Needs Assessment \(JSNA\)](#) which brings together the latest information on the health and wellbeing of people who live in Gloucestershire. Some of the data in this tool covers the Covid-19 pandemic period, which influenced patterns of health, disease, and health behaviours.

Overall, health outcomes in Gloucestershire are better than the national average. During 2021-2023, deaths from causes considered preventable were significantly below the national average, however they are significantly higher than pre-pandemic levels (2017-2019), which reflects the national trend⁵. Under 75 mortality rates for cardiovascular disease, respiratory disease and cancer were also below the national average.

Interestingly, in the previous two periods under 75 mortality rates for cancer were similar to the national average, marking an improvement relative to England⁶.

There are areas of the county where residents' outcomes fall well below national averages, notably in areas of deprivation. 21,054 people (3.2% of the county's population) live in areas amongst the most deprived 10% in England and are likely to experience poorer health outcomes⁷. We also have an ageing population. The proportion of people over 65 is set to increase by 43.4% from the 2022 baseline by 2047⁸, highlighting the need for effective preventative interventions that will help people to age well.

Life expectancy at birth, and at 65 years of age, is better in Gloucestershire compared to England overall⁹. However, there is a gap in life expectancy between our most and least deprived areas. In Gloucestershire (2021-2023), life expectancy at birth is 8.2 years lower for males in the most deprived areas of the county compared to the least deprived, and 6.6 years for females¹⁰. Data on healthy life expectancy shows the years of their life that people will spend in good health. In Gloucestershire healthy life expectancy at birth for males is 63.7 years and 63.6 years for females (2021-2023) which is in line with England¹¹.

Evidence tells us that some individuals are more likely to experience poorer health outcomes than others; often linked to other vulnerabilities or disadvantages in their lives. This includes, but is not limited to, people from ethnic minorities, those with disabilities, people who identify as LGBTQ+, people facing socio-economic disadvantage and people with mental ill-health. Understanding and addressing these inequalities remains a priority. When we compare Gloucestershire to the national average and local authorities with similar demographics (NHS nearest neighbour model), there are some health indicators that stand out as needing additional focus. For example, we perform worse than many areas for: excess under 75 mortality rates in adults with severe mental illness, hip fractures in people aged 65 and over, and late diagnosis of HIV. We also have lower rates of children achieving a good level of development at two to two and a half years, and a lower

⁵ Public Health Outcome Framework (PHOF), Office of Health Improvement and Disparities (OHID)

⁶ PHOF, OHID

⁷ Indices of Multiple Deprivation, 2019, MHCLG and Mid 2022 Population Estimates, Office of National Statistics (ONS)

⁸ 2022 based subnational population projections, (migrant category), ON

⁹ PHOF, OHID

¹⁰ PHOF, OHID

¹¹ PHOF, OHID

proportion of eligible 40–74-year-olds offered an NHS Health Check⁹ (though take up of the Health Check is significantly above the national average).

The most recent National Child Measurement Programme data (2023/24) shows that our prevalence of childhood obesity among year 6 children (19.9%) has decreased compared to the previous year (20.3%) and remains significantly better than the national average (22.1%)¹².

Our annual Service User Diversity Report highlighted that some of our commissioned services have gaps in their data collection for some protected characteristics, including disability, religion, and race. We are working to improve this and ensure we have a better understanding of the communities accessing our services. The report highlighted an under-representation of men accessing Healthy Lifestyle Services, particularly weight management services. In response, we are offering a range of options, including bespoke programmes for men to provide support in a way which best suits their needs.

It is vital that we maintain an up-to date picture of local need, particularly given the legacy of the pandemic and economic challenges for our communities. Data is only part of the story. We also need to build local insight into our commissioning decisions.

Resources

The Public Health and Communities budget for 2025/26 is £39.4m. The budget comprises the ring-fenced Public Health Grant (£28.8m); and the corporately funded Supporting People budget which includes funding for domestic abuse services and Community and Accommodation Based Support (CABS) services.

The team are administering several national government grants: the Local Stop Smoking Services and Support Grant (2024-2029), the Drug and Alcohol Treatment and Recovery Improvement and Individual Placement and Support grants (which is due to be consolidated into the Public Health Grant from 26/27) and the Domestic Abuse Duty Safe Accommodation Grant which has been baselined into Local Authority budgets. The team is also administering funds received by the council for delivery of the Homes for Ukraine (HFU) programme and the UK resettlement scheme (UKRS).

In 25/26, the government uplifted the Public Health Grant above expected levels to help meet Agenda for Change salary uplifts for NHS staff delivering public health commissioned services provided by the NHS. Future uplifts in the Public Health Grant are not guaranteed, and as the grant is only confirmed on an annual basis this impacts on financial planning. Public health is currently holding an increased level of ringfenced financial reserves arising from underspend during the pandemic when some services were scaled back. Subject to the appropriate governance and approval processes, the reserves will be used to help manage any cost pressures. A contingency will be retained to deal with unexpected cost pressures or events.

As of October 2025, the total headcount for the Public Health and Communities Hub is 50. This includes a total Full-Time Equivalent (FTE) of 34.2 employees, supplemented by 15 fixed-term appointments: 4.0 FTE officers funded by temporary budget, 7.0 FTE grant funded staff supporting the HFU and UKRS programme, 2.0 FTE Public Health Practitioner Apprentices part-funded by NHS, 2.0 FTE employees funded by other external sources to deliver specific projects.

Net Revenue Budget 2026/27 £:

Public Health: £39.61 million
See Annex 2 for details

Capital Budget 2026/27 £:

Public Health: £262k
See Annex 8a for details

Cost reductions and Income Targets 2026/27 £:

Public Health: £580k
See Annex 2 for details

¹² PHOF, OHID

Priorities for the year	
Title/description	Key Dates 2026-27
Council Strategy Outcome 6: People live healthier lives for longer and health inequalities are reduced. The communities where people live and work are healthy places which support good health and wellbeing.	
Commissioning and/or mobilisation of services across a range of programme areas, including: <ul style="list-style-type: none"> a) Mobilising the new Stop Smoking outreach service, as part of the investment of the Local Stop Smoking Services and Support Grant (LSSSG) to enhance our stop smoking support across the county. b) Commissioning and mobilisation of a new oral health education service; supporting the development of our strategic approach to oral health improvement. c) Commissioning call-off contracts under the migrant support services framework. d) Mobilising the Positive Relationships Gloucestershire service to support behaviour change to prevent domestic abuse. e) Mobilising the Gloucestershire Support After Suicide service. f) Scoping recommissioning of Community and Accommodation Based Support contracts. g) Recommissioning Safe Teenage Relationships Education and Empowerment Team (STREET) 	Provisional dates: a) From Autumn/ Winter 2025 b) From Spring 2026 c) From Spring 2026 d) From Summer 2026 e) From Spring 2026 f) From Spring 2026 g) From Summer 2026
Delivering the Grassroots Neighbourhood Fund community grants programme; investing in community led projects that improve health and wellbeing.	Launching October 2025
Supporting the delivery of the seven strategic priorities in the Joint Local Health and Wellbeing strategy (healthy weight, best start in life, Adverse Childhood Experiences, physical activity, mental wellbeing, loneliness and social isolation, and health and housing).	Ongoing
Developing a 'health in all we do' approach where health impact is considered across the council's decisions and programmes.	Ongoing
Working with partners on the implementation of shared priorities in the Gloucestershire One Plan for Children and Young People (2024-2030), the national Giving Every Child the Best Start in Life Strategy (July 2025) and the development of the Family Hubs across the county.	Ongoing
Developing a countywide tobacco control vision and implementation plan.	Spring/ Summer 2026
Implementing the countywide 2025-28 Domestic Abuse strategy.	Ongoing
Working with the Strategic Housing Partnership to understand housing need in the county to support the housing and health agenda.	Ongoing
Embedding the Making Every Adult Matter Approach (MEAM) to improve outcomes for individuals experiencing multiple disadvantage.	Phase 1: October 2024 – September 2026
Supporting the work of the Combating Drugs Partnership and delivery of the partnership's action plan to achieve the ambitions of the National Drug Strategy.	Ongoing New Action Plan in place by April 2026

Developing and implementing recommendations to reduce late diagnosis of HIV and evaluating the delivery of Pre-exposure Prophylaxis for the prevention of HIV.	From Spring 2026
Continuing to develop our range of weight management support options, working to increase uptake among under-represented groups and accommodate new pharmacotherapies within pathways.	Ongoing
Supporting the implementation of the Adult Social Care Prevention strategy for Older People.	Ongoing Implementation 2025-2030
Implementing the Infection Prevention Control and Antimicrobial Stewardship action plan for Gloucestershire in line with our health protection responsibilities.	Strategy and action plan to be delivered over 2024-2026
Supporting the implementation of the Health Inequalities Framework and community of practice across One Gloucestershire.	Ongoing
Addressing the wider determinants of health and working with partners on the healthy-places agenda- considering the impact of the built and natural environment on health.	Ongoing
Evaluating the NHS Health Check programme and implementing recommendations to improve outcomes.	Spring 2025 to Summer 2026

Economy, Environment & Infrastructure (EE&I)
Context, Direction & Strategic Outcomes
<p>EE&I's mission - 'Creating a Sustainable Economic Future for Gloucestershire'</p> <p>As a directorate EE&I makes a considerable contribution to GCC's cross cutting Council Strategy. We have</p> <ul style="list-style-type: none"> • Progressed the M5 Junction 10 major scheme work through the Development Consent Order (DCO) process and mobilised the contracts. • Opened a new Library in Gloucester in collaboration with University of Gloucestershire. • Coordinated Salix funding for the installation of photovoltaics (PV) at 15 sites, contributing to decarbonisation efforts and energy cost management. • Provided courses, skills and learning to a wide range of adults to meet the local community and employer needs. • Advanced the Active Travel scheme portfolio, delivering or constructing 9 miles of cycle and walking paths as part of the 26-mile 'Gloucestershire Cycle Spine', funded by ATF, LUF, National Highways, Sustrans, CIL, and local sources. • Secured the Connect to Work program, funded by DWP, which supports people with disabilities or health conditions into paid work. • Delivered services to our 4000th client through the Employment and Skills Hub since 2021. • Secured government funding and collaborated with bus operators to ensure the deployment of 58 electric buses, scheduled for service by March 2026. • Invested in the green fleet replacement programme providing electric vehicles for front line council services including community safety, adult social care, and children services. • Continued to contribute to the Levelling Up agenda through our Social Value Policy by enabling work experience and education to those furthest from the job market so they can access the jobs created. • Improved the sustainable transport options by doubling the number of buses from Arle Court Transport Hub from 92 to 209 and increasing The Robin to service 6 areas. • Installed a Hydrogenated Vegetable Oil (HVO) tank at Hempsted which will support an 80% reduction in carbon emissions from the Household Recycling Centre (HRC) fleet. • Progressed a comprehensive refurbishment of Wingmoor HRC, including the opening of a re-use shop. • Recruited an in-house team to support tree maintenance and planting and reduce the reliance on contractors.

- Provided 23 grants to support climate action projects with community groups across Gloucestershire.
- Installed Average Speed Cameras on A46 & A436 as part of our road casualty reduction programme
- Successfully launched the Pedal-Eazy - ebike hire scheme in Stroud and Gloucester with 126 hires to date.
- Installed 15 secure bicycle parking for commuters and shoppers at a range of locations including transport hubs and town centres across Gloucestershire.

These initiatives have been achieved on top of Business As Usual, which includes:

- Provision of transport so that 2,200 children with Special Educational Needs can get to school every day, up 59% since 2019, going to 209 schools (57 outside of county). A further 6,000 children moved on Home to School transport through over 600 contracts.
- Libraries who provide cultural and community events, and through the Innovation Labs offer accessible digital skill development for all ages and abilities.
- Registration services who annually delivering over 250 citizenship ceremonies and 3,500 marriages/civil partnerships.
- Traffic and transport teams also provide cycling proficiency training, school crossing patrols and have issued 102,000 concessionary travel passes, 7200 of which are for people with disabilities.
- We continue to look to protect, enhance, maintain the environment with our ecology, biodiversity, archaeology, and planning services
- Seek out opportunities to create new economic opportunities and inward investment.
- Continued management and maintenance of around 5,500km of highway network, including highway maintenance, winter maintenance, street lighting, structural maintenance, and road safety engineering
- Continuing to work with partners and communities on flood risk management
- Planting of over 130,000 trees, hedges, and woody shrubs
- Issued over 27,000 permits for Streetworks mainly for utility companies.

Strategic Pressures which are affecting our service delivery:

- Contractual and Pay inflation increases, with construction related inflation also remaining high
- Ability to attract and retain technical staff in several service areas
- New legislation including:
 - Digitalisation of Traffic Regulation Orders
 - Planning and Infrastructure Bill
 - Waste management impacts with regards to the introduction of the Extended Producer Responsibility (EPR) for packaging materials
- An ageing infrastructure including our roads, bridges, drainage systems, traffic signals and other highway assets

- Increasing population is resulting in the need for more housing, or increased population density bringing more:
 - pressure to construct, adopt and to maintain the highways, infrastructure, cycle & right of ways
 - demand for home to school transport and concessionary fares
 - incidents of casualties across our road network
 - increased waste disposal which causes increased GHG emissions
 - pressure to construct homes with the potential to be built on land at risk of flooding,
 - increased language and other barriers, including digital exclusion, to access employment
- Climate change – milder, wetter, and windier winters, hotter, drier spring and summers increasing the need for more road maintenance and increased number of flooding incidents affecting more properties
- Decreasing numbers of business survival rates

Evidence Base (*needs analysis*)

Gloucestershire is experiencing population growth with significant aging, influencing demands on services and the economy. The local economy is diverse, with many small enterprises, but faces challenges such as falling business survival rates and varying economic growth across districts. The county's labour market demonstrates notable strength; however, factors such as job density and an aging workforce pose potential challenges for the future. Environmental factors, including climate change and waste management, also impact Gloucestershire's resilience and sustainability.

- **Population growth and aging:** Gloucestershire's population is projected to increase from around 669,380 in 2024 to 766,595 by 2047, with a 43.4% rise in those aged 65 and over, increasing demand for concessionary fares and services. The working-age population will grow more slowly, and the child population is expected to decline, raising the dependency ratio to 69 dependents per 100 working-age people by 2047.
- **Business landscape:** The county has approximately 28,860 enterprises, mostly small businesses with fewer than 9 employees. Business survival rates are declining, with Gloucester and Stroud districts seeing more business deaths than births in 2023, indicating challenging conditions.
- **Economic output:** Gloucestershire's Gross Value Added (GVA) was about £22.1 billion in 2023, representing 12% of the South West's output and 1.0% of England and Wales. GVA grew by 7.5% from 2022 to 2023, below regional and national growth rates, with the Forest of Dean experiencing a 7.1% decline.
- **Productivity:** GVA per hour worked was £40.80 in 2023, above the regional average but below the national average influenced by London. Cotswold and Tewkesbury districts exceeded the national productivity average, ranking among the top 20% of local authorities.
- **Labour market:** Employment among 16-64 year olds is high at 81.7%, with unemployment and economic inactivity below national averages. Job density stood

at 0.91 in 2023, nearing one job per working-age resident, which may indicate recruitment challenges, especially with the aging population.

- **Educational qualifications:** Gloucestershire has a well-qualified workforce, with 38.3% holding Level 4+ qualifications, though 9.6% of working-age adults have no qualifications, a significant figure despite being below the national average.
- **Transport and accessibility:** The county has over 3,300 miles of roads and more than 250,000 households, with 16% lacking access to a car or van, impacting access to essential services and social inclusion.
- **Climate change impacts:** Predictions indicate increased flooding, hotter drier summers, wetter winters, and more extreme weather events, affecting transport network resilience and highway maintenance, necessitating enhanced emergency response capabilities, and accelerating deterioration of the network.
- **Environmental sustainability:** Gloucestershire's greenhouse gas emissions per capita were 5.0 tonnes in 2023, slightly above regional and national averages, though emissions have fallen significantly since 2005. Waste management has improved with high landfill diversion rates and stable recycling rates above the national average, but population growth may increase waste volumes, requiring further efforts in waste reduction and recycling.

Equality, Diversity, and Inclusion objectives

The demand for EE&I services is continuing to increase with the same or less resourcing to deliver them. All projects, schemes, and policy with EE&I are subject to EQIAs. EE&I has been successful in attracting several millions of external funding but has also developed innovative ways to deliver services that continue to embrace the Council's Equality, Diversity, and Inclusion objectives.

Resources

The resource challenges are:

- Contractual and Pay inflation increases, with construction related inflation still running high
- Difficulty in attracting and retaining technical staff in several service areas
- Success in securing external funding puts additional pressures on existing staff to deliver.
- New and changes in current legislation
- Adverse weather conditions associated with climate change are affecting delivery and increasing the demand on services.
- Community expectation is far higher than most other services leading to high levels of political demand above funding levels.
- Changes in the way society communicates and engages affects customer expectations, but the organisation's ability is lagging behind and requires investment.
- The increased workload demands as set out above but little or no increase in people capacity.

The headline financial figures for EE&I are below, with the detail available in the financial tables of the MTFS.

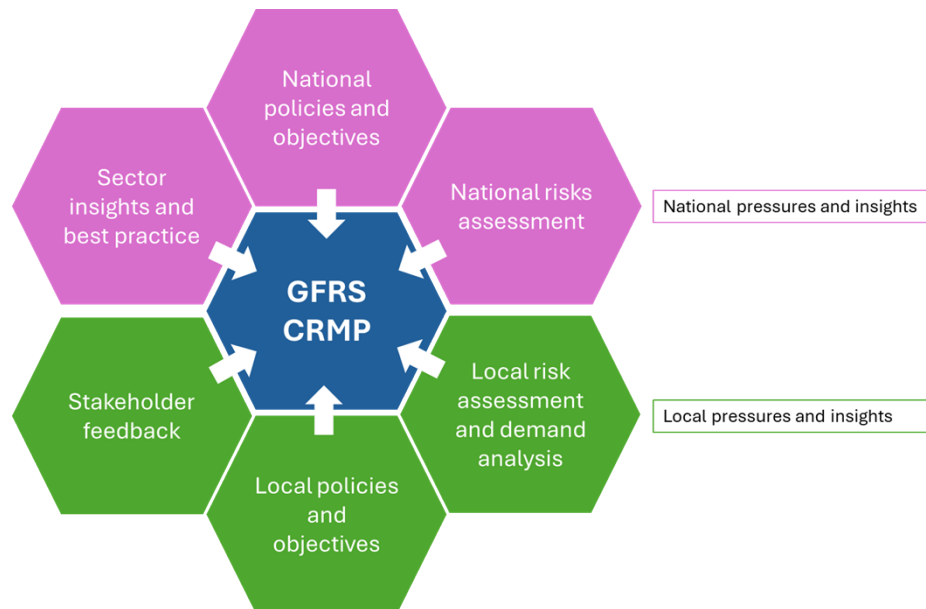
Net Revenue Budget 2026/27 £:	Capital Budget 2026/27 £:	Cost reductions & Income Targets 2026/27 £:
EE&I: £95.857 million	EE&I: £141.668 million	EE&I: £6.294 million
See Annex 2 for details	See Annex 8a for details	See Annex 2 for details
Priorities for the year		
EE&I's key initiatives, projects and programmes are listed below which is in addition to business as usual (BAU). The items marked with a * are contained within the Council Strategy but are currently not funded in 2026/27.		
Title/description		Key Dates 2026-27
Council Strategy Outcome 10 : Communities are protected to be safe and resilient, and supported by an effective, efficient, and inclusive Fire and Rescue service		
Complete the delivery of the first 10 pumping appliances for the Fire Service		31 st May 2026
Council Strategy Outcome 11 : Support a healthier, more resilient natural and built environment, including responding to the risks and impacts of climate change to the benefit of communities		
<ul style="list-style-type: none"> Implement a two-year transformation programme* for nature recovery, climate change and waste reduction, working with District partners. Review 'scope 1 and 2' related activities (direct emissions from GCC owned sources and indirect emissions from the generation of purchased energy that GCC consumes) and implement a plan to achieve net zero by 2030 Scope 3 emissions (from our suppliers) to reach net zero by 2050 by implementing changes to the procurement process to ensure a shift in purchasing to reduce them. Review the purpose, location, and infrastructure of Household Recycling Centres*. Produce and implement, with Climate Leadership Gloucestershire, a community/clean energy strategy. Continue our extensive Natural Flood Management programme throughout the county. Finalise and implement the Gloucestershire Local Nature Recovery Strategy. Review the Minerals and Waste Local Plans. Complete refurbishment of Pyke Quarry Household Recycling Centre 		FY 2026/2027 Qtr 4 FY 2026/2027 Ongoing 2026/2027 FY2026/2027 On going On going On going 31 st March 2027
Council Strategy Outcome 12 - Improve the quality and safety of our roads through targeted capital improvement schemes, effective communication with the community, and coordinated efforts to improve the street-scene.		
Fix our Roads - Deliver more road resurfacing schemes to maximise the repair and benefit of roads and pavements.		31 st March 2027
		31 st March 2027

<p>sustainable land-use plan supported by a review of the Local Transport Plan.</p> <ul style="list-style-type: none"> • Implement the Local Development Guide. 	Ongoing
Council Strategy Outcome 15: Communities are connected with improved, safer, healthier, and greener public transport, enabled by well maintained, enhanced, and delivered transport infrastructure	
<ul style="list-style-type: none"> • Improve road safety with speed limit reviews and community 20's programme, cameras to improve compliance, pedestrian crossings, and prioritised improvements around schools to encourage safe active travel. 	31 March 2028
<ul style="list-style-type: none"> • Work with bus operators, to enable a network of frequent reliable services which connect with each other and with rail services for a countywide strategic bus network. 	On going
<ul style="list-style-type: none"> • Deliver bus improvement measures aligned with Bus Service Improvement Plan (BSIP) funding, including: Multi operator ticketing, bus priority measures, district bus hubs, extend bus and community (Robin) services* and develop next phase of Rapid Transit. 	31 March 2027
<ul style="list-style-type: none"> • Speed up the delivery of Traffic Regulation Orders (TROs) through systems improvement. 	On going
<ul style="list-style-type: none"> • Review programme for cycleways and support local schemes that improve active travel. 	October 2026
<ul style="list-style-type: none"> • Deliver programme of on-street Electric Vehicle Charging Points (EVCPs). 	31 March 2028
<ul style="list-style-type: none"> • Agree and start consultation on a county wide programme of parking reviews. 	30 June 2026

Context, Direction & Strategic Outcomes

GFRS

GFRS is delivering and planning within an external operating environment that is subject to frequent and ongoing national and local changes. The diagram shows the broad drivers and insights that shape and influence the Community Risk Management Plan. It is vital that these are regularly assessed and discussed to identify risks and opportunities ensuring we are well positioned to address either. Our Leadership Team regularly assesses our operating environment and maintains a PESTLE assessment as part of its planning and delivery business cycle. A PESTLE is a strategic tool to support a better understanding of the factors that might impact an organisation. The acronym stands for Political, Economic, Social, Technological, Legal, and Environmental and this tool is part of our planning governance cycle. The contents are shaped and influenced by a range of sources and seeks to collate these in one place so that they can be more easily referenced and inform



decisions

We make use of publications such as the National Risk Register and State of Fire and Rescue report; and external datasets such as census and Exeter data to better understand the communities we serve. Local knowledge, insights, and incident data support us to be able to understand and assess our local community risks and tailor the delivery of resources and approaches to respond to those effectively.

We have also carried out engagement activities on our Community Risk Profile in the autumn of 2024. We did this publicly online, and directly with key stakeholders including community representative bodies, and held specific face to face focus groups across the six county districts. This ensured we had insight from residents and stakeholders to validate that profile.

Taking all the above into consideration alongside our professional insight and knowledge has allowed us to prepare a range of aims and objectives to keep us focussed on the things that matter most and ensure we are able to keep evolving and delivering a high-quality fire and rescue service.

The most significant factors include:

His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS)

The recommendations identified by HMICFRS as part of their statutory inspection and monitoring programme of fire and rescue services has generated an important transformation plan that requires ongoing management and effective delivery to help focus our improvement journey. Our previous full inspection was carried out in 2023 and our next is due in spring or summer 2026. Whilst we have successfully been removed from the HMICFRS 'engage' process we continue to focus on existing areas for improvement and focus on broader areas in preparation for the next inspection.

National operational recommendations

GFRS remains constantly vigilant regarding ongoing national operational recommendations and learning to ensure people and places are as safe as possible, and the Service remains aligned with evolving best practice and regulatory requirements. For example, the Grenfell Tower and Manchester arena tragedies have rightly generated substantial positive change to operating practices and legislation, and it is essential that these are embedded in our Service.

Cultural improvement

We are on a cultural improvement journey and an important part of that is the independent review, the result of which was published in November 2024 to look at claims of historic bullying and racism between 1991 and 2018, delivered by West Midlands Employers. Whilst the report does acknowledge that GFRS is no longer institutionally racist, there are improvements still to be made to ensure we continue to move forward in this critical area and create a service that is inclusive and values-driven, where people can be themselves, whoever they are.

Ensuring efficiency

Making sure the Service is run as efficiently as possible whilst ensuring it remains an effective fire and rescue service is part of our day-to-day business, and something which is the right thing for us to do regardless of any other pressures. However, the ongoing and increasing pressure on public sector spending is exacerbating this situation and as a county council-run fire and rescue service (FRS) we are responsible for supporting the council to achieve the efficiency savings it needs to make. This has re-focussed our efforts as we seek to attain the right balance of efficiencies and improving performance.

The impact of climate change

The impact of climate change is now being realised and the changing patterns of weather in terms of frequency and severity are affecting fire and rescue-related risks. This requires an appropriate approach to be taken through our prevention and response activities in terms of skills, fleet, and equipment to meet the challenges this presents, regarding flooding, water rescue, and wildfires.

Increasing challenges for an on-call Service

The recruitment and retention of on-call firefighters has become increasingly difficult. As a significantly rural county with the majority of fire stations crewed by on-call fighters this presents a challenge to keep fire engines and crews available at the right times and in the right places. It is essential that the on-call offer is reviewed, alongside how and where we recruit, and opportunities are taken to improve how effectively we can provide adequate fire cover in a dynamic operating environment.

Coroner's Service

'It could be said that there is deep truth in the idea that bereaved families owe a posthumous duty to care for their deceased relatives and that the state and, by extension, the Coroner's Service is under an obligation to do what it reasonably can to enable them to discharge that duty.

The purpose of a coroner's investigation is not simply defined by the statutory rules and regulations that coroners must apply. The death investigation process has a profound

human significance and there is a clear moral basis for placing the deceased at its heart. The ultimate reason for the centrality of families in the coroner's inquest process is to enable them to discharge that duty and to speak on behalf of their loved one, whose voice would not otherwise be heard.'

The Coroner's service in England and Wales operates under a unique structure that balances statutory funding with judicial independence.

- Local authorities are legally required to fund the coroner's service under the Coroners and Justice Act 2009.

The Coroner's service is independent of the Local Authority

- Despite being funded by the local council, coroners are judicial office holders.
- They are not employees of the local authority and do not report to it.
- Their decisions—such as whether to hold an inquest, what conclusions to reach, or what evidence to consider—are made independently, without influence from the local authority or other bodies.

This structure ensures:

- Transparency and impartiality in investigating deaths.
- Public confidence that decisions are made based on law and evidence, not local politics, or budgetary pressures.
- Accountability through oversight by the Chief Coroner, not the local authority.

To that end the Senior Coroner and her team consistently aim to provide a high-quality coroner service that puts the bereaved at the heart of the process. Approximately 43% of all deaths are referred to the Coroner. Once jurisdiction is triggered, the Coroner is responsible for conducting investigations and holding inquests when required (with or without a jury) into deaths to determine **who** the deceased was, **when** and **where** the deceased came by his or her death and **how** that death occurred (Coroners and Justice Act 2009).

The Coroner's office, under the direction and control of the Senior Coroner for Gloucestershire, sets the standards of service that bereaved family members, witnesses and other properly interested persons should receive from the Gloucestershire coroner service staff. It ensures that all coroner officers and staff know the standards they should meet, and that bereaved people and other service users know their rights and responsibilities throughout the investigation process.

Deliverables

- Families will be made aware and kept informed of how the coroner investigation process works and is progressing, who does what, and the standards they should expect
- The transparency of the coroner service will be improved and become more inclusive
- Monitoring of standards of service will become easier by the service and will manifest itself as improved service delivery
- Bereaved people and other service users will know who they can contact if they wish to make a complaint about an officer's conduct or, about the level of service received
- The 'Guide to coroner services' is intended for bereaved people and others who may be affected by a coroner investigation or are attending a coroner's inquest.

Operating Environment

Since early 2023, the Coroner's Service has entered a period of significant and much-welcomed development. This progress has been made possible through strong and sustained support from the Local Authority, which has backed both capital and revenue investment initiatives.

As a result, the service has benefited from:

- Increased staffing levels to meet growing operational demands
- Modernisation of equipment, replacing outdated and obsolete resources
- Created a more resilient and responsive infrastructure to support service delivery

This investment has directly enhanced our capacity to serve bereaved families and the wider community, ensuring the Coroner's Service remains fit for purpose and future ready.

Pathology Capacity and National Workforce Challenges

The national shortage of trained pathologists continues to present a significant challenge to timely post-mortem examinations, with delays in results remaining one of the highest operational risks to the Coroner's Service. This is a well-recognised national issue, and the Chief Coroner for England & Wales is actively engaged with the Royal College of Pathologists to explore sustainable solutions. Locally, the Gloucestershire Coroner's Service has benefited from strong collaborative support between the Mortuary Manager, the Coroner's Service Manager, and the Senior Coroner, ensuring that the mortuary team remain flexible and responsive to the availability of pathologists.

A national consultation review is currently underway, focusing on the shortage of pathologists still conducting post-mortems. One of the key proposals under consideration is a revised remuneration structure, with recommendations to increase the fee per post-mortem examination from £250 to between £400–£600. This change, if implemented, will have direct implications for future budgetary planning.

The Gloucestershire Coroner's Service currently undertakes approximately 800-850 post-mortem examinations per year, and we will continue to monitor developments closely to ensure service continuity, information update and resilience.

Death Certification Reform and Future Service Implications

The implementation of the Statutory Medical Examiner Scheme Regulations 2024, which came into effect on 9 September 2024, marked a significant shift in the national death certification process. These reforms introduced a clearer delineation between medical scrutiny (for natural deaths not occurring in custody or state detention) and judicial scrutiny (where Section 1 of the Coroners and Justice Act 2009 is engaged).

While the new framework is now embedded in legislation, its practical application continues to vary widely across regions. In Gloucestershire, we have experienced a notable increase in uncertified deaths, largely due to the reluctance of medical practitioners to undertake certification. This is often attributed to reduced patient contact, particularly among GPs, who frequently report that they have not seen the deceased within the legally required timeframe. Consequently, this has led to more referrals to the Coroner's Office and an increase in default post-mortem examinations.

The Coroner's Service remains committed to adapting to these reforms and working collaboratively with medical examiners, healthcare providers, and national bodies to ensure a consistent, efficient, and compassionate approach to death investigation and certification.

Risk Mitigation Through Strategic Investment

Thanks to sustained investment and operational support, the Coroner's Service has successfully averted or significantly reduced several high-impact risks that previously threatened service continuity and resilience.

The following areas have seen marked improvement:

- **Staffing Capacity** - Investment in staffing has helped ensure that Coroner's Officers and Anatomical Pathology Technicians are no longer operating at unsustainable levels. And additional resources have improved workload distribution and reduced burnout risk.
- **Human Tissue Act Compliance** - Infrastructure upgrades and strengthened protocols have reduced the likelihood of reportable incidents under the Human Tissue Act. The service is now better positioned to maintain operational continuity and uphold public confidence.
- **Manual Handling and Mortuary Safety** - Expanded body storage capacity and modern equipment have alleviated physical pressures on mortuary staff. Risks of injury and restricted movement within the complex have been significantly reduced.
- **Resilience Against Staff Absence** - Improved staffing levels and contingency planning have enhanced the service's ability to manage sickness or injury-related absences, even while handling approximately 2,500 deceased per annum.
- **Legal Risk Management** - While judicial decisions remain subject to challenge, the service continues to operate with no successful legal challenges to date. Legal risk remains low, supported by robust governance and decision-making frameworks.
- **Mass Fatalities Preparedness** - The service has strengthened its collaborative readiness for mass fatalities incidents, with clear protocols and resource planning in place. While costs would fall outside the Coronial budget, the impact on resourcing has been assessed and presented to CLT (16.10.24), ensuring strategic awareness and preparedness.

Trading Standards

The Trading Standards Service plays a vital role in protecting both consumers and businesses across Gloucestershire. The Service safeguards against unfair competition, deceptive trading practices, and unacceptable risks—whether related to product safety, food safety, or the spread of disease among livestock.

In alignment with other law enforcement agencies, we apply the Management of Risk in Law Enforcement (MoRiLE) methodology, using local intelligence and matching it against Gloucestershire County Council (GCC) priorities. This approach enables us to strategically identify and focus on the most pressing areas of work for the Service.

For the year 26/27 the priorities for the Service will be in the following areas.

- *Protecting vulnerable people from harm* - Making Gloucestershire a Healthy County, Making Gloucestershire a Resilient County, Making Gloucestershire an Inclusive County.
- *Supporting a thriving business environment* – Making Gloucestershire a Magnet County, Making Gloucestershire a Prosperous County, Making Gloucestershire an Innovative County, Making Gloucestershire a Sustainable County, making Gloucestershire a Skilled County, Making Gloucestershire an Inclusive County.
- *Tackling sales of restricted items to minors and working on the sale of illegal vaping products and illicit tobacco*- Making Gloucestershire a Healthy County, Making

Gloucestershire a Resilient County, Making Gloucestershire an Innovative County, Making Gloucestershire an Inclusive County.

- **Animal Health and Disease Control** – Making Gloucestershire a Healthy County, Making Gloucestershire a Sustainable County.

The Service has recently appointed a new apprentice who will begin working towards a professional qualification in Trading Standards, with a specialist focus on vapes and tobacco. This role has been made possible through four years of dedicated funding from the Department of Health and Social Care.

The apprentice will provide valuable additional resource to support the Service's growing work in this area, helping to strengthen enforcement, improve public health outcomes, and ensure compliance with relevant legislation.

The Food Standards Agency have introduced a new code of practice in relation to what is expected of Local Authorities. It is anticipated that this will increase workload on the service. The Service has two officers who are completing the last stage of their professional training so that there is increased staff capacity in this area of the business.

It is anticipated that the Service will also have an enforcement role under the Renters Reform Bill and the Tobacco and Vapes Bill.

Evidence Base *(needs analysis)*

GFRS

The Fire and Rescue National Framework for England outlines the requirement for every fire and rescue authority to assess all foreseeable fire and rescue related risks that could affect their communities. GFRS carries out annual risk assessments at a fire station level, each hazardous event relevant to fire and rescue in Gloucestershire is assessed in terms of its likelihood and potential consequences, based on a 'worst-case' scenario to arrive at a risk score. Scoring matrices are in place to ensure clarity and consistency in the approach, with the Risk Score being a multiplication of the likelihood and consequences assessments. Risk is considered and maintained at an operational 'station area' level to enable a more specific and tailored approach to resourcing, equipment, and training of staff. Following assessment, the average risk scores across all station areas is used to describe the county-wide risk level for each risk area. Public consultation conducted in the autumn of 2024 ensured there was opportunity for residents' assessments and insights to inform our own, and this has helped us to understand better where we may be able to make a specific difference and added real value. Following this we can see that the highest scoring risks at a county level are shown in the table on the right.

Whilst GFRS provides services applicable to every resident across the county, there are certain demographics (and locations) that are more likely to be affected, broadly summarised for just three of the highest risk areas, as follows:

Risk area	Risk Level
Flooding	Very High
Dwelling fire	Very High
Non-residential fire	Very High
Road Traffic Collision: Large vehicle	High
Road Traffic Collision: Small vehicle	High
Hazardous Materials incident	High
Large vehicle fire	High
Small vehicle Fire	High
Other residential premises Fire	High
Evacuation and rescue from water	High

Dwelling Fires:

- **Age:** Older adults, particularly those over 60 years old, are at a higher risk of fire fatalities. The risk increases significantly for those over 85 years old.
- **Location:** Dwelling fires are more frequent in urban areas such as Gloucester, Cheltenham, and Stroud.
- **Socioeconomic Status:** Individuals living in low-income housing or social housing are more likely to be affected.

Road Traffic Collisions:

- **Age and Gender:** Males are disproportionately represented in road traffic collision statistics, with 75% of fatalities and 61% of casualties being male. Young adults aged 17 to 29 years old and older adults aged 70 years and over are also at higher risk.
- **Type of Road User:** Car occupants, pedestrians, motorcyclists, and pedal cyclists are the most affected groups.

Flooding:

- **Location:** Areas with higher rates of flooding incidents include those with a rate of 0.4 incidents per 1,000 of the county population, which is higher than the national rate for England.
- **Socioeconomic Status:** Similar to dwelling fires, individuals in lower-income areas may be more vulnerable to the impacts of flooding.

GFRS carries out targeted prevention activities, such as home fire safety checks using data-driven insight, and awareness raising campaigns in relevant locations and times of year to support national campaign and reduce the risks as far as possible.

Demand analysis of the total number of all incidents attended over time as reported by the MHCLG shows increasing numbers from the start of 2019-20 from 5,150 to 6,360 at March 2025. This number can be expressed as a comparable 'rate' per 1,000 people and in Gloucestershire this is 9.5, slightly lower than the national average of 10.3. The 6,350 figure is made up of three broad incident types, 'all fires', non-fire incidents', and 'fire false alarms'. Further detail is shown below:

- 'All fires' make up 18.2% (down from 30% in early 2019-20), at a rate of 1.7 per 1,000 population, this is lower than the national rate of 2.4. 'All Fires' is made up of:
 - *Primary fires 10.4%*
 - *Secondary fires 6.7%*
 - *Chimney fires 1%*
- Non-fire incidents make up 48.6%, (up from 35.5% in early 2019-20), at a rate of 4.6 per 1,000 population, this is higher than the national rate of 3.6. 'Non-fire incidents' is made up of:
 - *'Other' 20.4%*
 - *Assisting other agencies 12%*
 - *5.4% Road Traffic Collisions (RTCs)*
 - *Flooding 4.5%*
 - *Effecting entry 4%*
 - *Non-fire false alarms 1.2%*
 - *No action 1%*
- Fire false alarms make up 33.3%, slightly down from 34.3% in early 2019-20, at a rate of 3.2 per 1,000 population, this is lower than the national rate of 4.3.

Coroner's Service

- 1400 deceased brought to the Coroner's Mortuary per annum mainly coronial related and triggered by mode of death but also any community body that for the time being requires storage whilst arrangements are made for a funeral.
- 2500 death referrals per annum – The County of Gloucestershire has one of the oldest populations in the UK. It is a great place to retire. The population age demographic is changing with people across the County living longer. Alongside that, and for the first time since the pandemic, the death rate is once again falling, from 9.52 deaths per 1,000 people in 2023 to 9.49 in 2024, marking a 0.35% decline.
- 800-850 post-mortems per annum
- 750-1000 inquest hearings per annum
- 500 investigations per annum
- Each Coroner's officer currently carrying a revolving workload of between 50-60 cases per officer. This is twice the National average in other similar sized Coronial Areas with more officers per head of population.
- Treasure Trove – inquests are also conducted into treasure finds to determine whether the 'find' is Treasure Trove

Trading Standards

The Service currently employs nineteen people, two of which work part time. As previously mentioned, a new apprentice is due to start with the service in October 2025. The Service is also about to interview for a full-time Trading Standards Officer. There are fourteen fully qualified officers.

In 2023/24, the Service received a total of 6,201 complaints. This figure increased slightly in 2024/25, with 6,344 complaints recorded. Of these, 569 cases were referred to officers for further investigation in 2023/24, rising to 686 cases in 2024/25. This upward trend highlights the continued demand for Trading Standards interventions.

Resources

*Guidance - **Summarise** – budget and resource headlines*

- *Trends and Influences*
- *Context/ highlight issues*
- *People recruitment, retention, training, and skills*

Net Revenue Budget 2026/27 £:	Capital Budget 2026/27 £:	Cost reductions & Income Targets 2026/27 £:
CSD: £29.030 million	CSD (GFRS): £7.020 million	CSD: £285k
See Annex 2 for details	See Annex 8a for details	See Annex 2 for details

Priorities for the year	
List - key projects <ul style="list-style-type: none"> • Include the actions and outcomes that you will track through Council Strategy Action Plan monitoring • Include the equalities, diversity, and inclusion related priorities you have identified in your needs analysis. What actions address the gaps identified? 	
Title/description	Key Dates 2026-27
Council Strategy Outcome 10: Communities are protected to be safe and resilient, and supported by an effective, efficient, and inclusive Fire and Rescue service which is rated good	
GFRS	
Aim A: Continued progress to be made in supporting all minority groups to feel comfortable and to be themselves when at work	March 2030
<i>Key activity A2 Develop modern training facilities and ensure firefighters can meet current and emerging risks and keep themselves and others safe</i>	March 2027
Aim B: Modernise our rural response model and ensure it is fit for the future.	March 2030
<i>Key activity B4: Establish a new day crewing model at Cinderford station (Response Review – phase 2)</i>	March 2027
Aim C: Adapt skills and assets to meet evolving risks, demand, and legislation.	March 2030
<i>Key activity: C2 Meet the challenge of climate-driven changes to flooding and wildfires by adapting type and distribution of fleet, equipment, and skills</i>	March 2030
Aim D: Reducing our carbon footprint by adopting environmentally compatible technologies to make GFRS more efficient and sustainable for the future.	March 2030
<i>Key activity D4: Leverage efficiencies from rationalised and increasingly interconnected IT systems and intelligent use of data (Prevention software)</i>	March 2027
Aim E: The Fire and Rescue Service achieves an inspection rating of 'Good.'	March 2030
<i>Key activity E1: Deliver our Transformation Programme</i>	March 2030

Corporate Resources

Context, Direction & Strategic Outcomes

1. Strategic Landscape: A Council in Transition

Corporate Resources stands at the heart of Gloucestershire County Council's ambition to deliver "A Stronger Future, Built Together" — a strategy rooted in fairness, inclusion, sustainability, and innovation. As the directorate responsible for governance, financial stewardship, digital transformation, explaining the council's story to residents, staff and other key stakeholders and internal service delivery, Corporate Resources is uniquely positioned to enable the Council's strategic objectives.

The external environment is shifting rapidly. The anticipated Local Government Reorganisation and Devolution agenda, with shadow authority elections expected in May 2027 and vesting day in April 2028, presents both a challenge and an opportunity. The imperative is clear: Corporate Resources must ensure that the Council's "house is fully in order" before the transition, equipping staff and systems to thrive in a new unitary structure.

There is a renewed focus on data, digital innovation, resident satisfaction, strong and effective communications and engagement and financial sustainability. Corporate Resources must demonstrate grip, governance, and agility to support cross-council transformation and avoid surprises.

2. Financial Pressures: Navigating Uncertainty and Risk

The financial outlook for 2026/27 is marked by significant and compounding pressures. The Medium-Term Financial Strategy (MTFS) outlines a growing budget gap — with an ambitious savings programme for delivery over the coming years. This is driven by:

- **Fair Funding Review and Business Rates Reset:** These national reforms are resulting in lower than previous years increases in funding, falling even further behind in covering rising costs.
- **Demographic and Contractual Inflation:** Rising demand for services and increased costs put ongoing pressure on the budget, requiring continuous attention to mitigate budget gaps.
- **Dedicated Schools Grant Deficit:** The High Needs block deficit is forecast to reach £123.6m by the end of 2025/26, posing a systemic risk to our financial sustainability.

To address these pressures, Corporate Resources is leading the charge on savings delivery — £932k in 2026/27 alone — and will support the organisation in delivering the planned savings programme over the coming years. This requires bold efficiency proposals, commercial innovation, and a rigorous approach to prioritisation and waste reduction.

3. Legislative and Regulatory Drivers

The policy environment is evolving, with several legislative changes impacting Corporate Resources:

- **Public Procurement Act 2023:** New rules for how we buy goods and services will apply from February 2025. These changes aim to make procurement simpler, more transparent, and focused on value for money. We will need to update our processes and ensure staff are ready for the new requirements.
- **Employment Rights Bill:** Proposed changes to employment law may increase staffing costs and require us to review our workforce policies. We will keep a close watch on developments and update our procedures as needed to stay compliant.

- **Martyn's Law (Terrorism Protection of Premises Bill) and Modern Slavery Act:** New and updated laws will mean greater responsibilities for keeping people safe and tackling modern slavery. This includes stronger requirements for risk assessments, staff training, and ensuring our supply chains are free from exploitation.

These changes demand proactive horizon scanning, legal preparedness, and robust governance frameworks.

5. Strategic Priorities: Building Resilience and Capability

Corporate Resources is driving several strategic priorities under the council strategy theme of 'An open, fair and sustainable Council,' to future-proof the organisation:

- **Digital Transformation:** Implementing a modern ICT infrastructure and embedding the Digital Strategy to enable innovation and resilience.
- **Data and Intelligence:** Delivering the road map from the Data and Intelligence Strategy to support evidence-based decision-making.
- **Workforce Development:** Investing in talent, promoting diversity and inclusion, and fostering a culture of continuous improvement.
- **Assurance and Governance:** Strengthening internal controls, service standards, and cross-council collaboration.

The directorate is also enhancing its internal service offer, focusing on self-service, automation (e.g., SAP, Power BI), and clearer service definitions to support transformation.

Evidence Base (*needs analysis*)

Demographic Change:

- Gloucestershire's population is projected to reach 703,810 by 2032, with a rapidly ageing profile (number of people aged 85+ to increase by 111% by 2047).
- Growing numbers of vulnerable children and children with SEND, and an ageing population with complex care needs.

Equality and Diversity:

- The Council's workforce is becoming more diverse (7.5% employees from diverse ethnic communities, up from 6.6% last year).
- Ongoing challenges in data completeness and quality for workforce equality characteristics.
- Commitment to anti-racism and embedding EDI in all activities.

Service Demand:

- Increased demand for legal, procurement, data, and complaints management services.
- Need for robust workforce planning to address recruitment and retention challenges.

Benchmarking:

- Voluntary turnover at 10.5% (down from 11.2%), compares well with industry standards.
- Age profile shifting, with a need to attract younger talent.

Implications for Corporate Resources

- Supporting recruitment, retention, and training of key staff (e.g., social workers, educational psychologists).
- Providing data and analysis to predict and model demand and support performance improvement.
- Supporting legal proceedings, EHCP tribunals, and safeguarding.
- Predicting the need for school places and supporting significant school building projects.
- Developing the Council's estate to better respond to changing needs.

Equalities Implications:

- See Service User Diversity Report 2023–24 for detailed analysis.

Resources

Trends and Influences

- Increasing costs and demand for services.
- Focus on efficiency and robust financial planning (4-year MTFS).
- Recruitment and retention challenges, especially in hard-to-fill roles.
- Ongoing investment in digital, data, and workforce development.

Net Revenue Budget 2026/27 £: Corporate Resources: £54.926 million Technical & Countywide: £33.309 million See Annex 2 for details	Capital Budget 2026/27 £: Corporate Resources: £14.427 million See Annex 8a for details	Savings/Cost Reductions 2026/27 £: Corporate Resources: £932k (including 3% income target of £151k) Technical & Countywide: £9.715 million See Annex 2 for details
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Priorities for the year	
Title/description	Key Dates 2026/27
Council Strategy Outcome 5 : Communities are protected to be safe and resilient and inclusive and supported by an effective and inclusive FRS which is rated as good	
<p>Emergency response and corporate resilience and preparedness Having strengthened the Emergency Planning team and enhanced our approach to business continuity and organisational preparedness, we will build on this momentum by:</p> <ul style="list-style-type: none"> Continuing to systematically apply lessons learned from internal debriefs and external public inquiries, such as Grenfell and the COVID-19 inquiry, ensuring that all relevant recommendations are implemented to further bolster our resilience and readiness for future incidents. Involving staff from across the Council in a comprehensive annual programme of emergency planning and business continuity training and exercises, fostering participation and awareness at every level. Embedding business continuity principles throughout the organisation, sustaining a culture of preparedness that spans service delivery, tactical, and strategic leadership, and ensuring robust continuity plans are in place and regularly tested. Working with colleagues from across Gloucestershire to strengthen multi-agency response and resilience. 	Throughout 2026/27
Council Strategy Outcome 16 : We are trusted by our communities to listen to what local people care about and work with them to find and shape the right solutions together. Better opportunities and outcomes for those communities that have been left behind.	
<p>Equalities, diversity, and inclusion We will lead the delivery of the next stage of the Council's Equality Action Plan. This work will be structured around the following refreshed Equality Objectives:</p> <ul style="list-style-type: none"> Improve the quality, consistency, and utilisation of data collected on service user and workforce equality characteristics. Strengthen leadership, oversight, and governance of Equalities, Diversity, and Inclusion (EDI) across the Council with a particular focus on ensuring EDI is fully embedded in the behaviours and decision-making of all senior leaders. Embed equality, diversity, and inclusion within GCC's culture and ways of working incorporating new training and engagement initiatives. Embed the agreed anti-racism commitment, underpinned by a comprehensive programme of work. Enhance support for employees and residents with disabilities by increasing managers' awareness of reasonable adjustments. Additionally, we will continue to lead our organisation-wide approach to preventing harassment, abuse, and violence against women—both within the organisation and in the wider community—as part of our ongoing commitment to White Ribbon UK 	Ongoing throughout 26 / 27

<p>Communications</p> <p>We will build on the strengths and achievements of our corporate communications by ensuring that:</p> <ul style="list-style-type: none"> • Communications actively support and explain the organisation's strategic objectives. • A long-term communications plan links our work to GCC's priorities and is properly resourced. • All communications activity is informed by research and insight. • We consistently and proportionately evaluate the impact of our communications. • Responsibility for communications is shared across the organisation, not just held centrally 	<p>During 2026/27</p>
<p>Council Strategy Outcome 17 : Strengthen leadership, culture, and workforce capability to make GCC a great place to work.</p>	
<p>Leadership & Culture</p> <p>Recognising the positive improvements to employee engagement and workplace culture made in recent years, we will:</p> <ul style="list-style-type: none"> • Continue our actions to improve how we manage and communicate change in the council, in response to our staff survey feedback through the embedding of the Transformation team and our approach to change • Increase focus on leadership visibility, listening and a consistent process of feedback • Embed values-led leadership and inclusive culture through refreshed behavioural frameworks. • Implement a new learning management system and online appraisals to underpin employee development and high performance. 	<p>Ongoing through 2026/27</p> <p>Spring 2026</p>
<p>Workforce Recruitment, Retention and Wellbeing</p> <p>Despite targeted recruitment efforts over the past year yielding some positive outcomes, the broader recruitment landscape remains challenging across the sector, particularly in securing candidates for specialised and hard-to-fill professional positions.</p> <p>Looking ahead to the coming year, our commitments will include:</p> <ul style="list-style-type: none"> • Further enhancing the Council's employer brand to strengthen our reputation as an employer of choice, with a particular emphasis on increasing visibility and representation from staff groups that are currently under-represented within the Council. • Driving improvements in staff retention by focusing on workforce development initiatives, such as expanding opportunities for internal progression, building on successful apprenticeship schemes at all career stages, and fostering a culture of continuous professional growth. • Embedding our refreshed annual workforce planning process, enabling a more strategic and forward-looking approach to workforce management and succession planning. • Reintroduce a cross-council commitment to a shared organisation design principles, aiming to streamline structures, clarify roles and responsibilities, and foster more effective and efficient decision-making across all directorates. This approach will support greater consistency, 	<p>Throughout 2026-27</p> <p>Throughout 2026-27</p> <p>Ongoing across 2026-2027</p> <p>Autumn 2026</p>

<p>collaboration, and agility in how we deliver services and respond to future challenges.</p> <ul style="list-style-type: none"> Continuing to prioritise staff wellbeing by delivering on the commitments set out in our new Health and Wellbeing Strategy, with a focus on practical support and proactive initiatives. <p>Our workforce plans will be shaped by feedback from the annual staff survey, as well as ongoing dialogue with Employee Networks and Employee Voice Groups, ensuring that staff perspectives and experiences inform our approach throughout 2026-27.</p>	Ongoing through 2026/27
Council Strategy Outcome 18 : Deliver Local Government Reorganisation in a way that is collaborative, sustainable, and aligned with community needs.	
<p>Local Government Reorganisation</p> <ul style="list-style-type: none"> Ensure organisational readiness in advance of launch day. Maintain strong internal governance & co-ordinate joint arrangements across councils with partners. Develop and deliver an implementation road map in line with minister's decision. Maintain proactive and positive communications and engagement with employees and wider stakeholders, including partners, parishes, and town councils, throughout implementation to support wellbeing during uncertainty and retain critical skills and capacity. 	During 2026/27
Council Strategy Outcome 19 : Deliver a balanced budget and long-term financial resilience through smarter planning and cross-cutting efficiencies.	
<p>Financial Sustainability</p> <p>Building a previous years' strong financial management, we will:</p> <ul style="list-style-type: none"> Work with Education to develop an action plan and governance to minimise the increasing DSG deficit in preparation for the end of the Statutory Override in March 2028. Continue to lobby Government to address the underlying issues that cause the DSG deficit. Continue to support the Financial Recovery work in Children's Services. Work with Adult Services to address the underlying overspend and deliver historic MTFS savings targets. Develop and maintain a robust 4 year Medium Term Financial Strategy. Undertake a review of reserves to ensure earmarked reserves are sufficient to fund known liabilities and maintain General Reserves at a minimum of 5% of net revenue expenditure. Ensure robust mechanisms are in place to monitor and deliver our savings programme. 	All throughout 2026/27
<p>Continuing to get the most out of the Council's Estate</p> <p>We will continue to review and refresh of the Corporate Asset Management Plan and to have a new plan in place by the first quarter of 2026. This will continue to ensure that the Council takes a strategic approach to its accommodation provision based on its strategic priorities, and the needs of its services. This will include:</p> <ul style="list-style-type: none"> Maximising opportunities to share space to facilitate service integration (including with partners) through our Agile work programme and Asset Rationalisation Programme. 	Spring 2026

<ul style="list-style-type: none"> Identifying opportunities for letting building space to third party organisations in order to generate revenue. Generating capital receipts where appropriate to fund our capital programme Reducing the council's carbon footprint and implementing renewable energy projects where possible. Ensuring a compliant, well-maintained estate that is fit for purpose. Reviewing and updating our Rural Strategic Estate Plan. 	
<p>Transformation of Procurement and Contract Management We will transform our approach to procurement and contract management in order to deliver better value, transparency, and social impact. We will:</p> <ul style="list-style-type: none"> Decide on the future operating model for Procurement and Contract Management and put in place an implementation plan to ensure we have the right capacity, skills, capability, and tools to procure and manage contracts well Implement SAP Ariba as our new corporate procurement system and use it to drive value and compliance Develop and evaluate the business case for implementing a council-wide contract management software solution Develop and initiate a programme of category management reviews in order to deliver cashable savings from our contractual spend 	<p>April 2026</p> <p>Launch: April 2026 Sept 2026 Throughout 2026/27</p>
<p>Council Strategy Outcome 20 : Use digital innovation and data intelligence to improve services, collaboration, and decision-making.</p>	
<p>One Programme implementation Deliver the One Programme to unify HR, finance, procurement, and payroll systems, and explore opportunities for further integration and automation.</p>	<p>Spring 2026</p>
<p>Digital and ICT We will continue the considerable progress we have made on modernising the Council's IT infrastructure and Cyber Security posture by:</p> <ul style="list-style-type: none"> Delivering cross-cutting digital projects to support transformation and cost savings, plus cyber security developments, protecting the data we hold and business continuity planning. Continuing to use the Microsoft 365 suite of technology to drive efficiency and support collaboration between teams. Expand use of Generative AI (e.g. Copilot) and automation, to improve the experience of residents as they access services as well as drive efficiencies. Continuing to develop the digital skills of our workforce. Expanding our use of cloud-based software, reducing reliance on on-premises data centres by migrating more core systems to the cloud. As part of this, we are launching a major programme to replace our Education Case Management system with modern, cloud-based software—helping us modernise processes and improve the experience for children and their families 	<p>All throughout 2026/27</p>
<p>Data and Intelligence Continue to deliver towards the vision set out in our Data and Intelligence Strategy to become an intelligence-led organisation, where data and information enable our ambition to drive improvement in everything we do.</p>	

<p>We will:</p> <ul style="list-style-type: none"> • Continue to develop and deploy a roadmap of interactive dashboards to more areas of the Council. • Complete and evaluate the pilot-phase of our 'Single View of the Child' project, giving professionals who work with children, young people and families access to live data and data visualisations across multiple GCC systems. • Scope and deliver the next phase of the 'Single View of the Child' project, which will begin to bring in external data sources from partners. • Continue the development of dashboards to support our understanding of the impact and effectiveness of Adult Social Care services. • Roll out the next phase of our data apprenticeship programme, with a view to providing a more flexible and wider range of training and development opportunities. 	<p>Ongoing throughout 2026/27</p> <p>April 2026</p> <p>May – Sep 2026</p> <p>Ongoing</p> <p>From April 2026</p>
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Annex 2 – Budget Movements by Service Area

Medium Term Financial Strategy – 2026/27 Budget – Overall Summary

Budget Area	Approved 2025/26 Budget	Removal of 2025/26 One Off Budget Adjustments	Agreed Budget Transfers between Service Areas	MTFS 2025/26 Base Budget	Pay Inflation Costs	Investments	Efficiencies and Additional Income	Use of Reserves	Proposed 2026/27 Budget	Percentage Increase / Decrease (Excluding Reserves)
	£'000	£000	£000	£'000	£000	£000	£000	£000	£'000	%
Programme Budget Areas										
Adults	224,921	-	718	225,639	1,721	20,703	-4,462	-500	243,101	8.31%
Vulnerable Children	151,666	-94	1,285	152,857	1,843	5,526	-5,323	-197	154,706	2.13%
Other Children Services	42,757	-	560	43,317	659	3,598	-659	-	46,915	9.72%
Economy, Environment and Infrastructure	89,322	5,229	774	95,325	942	7,449	-6,294	-1,565	95,857	9.07%
Community Safety	27,359	-	499	27,858	727	730	-285	-	29,030	6.11%
Public Health & Communities	38,922	796	-289	39,429	93	668	-580	-	39,610	1.77%
Corporate Resources	51,269	-	1,438	52,707	1,303	3,079	-932	-1,231	54,926	9.53%
Technical & Countywide	38,863	1,400	-4,985	35,278	-69	5,122	-9,715	2,693	33,309	*-21.22%
Total Budget	665,079	7,331	-	672,410	7,219	46,875	-28,250	-800	697,454	4.99%

*Note: Technical & Countywide includes centrally held technical budgets, including capital financing, borrowing costs and investment returns. These budgets fluctuate each year and are revised in line with borrowing assumptions and investment projections.

2026/27 Adults Budget

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
Approved MTFS 2025/26 Budget			224,921
Removal of 2025/26 One Off Budget Increases			
Agreed Service Budget Transfers			718
Starting Budget (2025/26 Revised Budget)			<u>225,639</u>
<u>Budget Changes approved in February 25:</u>			
<u>Pay Inflation, Contract Inflation, & Demographic Growth</u>			
Pay Inflation	1,721		
Bed Based & Community Based Inflationary pressure	9,497		
In-House Services Demographic Growth	1,451		
Demographic Growth - Older People	2,940		
Demographic Growth - Learning Disabilities	1,380		
Demographic Growth - Mental Health	535		
Demographic Growth - Physical Disabilities	160		
<u>Investments</u>			
Disabilities Associated Discharges	503		
Funding for Transforming Care Programme	137		
<u>Efficiencies</u>			
Fee reviews to support efficiency in the market		-1,589	
<u>Income</u>			
3% Fees and Charges Uplift		-977	
APPROVED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	18,324	-2,566	15,758

2026/27 Adults Budget Continued

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
<u>Budget Changes proposed in December 25 budget:</u>			
<u>Investments</u>			
Increase in funding to address recurrent deficit in the adult social care external care budget	3,000		
Social Care Contribution to Community Equipment Budget (REVENUE)	600		
<u>One Off Investments</u>			
Virtual Social Care Academy	500		
<u>Efficiencies</u>			
Creaton of a new £1m community prevention grant scheme		-100	
Improvement to Carers Emergency Response		-200	
Delivering Community Reablement		-250	
Shaping the Future of Day Opportunities		-109	
Making the Difference Support Reviews		-200	
Review service modelling and options for Great Western Court		-1,013	
Replacement of Wheelchair Access Vehicles (WAVS) for Adults and Childrens Services - Revenue implications		-24	
PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	4,100	-1,896	2,204
COMBINED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	22,424	-4,462	17,962
<u>Use of Reserves</u>			
Virtual Social Care Academy funded by 2526 Ers NI Underspend		-500	
	22,424	-4,962	17,462
2026/27 Adults Budget			243,101

2026/27 Children and Families Budget - Vulnerable Children

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
Approved MTFS 2025/26 Budget			151,666
Removal of 2025/26 One Off Budget Increase			-94
Agreed Service Budget Transfers			1,285
Starting Budget (2025/26 Revised Budget)			<u>152,857</u>
<u>Budget Changes approved in February 25:</u>			
<u>Pay Inflation, Contract Inflation, & Demographic Growth</u>			
Pay Inflation	1,843		
Fostering/Adoption/SGO & Child Arrangement Allowances - inflationary uplift to maintain competitive foster care fees	699		
Cost of living increase to keep allowances for children in care living in supported living in line with Universal Credit rates	26		
Contract inflation uplifts for external placement providers	2,434		
Contractual uplifts to 16 Strategic Contracts	602		
Special Guardianship Orders - Funding to support increased numbers	97		
Cost of living uplift in Direct Payments to support Personal Assistants etc for Disabled Children and Young People	48		
Demographic growth - Children's Centres, Youth provision, Advocacy, Short Breaks, s117 care packages, Young Carers	828		
<u>Investments</u>			
Children's ringfenced New Burdens Funding	31		
Demand pressure for high cost packages for Children & Young People with a disability	514		
<u>One Off Investments</u>			
Capacity for change management	153		
Pilot project to support adjustments to homes for foster carers to increase placement capacity	44		
<u>Efficiencies</u>			
Reduced demand for external care placements through delivery of our Sufficiency Strategy (effective commissioning of homes and foster families)		-2,360	
Agency staff reduction as increase levels of permanent staff		-250	
Early Help efficiencies from staffing structure review		-131	
Social Work Academy structure review inc. opportunity to align with education & Adult Social Care learning and development functions		-68	
Saving to replace the use of reserves after Y1 Family Hub		-59	
Saving to cover capital charges relating to a pilot project to support adjustments to homes for foster carers to increase placement capacity		-47	
<u>Income</u>			
3% Fees and Charges Uplift		-4	
APPROVED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	7,319	-2,919	4,400

2026/27 Children and Families Budget - Vulnerable Children Continued

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
<u>Budget Changes proposed in December 25 budget:</u>			
<u>Investments</u>			
Reversal of: Special Guardianship Orders growth no longer required - Funding to support increased numbers	-97		
Reduction of: Demographic growth no longer required - Children's Centres, Youth provision, Advocacy, Short Breaks, s117 care packages, Young Carers	-190		
Investment in countywide youth service delivery	337		
<u>Efficiencies</u>			
Commissioning efficiencies		-126	
Use of grant funding to support service provision		-675	
Use of grant to fund Child Protection Chair		-80	
Review of senior management structures within CSC to identify efficiencies and ensure an effective leadership structure for the future.		-190	
Reduction in spending on expert assessments in family court proceedings.		-200	
Release of funding due to reduced numbers of unaccompanied asylum seeking children (UASC) entering our care and more cost effective commissioning for this group of children.		-936	
Vacancy Management saving		-190	
Efficiency from youth support vehicles for Activities Team		-7	
PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	50	-2,404	-2,354
COMBINED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	7,369	-5,323	2,046
<u>Use of Reserves</u>			
Funding to cover a pilot project to support adjustments to homes for foster carers to increase placement capacity		-44	
Funding to cover capacity for change management		-153	
	0	-197	-197
Children & Families - Vulnerable Children Budget 2026/27			154,706

2026/27 Children and Families Budget - Other Children Services

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
Approved MTFS 2025/26 Budget			42,757
Removal of 2025/26 One Off Budget Increase			
Agreed Service Budget Transfers			560
Starting Budget (2025/26 Revised Budget)			<u>43,317</u>

Budget Changes approved in February 25:

Pay Inflation, Contract Inflation, & Demographic Growth

Pay Inflation	659
Home to School Transport - Contractual Inflation	735
Home to School Transport - Demographic Growth to cover expected increase in SEN Transport	1,637
SEND - Service Improvement and Early Investment: provide sufficient Education Psychology capacity, reduce EHCP caseloads, provide commissioning capacity to effectively plan for special school place needs, develop independent provider market for education provision for children with SEND	1,148

Efficiencies

Education Pensions: reduce budget based on an assessment of reduction in number of pensions using age and trends	-200
Home to School Transport - further savings from EDGE review regarding e-auctions	-391

Income

3% Fees and Charges Uplift	-8
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APPROVED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME

4,179	-599	3,580
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Budget Changes proposed in December 25 budget:

Investments

Education Lead for Youth Justice	78
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Efficiencies

Vacancy Management savings	-60
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PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME

78	-60	18
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COMBINED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME

4,257	-659	3,598
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Use of Reserves

Children & Families - Other Services Budget 2026/27	<u>46,915</u>
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* This budget excludes the ringfenced Dedicated Schools Grant (DSG).

2026/27 Economy, Environment and Infrastructure Budget

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
Approved MTFS 2025/26 Budget			89,322
Removal of 2025/26 One Off Budget Increase			5,229
Agreed Service Budget Transfers			774
Starting Budget (2025/26 Revised Budget)			95,325
<u>Budget Changes approved in February 25:</u>			
<u>Pay & Contract Inflation</u>			
Pay Inflation 26/27	942		
Contract Inflation	3,526		
<u>Investments</u>			
Additional funding for Definitive Map Modification Orders (Highway Records) - Staff	10		
Devon & Severn IFCA statutory contribution increase	15		
Funding to cover Food Waste Hooklift Skip Repair & Maintenance	10		
Funding to support Tree Establishment & Maintenance	134		
Funding to make 2 fixed term Senior Planning Officers permanent	115		
Funding for Social Value Portal to monitor activity	22		
Match funding for Employment and Skills Hub	30		
<u>One Off Investments</u>			
Pump priming funding to cover initial Arle Court Transport Hub - Rates & Maintenance	100		
Funding for Part Time Fleet Admin for 2 years	25		
Funding to support Highways & Transport Transformation Programme	200		
Additional capacity to discharge planning conditions on M5 J10 scheme	60		
Funding for Mass Rapid Transit Business case development	250		
Part time coordinator to manage the master composter volunteers & promote composting initiatives	30		
<u>Efficiencies</u>			
LINKED TO 25/26 INVESTMENT - Efficiencies from the replacement of end of life Road Safety Data Management System		-10	
Savings from extending Open+ access in libraries		-17	
Benefits Realisation from moving to a Preventative Highways Delivery Model		-700	
<u>Income</u>			
3% Fees and Charges Uplift		-216	
Income from General Registration Service fee increases		-147	
APPROVED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	5,469	-1,090	4,379

2026/27 Economy, Environment and Infrastructure Budget Continued

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
<u>Budget Changes proposed in December 25 budget:</u>			
<u>Investments</u>			
Specialist IT Software and Hardware Highways Design Systems	75		
Additional tree safety maintenance	150		
To provide a dedicated budget for cycleway and footway maintenance	250		
Traffic data collection system upgrade (Road safety)	52		
Funding to cover shortfall in Waste Royalties income	100		
Additional archaeology resource	93		
Additional Ecology Resource	50		
Maintenance of the Priors / Oakley Flood Alleviation Scheme in Cheltenham	52		
Additional resource to promote Sustainable Drainage Systems	50		
Use of Sustainability Budgets	-200		
<u>One Off Investments</u>			
Continued removal of highway trees affected by Ash Die Back	1,000		
Funding to invest in 20MPH Road safety schemes	1,000		
Funding for the development of a Spatial Development Strategy	250		
<u>Efficiencies</u>			
Move to electronic engagement on resurfacing schemes		-35	
GCC Electric Vehicle Chargepoint Infrastructure Continuation - Capital (Revenue Implication)		-15	
Use of Producer Extended Provider Responsibility (pEPR) grant		-4,384	
Library efficiency savings		-29	
Adult education efficiencies		-10	
Reversal of: Benefits Realisation from moving to a Preventative Highways Delivery Model		700	
<u>Service Reductions</u>			
Robin replacement for unsustainable bus services		-100	
Cease delivery of the music service and local history service		-43	
Review the Transport Planning Business Case Budget		-400	
<u>Income</u>			
Additional Moving Traffic Enforcement		-50	
Increases to existing parking charges		-338	
Exploration of opportunities for new parking charges		-50	
Increase tariffs for Streetworks permits		-450	
PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	2,922	-5,204	-2,282
COMBINED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	8,391	-6,294	2,097
<u>Use of Reserves</u>			
Business Rates Reserve will fund the Part Time Fleet Admin £25k, Highways & Transport Transformation Programme £200k, J10 Planning conditions £60k, Mass Rapid Transit Business Case £250k and Composting initiatives £30k		-565	
Public Health Reserve will fund the 20MPH Road safety scheme investment		-1,000	
	0	-1,565	-1,565
Economy, Environment and Infrastructure Budget 2026/27			95,857

2026/27 Community Safety

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
Approved MTFS 2025/26 Budget			27,359
Removal of 2025/26 One Off Budget Increase			0
Agreed Service Budget Transfers			499
Starting Budget (2025/26 Revised Budget)			<u>27,858</u>

Budget Changes approved in February 25:

Pay & Contract Inflation

Pay Inflation (Green Book)	179
Pay Inflation (Grey Book)	548
Contract Inflation	96

Investments

MDT software response systems upgrade	35
Community Risk Management Plan recommendation: Additional operational day crewing at one station in FOD area	418
Coroner Service Staffing to manage demand growth	81
Emergency Services radio scheme costs (Airwave) - critical communication service no longer supported by government grant	92

Income

3% Fees and Charges Uplift	-4
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APPROVED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	1,449	-4	1,445
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Budget Changes proposed in December 25 budget:

Investments

Operational Staff Overtime	100
Removal of: Emergency Services radio scheme costs (Airwave) - investment no longer required	-92

Efficiencies

Review of the current Fire Service Delivery Model	-281
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PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	8	-281	-273
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COMBINED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	1,457	-285	1,172
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Use of Reserves

Community Safety Budget 2026/27	29,030
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2026/27 Public Health & Communities

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
Approved MTFS 2025/26 Budget			38,922
Removal of 2025/26 One Off Budget Increase			796
Agreed Service Budget Transfers			-289
Starting Budget (2025/26 Revised Budget)			<u>39,429</u>

Budget Changes approved in February 25:

Pay & Contract Inflation

Public Health Pay Inflation	61
Prevention and Wellbeing Pay Inflation	32
Cost pressure arising from Agenda for Change salary uplifts in NHS provided Public Health services.	459
Inflationary uplift in Community and Accommodation Based Support services and Domestic Abuse services.	1
Inflationary uplift in Public Health grant funded services - Mental Health/Sexual Health/Health Improvement	58

Demographic Growth

Cost pressure arising from rising demand in domestic abuse services.	150
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Efficiencies

Release of non-contractual funding from public health cost centres	-50
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APPROVED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME

761	-50	711
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Budget Changes proposed in December 25 budget:

Efficiencies

Release of Domestic Abuse funding due to availability of national grant funding	-150
Release of contingency funding from activity based cost centres	-167
Release of non-contractual funding from public health cost centres	-162
Release of funding for emergency hormonal contraception due to availability of national funding	-51

PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME

0	-530	-530
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COMBINED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME

761	-580	181
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Use of Reserves

Public Health & Communities Budget 2026/27	<u>39,610</u>
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2026/27 Corporate Resources Budget

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
Approved MTFS 2025/26 Budget			51,269
Removal of 2025/26 One Off Budget Increase			0
Agreed Service Budget Transfers			1,438
Starting Budget (2025/26 Revised Budget)			52,707
<u>Budget Changes approved in February 25:</u>			
<u>Pay & Contract Inflation</u>			
Pay Inflation	1,303		
Contractual Inflation	223		
<u>Investments</u>			
Maintain additional capacity in the emergency planning service to meet its legal duties	171		
Legal Services Employment Lawyer (Invest to Save)	107		
<u>One Off Investments</u>			
Education System Transformation - investment to replace end of life system	1,000		
Continuation of Programme Management support to progress Data & Intelligence Strategy	140		
Continuation of Data Analysts to support GFRS, Economic Strategy & Joint Strategic Needs Assessment (JSNA)	91		
<u>Efficiencies</u>			
Growth in SAP License Fees to be funded by efficiencies driven by future Target Operating Model		-191	
Removal of legacy software arising from shift to cloud based Microsoft products		-100	
Creation of in-house employment lawyer to provide employment advice and reduce costs of external legal advice advising on Employment Tribunals and employment issues		-149	
Benefit Realisation from reshaping of Corporate Estate		-500	
Provision of additional Internal Audit (ARA) services and staffing efficiencies		-10	
<u>Income</u>			
3% Fees and Charges Uplift		-151	
APPROVED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	3,035	-1,101	1,934

2026/27 Corporate Resources Budget Continued

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
<u>Budget Changes proposed in December 25 budget:</u>			
<u>Investments</u>			
Cost Increase of Datasets	7		
Increased cost of software	275		
Investment in Emergency Mortuary facilities	10		
Increased cost of the contract to support the Wide Area Network (WAN)	258		
Ongoing investment in the cyber security of council wide ICT and data	225		
<u>One Off Investments</u>			
Funding for an Emergency planning contract	109		
Education System Transformation - investment to replace end of life system	378		
Review occupation and standardise terms and conditions for Early Years providers in GCC premises	35		
Review compliance arrangements and condition of leased out community buildings	50		
<u>Efficiencies</u>			
Executive Support - savings from vacancy		-33	
Reduction to the Digital and ICT training budget		-30	
Deleting 3 FTE vacancies in the Digital and ICT service		-82	
Pausing work to improve GCC's HR policies, reward and recognition offer on a temporary basis during LGR implementation		-60	
AMPS - savings from ongoing cost control within service		-15	
Reduction in gas and electricity consumption across the estate		-10	
Reversal of: Rationalising the Corporate Estate Benefits Realisation		500	
Adjustment to the Communication Team's training budget to match usage		-1	
Staff savings as a result of more automation and improved processes in Business Service Centre (BSC)		-47	
Reduction in servicing and maintenance costs, prioritising statutory responsibilities		-12	
Reduction in spend on grounds and cleaning contracts		-10	
<u>Income</u>			
Increase charges for external payroll customers		-24	
Income generated from the provision of an independent whistle blowing reporting service to an external organisation		-7	
PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	1,347	169	1,516
COMBINED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	4,382	-932	3,450
<u>Use of Reserves</u>			
Use of Reserves to fund one-off pressures		-231	
Use of Reserves - Transformation Programmes		-1,000	
	0	-1,231	-1,231
Corporate Resources Budget 2026/27			54,926

2026/27 Technical and Countywide Budget

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
Approved MTFS 2025/26 Budget			38,863
Removal of 2025/26 One Off Budget Increase			1,400
Agreed Service Budget Transfers			-4,985
Starting Budget (2025/26 Revised Budget)			<u>35,278</u>
<u>Budget Changes approved in February 25:</u>			
<u>Pay & Contract Inflation</u>			
Pay Inflation	132		
Adjustment in Pay Contingency to allow for 4.0%	-201		
<u>Investments</u>			
Reduction in Investment Income	1,064		
Increase in external Borrowing Costs	966		
Minimum Revenue Provision - on existing capital programme	2,342		
<u>One Off Investments</u>			
Data and Intelligence Strategy - additional investment	500		
Transformation Resources for programme delivery	250		
<u>Efficiencies</u>			
Reduction in LGPS contributions		-7,500	
Benefits Realisation Strategy from optimising income opportunities		-750	
Benefits Realisation Strategy from data and digital investment		-280	
APPROVED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	<u>5,053</u>	<u>-8,530</u>	<u>-3,477</u>

2026/27 Technical and Countywide Budget Continued

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
<u>Budget Changes proposed in December 25 budget:</u>			
<u>Efficiencies</u>			
Reversal of: Benefits Realisation Strategy from optimising income opportunities		750	
Restrict purchase of non-essential items through the stationery contract		-30	
Grants Receivable - Implement Full Cost Recovery of Corporate Overheads		-1,400	
Capital reprofiling existing programme		-364	
<u>Income</u>			
Increase in purchased leave income budget		-141	
PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	0	-1,185	-1,185
COMBINED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	5,053	-9,715	-4,662
<u>Use of Reserves</u>			
Use of Reserves - Accelerated release of 2026/27 LGPS savings		2,000	
Use of Reserves - To fund Transformation Programmes		-750	
Reserve Movement to Balance 2027/28		1,443	
	0	2,693	2,693
Technical and Countywide Budget 2026/27			33,309

Annex 2a Summary of 4-year Proposals

4-Year Investments Plan - Net Growth By Directorate	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000
<u>Adults</u>					
Adults total investments	22,424	18,438	19,657	20,406	80,925
Adults total efficiencies and income	(4,462)	(5,441)	(4,524)	(2,267)	(16,694)
ADULTS GRAND TOTAL	17,962	12,997	15,133	18,139	64,231
<u>C&F Vulnerable Children</u>					
C&F Vulnerable Children total investments	7,369	5,896	6,089	6,440	25,794
C&F Vulnerable Children total efficiencies and income	(5,323)	(1,896)	(3,076)	(2,216)	(12,511)
C&F VULNERABLE CHILDREN GRAND TOTAL	2,046	4,000	3,013	4,224	13,283
<u>C&F Other Services</u>					
C&F Other Services total investments	4,257	4,660	5,292	5,666	19,875
C&F Other Services total efficiencies and income	(659)	(208)	(208)	(208)	(1,283)
C&F OTHER SERVICES GRAND TOTAL	3,598	4,452	5,084	5,458	18,592
<u>Economy, Environment, & Infrastructure</u>					
EE&I total investments	8,391	2,544	2,929	4,265	18,129
EE&I total efficiencies, service reductions, and income	(6,294)	(1,115)	(689)	(407)	(8,505)
EE&I GRAND TOTAL	2,097	1,429	2,240	3,858	9,624
<u>Community Safety</u>					
Community Safety total investments	1,457	870	933	839	4,099
Community Safety total total efficiencies and income	(285)	(47)	(933)	(259)	(1,524)
COMMUNITY SAFETY GRAND TOTAL	1,172	823	0	580	2,575
<u>Public Health & Communities</u>					
Public Health & Communities total investments	761	699	524	738	2,722
Public Health & Communities total efficiencies and income	(580)	(140)	(50)	0	(770)
PH&W GRAND TOTAL	181	559	474	738	1,952
<u>Corporate Resources</u>					
Corporate Resources total investments	4,382	1,786	1,882	1,459	9,509
Corporate Resources total efficiencies, service reductions, and income	(932)	(1,630)	(1,110)	(244)	(3,915)
CORPORATE RESOURCES GRAND TOTAL	3,450	156	772	1,215	5,594
<u>Technical & Countywide</u>					
Technical & Countywide total investments	5,053	7,866	8,607	4,293	25,819
Technical & Countywide total efficiencies and income	(9,715)	(3,991)	(7,783)	(34)	(21,523)
TECHNICAL & COUNTYWIDE GRAND TOTAL	(4,662)	3,875	824	4,259	4,296
4-Year Total Net Growth (without use of reserves)	25,844	28,291	27,540	38,471	120,147

4-Year Investments Plan - Summary of Proposals						Proposed Investment Description
Proposed Investment Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	
Adults						
<u>Budget Changes approved in February 25 Budget</u>						
Pay Inflation	1,721	1,772	1,826	1,880	7,199	
In-House Services Demographic Growth	1,451	1,495	1,539	1,586	6,071	
Bed Based & Community Based Inflationary pressure	9,497	9,994	10,451	10,931	40,873	
Demographic Growth - Older People	2,940	2,961	3,049	3,139	12,089	
Demographic Growth - Learning Disabilities	1,380	1,476	1,509	1,542	5,907	
Demographic Growth - Mental Health	535	553	571	589	2,248	
Demographic Growth - Physical Disabilities	160	161	162	163	646	
Disabilities Associated Discharges	503	526	550	576	2,155	
Funding for Transforming Care Programme	137	0	0	0	137	
<u>Budget Changes proposed in December 25 Budget</u>						
Increase in funding to address recurrent deficit in the adult social care external care budget	3,000	0	0	0	3,000	Reprofiling suggests that the budget is smaller than needed to meet current demand for care, leading to recurrent overspends on care in the region of £3m.
Social Care Contribution to Community Equipment Budget (REVENUE)	600	0	0	0	600	This is an investment in community equipment to enable the service to continue to deliver effective equipment support. The investment replaces previous Disabled Facilities Grant funding for equipment as this is no longer available
Virtual Social Care Academy	500	(500)	0	0	0	This initiative aims to support carers—including young carers—by ensuring they have access to the information, training, and opportunities needed to develop their skills. Our training offer will be available to all carers, both paid and unpaid.
ADULTS GRAND TOTAL	22,424	18,438	19,657	20,406	80,925	

4-Year Investments Plan - Summary of Proposals Continued						Proposed Investment Description
Proposed Investment Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	
C&F Vulnerable Children						
<u>Budget Changes approved in February 25 Budget</u>						
Pay Inflation	1,843	1,898	1,955	2,014	7,710	
Fostering/Adoption/SGO & Child Arrangement Allowances - inflationary uplift to maintain competitive foster care fees	699	724	751	779	2,953	
Cost of living increase to keep allowances for children in care living in supported living in line with Universal Credit rates	26	26	26	26	104	
Contract inflation uplifts for external placement providers	2,434	2,470	2,576	2,702	10,182	
Contractual uplifts to 16 Strategic Contracts	602	676	709	744	2,731	
Cost of living uplift in Direct Payments to support Personal Assistants etc for Disabled Children and Young People	48	48	48	48	192	
Children's ringfenced New Burdens Funding	31	32	33	0	96	
Demand pressure for high cost packages for Children & Young People with a disability	514	0	0	0	514	
Demographic growth - Children's Centres, Youth provision, Advocacy, Short Breaks, s117 care packages, Young Carers	638	0	0	0	638	
Capacity for change management	153	0	(153)	0	0	
Pilot project to support adjustments to homes for foster carers to increase placement capacity	44	(44)	0	0	0	
Special Guardianship Orders - Funding to support increased numbers	0	0	144	127	271	
Increasing the Support to Foster Carers through the Mocking Bird Model - additional constellation proposed	0	30	0	0	30	
<u>Budget Changes proposed in December 25 Budget</u>						
Investment in countywide youth service delivery	337	0	0	0	337	This investment will allow us to continue to discharge our statutory responsibilities and support children and young people in need of specialist youth justice and youth support services to keep children safe at home and in the community.
The Birches - Harm Outside the Home Service (revenue implications)	0	36	0	0	36	To create a unified countywide service supporting children experiencing, or at risk of, harms outside of the home (e.g. ,exploitation, substance misuse, criminality).
C&F VULNERABLE CHILDREN GRAND TOTAL	7,369	5,896	6,089	6,440	25,794	

4-Year Investments Plan - Summary of Proposals Continued						Proposed Investment Description
Proposed Investment Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	
C&F Other Services						
<u>Budget Changes approved in February 25 Budget</u>						
Pay Inflation	659	679	699	720	2,757	
Home to School Transport - Contractual Inflation	735	757	779	803	3,074	
Home to School Transport - Demographic Growth to cover expected increase in SEN Transport	1,637	1,889	2,237	2,531	8,294	
SEND - Service Improvement and Early Investment: provide sufficient Education Psychology capacity, reduce EHCP caseloads, provide commissioning capacity to effectively plan for special school place needs, develop independent provider market for education provision for children with SEND	1,148	1,335	1,577	1,612	5,672	
<u>Budget Changes proposed in December 25 Budget</u>						
Education Lead for Youth Justice	78	0	0	0	78	This post will champion and lead educational inclusion for children and young people in touch with youth justice services.
C&F OTHER SERVICES GRAND TOTAL	4,257	4,660	5,292	5,666	19,875	

4-Year Investments Plan - Summary of Proposals Continued						Proposed Investment Description
Proposed Investment Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	
Economy, Environment, & Infrastructure						
<u>Budget Changes approved in February 25 Budget</u>						
Pay Inflation	942	970	999	1,029	3,940	
Contract Inflation	3,526	3,142	3,146	3,236	13,050	
Additional funding for Definitive Map Modification Orders (Highway Records) - Staff	10	44	0	0	54	
Devon & Severn IFCA statutory contribution increase	15	0	0	0	15	
Funding to cover Food Waste Hooklift Skip Repair & Maintenance	10	2	3	0	15	
Funding to support Tree Establishment & Maintenance	134	81	61	0	276	
Funding to make 2 fixed term Senior Planning Officers permanent	115	0	0	0	115	
Funding for Social Value Portal to monitor activity	22	0	0	0	22	
Match funding for Employment and Skills Hub	30	(30)	(30)	0	(30)	
Pump priming funding to cover initial Arle Court Transport Hub - Rates & Maintenance	100	(100)	0	0	0	
Funding for Part Time Fleet Admin for 2 years	25	(25)	0	0	0	
Funding to support Highways & Transport Transformation Programme	200	(200)	0	0	0	
Additional capacity to discharge planning conditions on M5 J10 scheme	60	(60)	0	0	0	
Funding for Mass Rapid Transit Business case development	250	(250)	0	0	0	
Part time coordinator to manage the master composter volunteers & promote composting initiatives	30	(30)	0	0	0	

4-Year Investments Plan - Summary of Proposals Continued						Proposed Investment Description
Proposed Investment Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	
Economy, Environment, & Infrastructure Continued						
<u>Budget Changes proposed in December 25 Budget</u>						
Specialist IT Software and Hardware Highways Design Systems	75	0	0	0	75	Provision of CAD (computer Aided Design) and software licences and associated higher spec IT equipment to allow internal design teams to undertake more design work.
Additional tree safety maintenance	150	0	0	0	150	Investment to provide reactive tree maintenance gang throughout the year
To provide a dedicated budget for cycleway and footway maintenance	250	0	0	0	250	Additional resources to allow higher levels of maintenance such as vegetation cut back, clearance or sweeping to be carried out on Cycleways and footways
Traffic data collection system upgrade (Road safety)	52	0	0	0	52	
Funding to cover shortfall in Waste Royalties income	100	0	0	0	100	Budget increase to cover shortfall in Waste Royalties income
Additional archaeology resource	93	0	0	0	93	This proposed additional resource to the archaeology team will enable swifter and more comprehensive responses to be made on planning applications to enable future sustainable growth throughout the county.
Additional Ecology Resource	50	0	0	0	50	This proposed additional resource to the ecology team will enable the production and implementation of the emerging Gloucestershire Local Nature Recovery Strategy.
Maintenance of the Priors / Oakley Flood Alleviation Scheme in Cheltenham	52	0	0	0	52	This proposed additional resource will ensure that the existing flood alleviation scheme is regularly maintained to ensure its continued effectiveness.
Additional resource to promote Sustainable Drainage Systems	50	0	0	0	50	This proposed additional resource will encourage the promotion and delivery of sustainable drainage systems throughout the county.
Use of Sustainability Budgets	(200)	0	0	0	(200)	Support climate action plan through project delivery.
Continued removal of highway trees affected by Ash Die Back	1,000	(1,000)	0	0	0	This is an ongoing programme of works to address the route inspections that have been carried out previously.
Funding to invest in 20MPH Road safety schemes	1,000	0	(1,000)	0	0	Improve road safety with speed limit reviews and community 20's programme.
Funding for the development of a Spatial Development Strategy	250	0	(250)	0	0	This new statutory requirement will shape the future sustainable growth of the county.
EE&I GRAND TOTAL	8,391	2,544	2,929	4,265	18,129	

4-Year Investments Plan - Summary of Proposals Continued						Proposed Investment Description
Proposed Investment Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	
Community Safety						
Budget Changes approved in February 25 Budget						
Pay Inflation (Green Book)	179	185	190	196	750	
Pay Inflation (Grey Book)	548	555	572	589	2,264	
Contract Inflation	96	106	53	54	309	
MDT software response systems upgrade	35	0	0	0	35	
Community Risk Management Plan recommendation: Additional operational day crewing at one station in FOD area	418	(27)	0	0	391	
Coroner Service Staffing to manage demand growth	81	51	0	0	132	
Staffing for new Fire training facility	0	0	85	0	85	
Equipment for new Fire training facility	0	0	33	0	33	
Budget Changes proposed in December 25 Budget						
Operational Staff Overtime	100	0	0	0	100	To provide funding for operational overtime as per the terms and conditions of operational firefighters.
COMMUNITY SAFETY GRAND TOTAL	1,457	870	933	839	4,099	
Public Health & Communities						
Budget Changes approved in February 25 Budget						
Public Health Pay Inflation	61	63	65	67	256	
Prevention and Wellbeing Pay Inflation	32	33	34	35	134	
Cost pressure arising from Agenda for Change salary uplifts in NHS provided Public Health services.	459	345	355	366	1,525	The investment will cover contractual salary uplifts for NHS staff employed in the delivery of Public Health commissioned services, including the provision of statutory Specialist Sexual Health Services and Public Health Nursing services.
Inflationary uplift in Community and Accommodation Based Support services and Domestic Abuse services.	1	143	26	150	320	The investment allows for inflationary uplifts in core contracts for services supporting victims of domestic abuse, and providing community and accommodation based support to vulnerable individuals.
Inflationary uplift in Public Health grant funded services - Mental Health/Sexual Health/Health Improvement	58	3	44	120	225	The investment allows for inflationary uplifts in core contracts for public health services supporting public mental health, health improvement and sexual health.
Cost pressure arising from rising demand in domestic abuse services.	150	0	0	0	150	The investment ensures availability of funding to meet cost pressures arising from increased demand for services to support the victims of domestic abuse.
Cost pressure arising from increased demand in activity based contracts.	0	112	0	0	112	The investment ensures sufficient funds are available to meet increases in demand for NHS Health Checks.
PH&C GRAND TOTAL	761	699	524	738	2,722	

4-Year Investments Plan - Summary of Proposals Continued						Proposed Investment Description
Proposed Investment Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	
Corporate Resources						
<u>Budget Changes approved in February 25 Budget</u>						
Pay Inflation	1,303	1,342	1,382	1,424	5,451	
Contractual Inflation	505	922	640	675	2,742	Contractual Inflation
Maintain additional capacity in the emergency planning service to meet its legal duties	171	0	0	0	171	
Legal Services Employment Lawyer (Invest to Save)	107	0	0	0	107	
Continuation of Programme Management support to progress Data & Intelligence Strategy	140	(140)	0	0	0	
Continuation of Data Analysts to support GFRS, Economic Strategy & Joint Strategic Needs Assessment (JSNA)	91	0	(91)	0	0	
Revenue implications of capital scheme - Shire Hall Heating	0	160	5	0	165	
Revenue implications of capital scheme - GFRS Training Centre - AMPS costs	0	0	242	0	242	
Revenue implications of capital scheme - EE&I Bamfurlong Depot	0	138	0	0	138	

4-Year Investments Plan - Summary of Proposals Continued						Proposed Investment Description
Proposed Investment Title	2026/27	2027/28	2028/29	2029/30	Total	
	£000	£000	£000	£000	£000	
Budget Changes proposed in December 25 Budget						
Investment in Emergency Mortuary facilities	10	0	0	0	10	Lessons learned from the COVID inquiry has identified the need to have access to a call-off contract for the provision of essential mortuary facilities to be available in the event of an emergency (e.g. pandemic).
Increased cost of the contract to support the Wide Area Network (WAN)	258	0	0	0	258	The cost of supporting the digital wide area network has been fixed for five years. Both increased requirements and inflation have result in an increased cost to the new contract.
Ongoing investment in the cyber security of council wide ICT and data	225	0	0	0	225	Cyber threat continues to increase in risk and complexity and ongoing investment is required to ensure that council is able to protect its services and data
Funding for an Emergency planning contract	109	(109)	0	0	0	To extend a contract that provides specific specialist advice to our emergency planning team
Education System Transformation - investment to replace end of life system	1,378	(1,167)	(211)	0	0	The ICT system used by education services is more than 25 years old. This programme will modernise the software and service provision. Additional funding is required to meet the overall estimated programme cost following tenders.
Review occupation and standardise terms and conditions for Early Years providers in GCC premises	35	0	(35)	0	0	Review current occupation and lease terms and conditions for Early Years providers; standardise approach
Review compliance arrangements and condition of leased out community buildings	50	0	(50)	0	0	Assess condition and compliance status of leased out community buildings, in order to develop future policy and strategy
Delivery of our Data & Intelligence Strategy	0	640	0	(640)	0	This proposal continues investment in transforming the way we use data to understand our communities, drive efficiency and transform our services
CORPORATE RESOURCES GRAND TOTAL	4,382	1,786	1,882	1,459	9,509	

4-Year Investments Plan - Summary of Proposals Continued						Proposed Investment Description
Proposed Investment Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	
Technical & Countywide						
<u>Budget Changes approved in February 25 Budget</u>						
Pay Inflation	132	136	140	144	552	
Adjustment in Pay Contingency to allow for 4.0%	(201)	2,739	3,031	3,343	8,912	
Reduction in Investment Income	1,064	1,136	200	0	2,400	
Increase in external Borrowing Costs	966	2,912	2,528	0	6,406	
Minimum Revenue Provision - on existing capital programme	2,342	1,560	2,436	0	6,338	
Data and Intelligence Strategy - additional investment	500	(500)	0	0	0	
Transformation Resources for programme delivery	250	(250)	0	0	0	
<u>Budget Changes proposed in December 25 Budget</u>						
MRP/Borrowing on new schemes	0	1,212	1,289	1,264	3,765	
Removed MRP from Investment & Transformation fund	0	(47)	(1)	0	(48)	
Removed External Borrowing from Investment & Transformation fund	0	(714)	(733)	(458)	(1,905)	
Removal of Quayside - Multi-Storey Car Park MRP	0	(80)	(71)	0	(151)	
Removal of Quayside - Multi-Storey Car Park External Borrowing	0	(238)	(212)	0	(450)	
TECHNICAL & COUNTYWIDE GRAND TOTAL	5,053	7,866	8,607	4,293	25,819	
4-Year Total Investments Plan	54,094	42,759	45,913	44,106	186,872	

4-Year Efficiencies, Service Reductions, and Income Plan - Summary of Proposals						
Proposed Efficiency, Service Reduction, or Income Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	Proposed Efficiency, Service Reduction, or Income Description
Adults						
<u>Budget Changes approved in February 25 Budget</u>						
<u>Income</u>						
3% Fees and Charges Uplift	(977)	(1,006)	(1,037)	(1,067)	(4,087)	
<u>Efficiency</u>						
Fee reviews to support efficiency in the market	(1,589)	(1,629)	(1,672)	0	(4,890)	Reviews of fees paid to private providers so that they are able to respond to the emerging care needs of our residents
<u>Budget Changes proposed in December 25 Budget</u>						
<u>Efficiency</u>						
Creation of a new £1m community prevention grant scheme	(100)	0	0	0	(100)	Consolidation of various grant processes into a single grant available for charities and community groups in Gloucestershire focused on improving the lives of residents through prevention focused grants delivering impact.
Improvement to Carers Emergency Response	(200)	0	0	0	(200)	A change to the current delivery model for the carers emergency response service - improving flexibility and county wide coverage. This is a shift from a small inflexible service to wide ranging provision supported by providers across the county. This means an emergency response will be available more quickly whenever people need it.
Delivering Community Reablement	(250)	(850)	(850)	(850)	(2,800)	Both elements of reablement – professional assessment and care planning (occupational therapy) and the provision of care and support are currently provided by Gloucestershire Health and Care NHS Foundation Trust. Professional assessment and care planning (occupational therapy) will be brought in-house and provided by a GCC team. Care/support element of reablement services will be commissioned by GCC externally from third party providers.

4-Year Efficiencies, Service Reductions, and Income Plan - Summary of Proposals Continued						
Proposed Efficiency, Service Reduction, or Income Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	Proposed Efficiency, Service Reduction, or Income Description
Adults Continued						
Shaping the Future of Day Opportunities	(109)	0	0	0	(109)	Ongoing review of care home capacity for older people, to ensure we can meet the changing demands and needs of our residents
Making the Difference Support Reviews	(200)	(141)	(400)	(350)	(1,091)	Reviewing support plans with people to determine if the care is appropriate to meet their needs or whether there is an alternative offer we can make
Review service modelling and options for Great Western Court	(1,013)	(1,191)	0	0	(2,204)	A review of the current service model in Great Western Court, which provides short term support after a hospital stay. This service is funded by the NHS, with some subsidy from GCC. This is intended to deliver efficiency, improve outcomes, and focus adult social care funding where it can make the most difference.
Replacement of Wheelchair Access Vehicles (WAVS) for Adults and Children's Services - Revenue implications	(24)	(24)	0	0	(48)	To renew old vehicles to bring the provision inline with our current carbon strategy with more efficient vehicles
Review autism offer in line with working age adults prevention strategy	0	(100)	0	0	(100)	Coproduction with people with autism of the community support offer using the new prevention strategy. The aim being to support their independence in a more proactive way
Recommissioning Statutory Advocacy Services	0	0	(65)	0	(65)	Recommissioning of statutory advocacy services, for example Independent Mental Health and Mental Capacity Act Advocacy
Reshaping Care Home Provision	0	(500)	(500)	0	(1,000)	Ongoing review of care home capacity for older people, to ensure we can meet the changing demands and needs of our residents
ADULTS GRAND TOTAL	(4,462)	(5,441)	(4,524)	(2,267)	(16,694)	

4-Year Efficiencies, Service Reductions, and Income Plan - Summary of Proposals Continued						
Proposed Efficiency, Service Reduction, or Income Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	Proposed Efficiency, Service Reduction, or Income Description
C&F Vulnerable Children						
<u>Budget Changes approved in February 25 Budget</u>						
<u>Income</u>						
3% Fees and Charges Uplift	(4)	(4)	(4)	(4)	(16)	
<u>Efficiency</u>						
Reduced demand for external placements through Sufficiency Strategy and effective commissioning of placements	(2,360)	(1,612)	(2,864)	(2,212)	(9,048)	
Agency Staff Reduction as increase levels of permanent staff	(250)	(125)	(125)	0	(500)	
Early Help Efficiencies from staffing structure review	(131)	0	0	0	(131)	
Social Work Academy structure review inc. opportunity to align with education & Adult Social Care learning and development functions	(68)	0	0	0	(68)	
Saving to replace the use of reserves after Y1 Family Hub	(59)	0	0	0	(59)	
Saving to cover capital charges relating to a pilot project to support adjustments to homes for foster carers to increase placement capacity	(47)	(48)	0	0	(95)	
Leaving care grant increase in financial support to provide equivalent to cohort not supported by Government grant	0	0	(83)	0	(83)	

4-Year Efficiencies, Service Reductions, and Income Plan - Summary of Proposals Continued						
Proposed Efficiency, Service Reduction, or Income Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	Proposed Efficiency, Service Reduction, or Income Description
C&F Vulnerable Children Continued						
<u>Budget Changes proposed in December 25 Budget Efficiency</u>						
Commissioning efficiencies	(126)	0	0	0	(126)	This proposal identifies underspends in a number of contracts and projects, due to changing need or demand, and releases these funds as savings.
Use of grant funding to support service provision	(675)	0	0	0	(675)	We will appropriately assign staffing costs to new grant funding to achieve savings against our base budget.
Use of grant to fund Child Protection Chair	(80)	0	0	0	(80)	By funding one of our child protection chairs from grant funding, we can reduce staffing cost pressure on the base budget.
Review of senior management structures within CSC to identify efficiencies and ensure an effective leadership structure for the future.	(190)	(100)	0	0	(290)	We will undertake a review of senior management structures across our service to identify efficiencies, creating structures that are safe and resilient, provide best value and are fit for the future.
Reduction in spending on expert assessments in family court proceedings.	(200)	0	0	0	(200)	The implementation of a centralised legal gateway panel has allowed us to control and reduce spend on expert assessments in the family court, as well as reduce the overall numbers of children in the court process. This will allow us to offer savings on this budget.
Release of funding due to reduced numbers of unaccompanied asylum seeking children (UASC) entering our care and more cost effective commissioning for this group of children.	(936)	0	0	0	(936)	As we have fewer unaccompanied asylum seeking children (UASC) entering our care and made more cost effective arrangements for their care, we are able to reduce the overall budget to support UASC and ensure spend is closer to the government grant received for these children.
Vacancy Management saving	(190)	0	0	0	(190)	We value our permanent employees but know we can achieve a saving through turnover factors.
Efficiencies from Youth Support Vehicles for Activities Team	(7)	(7)	0	0	(14)	Purchase of suitable vehicles for transporting children and equipment for our outdoors activities provision.
C&F VULNERABLE CHILDREN GRAND TOTAL	(5,323)	(1,896)	(3,076)	(2,216)	(12,511)	

4-Year Efficiencies, Service Reductions, and Income Plan - Summary of Proposals Continued						
Proposed Efficiency, Service Reduction, or Income Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	Proposed Efficiency, Service Reduction, or Income Description
C&F Other Services						
<u>Budget Changes approved in February 25 Budget</u>						
<u>Income</u>						
3% Fees and Charges Uplift	(8)	(8)	(8)	(8)	(32)	
<u>Efficiency</u>						
Education Pensions: reduce budget based on an assessment of reduction in number of pensions using age and trends	(200)	(200)	(200)	(200)	(800)	
Home to School Transport - further savings from EDGE review regarding e-auctions	(391)	0	0	0	(391)	
<u>Budget Changes proposed in December 25 Budget</u>						
<u>Efficiency</u>						
Vacancy Management savings	(60)	0	0	0	(60)	We value our permanent employees but know we can achieve a saving through turnover factors.
C&F OTHER SERVICES GRAND TOTAL	(659)	(208)	(208)	(208)	(1,283)	

4-Year Efficiencies, Service Reductions, and Income Plan - Summary of Proposals Continued						
Proposed Efficiency, Service Reduction, or Income Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	Proposed Efficiency, Service Reduction, or Income Description
<u>Economy, Environment, & Infrastructure</u>						
<u>Budget Changes approved in February 25 Budget</u>						
<u>Income</u>						
3% Fees and Charges Uplift	(216)	(368)	(379)	(357)	(1,320)	
Income from General Registration Service fee increases	(147)	0	0	0	(147)	
<u>Efficiency</u>						
Increase in fees and charges for Street Works licence applications & Highways income based on benchmarking	0	(11)	0	0	(11)	
LINKED TO 25/26 INVESTMENT - Efficiencies from the replacement of end of life Road Safety Data Management System	(10)	0	0	0	(10)	
Savings from extending Open+ access in libraries	(17)	(35)	0	0	(52)	
<u>Budget Changes proposed in December 25 Budget</u>						
<u>Income</u>						
Additional Moving Traffic Enforcement	(50)	(50)	(50)	(50)	(200)	Recent legislation allows some moving traffic offences to be enforced by remote cameras, rather than by uniformed Police officers. The proposal will see additional roll of sites.
Increases to existing parking charges	(338)	(143)	0	0	(481)	1) increasing on-street parking charges to bring closer alignment with off-street over 2 years with future increases in line with off street parking; 2) increasing parking permits to ensure full cost recovery, following previous decisions to withhold annual inflationary increases: for residents permits, an increase to £80 in 2026/27 (£160 for second permits) followed by annual increases to bring to cost neutral over the next three years ; for business permits an increase to £400 (£500 for second permits) followed by annual increases over the next three years (for both residents and business permits, the second permits would be at a higher cost than the first). For Carers permits a fee of £30 to cover administration and steps to support their fair use will be introduced.
Exploration of opportunities for new parking charges	(50)	(268)	(135)	0	(453)	Potential introduction of additional charges in Gloucestershire's market towns to manage parking concerns; charging in railway stations with free parking to ensure cost recovery; and new or extended resident parking zones to support resident parking concerns
Increase tariffs for Streetworks permits	(450)	0	0	0	(450)	Fees are applied when developers and utilities undertake work on the Highway. These fees will be increased.
Charging for DIY waste disposal	0	(125)	(125)	0	(250)	To introduce charges for DIY waste disposal at Household Recycling Centres over a specified minimum allowance.

4-Year Efficiencies, Service Reductions, and Income Plan - Summary of Proposals Continued						
Proposed Efficiency, Service Reduction, or Income Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	Proposed Efficiency, Service Reduction, or Income Description
Economy, Environment, & Infrastructure Continued						
<u>Efficiency</u>						
Move to electronic engagement on resurfacing schemes	(35)	0	0	0	(35)	Reduction in physical letter drops currently used to notify upcoming resurfacing schemes.
GCC Electric Vehicle Chargepoint Infrastructure Continuation - Capital (Revenue Implication)	(15)	(15)	0	0	(30)	Savings based on a reduction in costs against vehicle maintenance, fuel, emissions vs internal combustion engines vehicles
Use of Producer Extended Provider Responsibility (pEPR) grant	(4,384)	0	0	0	(4,384)	Producers are now funding the costs incurred by local authorities for managing packaging waste collected through household waste and recycling services
Library efficiency savings	(29)	0	0	0	(29)	New facilities and technology will enable the service to not replace a small number of existing vacancies
Adult education efficiencies	(10)	0	0	0	(10)	Review of programmes and focus of curriculum which will lead to efficiency savings.
<u>Service Reduction</u>						
Robin replacement for unsustainable bus services	(100)	(100)	0	0	(200)	Removal of some supported bus services where on demand Robin service is now serving those areas and communities.
Cease delivery of the music service and local history service	(43)	0	0	0	(43)	Cease delivery of the music service and local history service which will be a reduction in 2 part time posts. Neither service are statutory or well used with a very small number of clients.
Review the Transport Planning Business Case Budget	(400)	0	0	0	(400)	This proposed saving relates to the M5 J9 / A46 scheme. If the project gets the green light from the Government (decision expected end 2025 / early 2026), then GCC's business case development costs will be able to be claimed back from the Government.
EE&I GRAND TOTAL	(6,294)	(1,115)	(689)	(407)	(8,505)	

4-Year Efficiencies, Service Reductions, and Income Plan - Summary of Proposals Continued						
Proposed Efficiency, Service Reduction, or Income Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	Proposed Efficiency, Service Reduction, or Income Description
Community Safety						
<u>Budget Changes approved in February 25 Budget</u>						
<u>Income</u>						
3% Fees and Charges Uplift	(4)	(4)	(4)	(4)	(16)	
<u>Efficiency</u>						
Efficiencies as a result of the relocation of the fire training facility and the end of the PFI training centre contract	0	0	(681)	0	(681)	
<u>Budget Changes proposed in December 25 Budget</u>						
<u>Efficiency</u>						
Review of the current Fire Service Delivery Model	(281)	(43)	(248)	(255)	(827)	To undertake an evidence-based exercise review to determine the most efficient Fire Service delivery model which matches resources to risks.
COMMUNITY SAFETY GRAND TOTAL	(285)	(47)	(933)	(259)	(1,524)	

4-Year Efficiencies, Service Reductions, and Income Plan - Summary of Proposals Continued						
Proposed Efficiency, Service Reduction, or Income Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	Proposed Efficiency, Service Reduction, or Income Description
Public Health & Communities						
<u>Budget Changes proposed in December 25 Budget</u>						
<u>Efficiency</u>						
Release of Domestic Abuse funding due to availability of national grant funding	(150)	0	0	0	(150)	Release of some funding for services and programmes to support victims of domestic abuse due to the availability of alternative government grant funding for this purpose which has been incorporated into Council budgets.
Release of funding from Community and Accommodation Based Support services due to availability of national grant funding	0	(50)	0	0	(50)	Release of some funding for Community and Accommodation Based Support services for refugees and asylum seekers due to the availability of alternative government grant funding for this purpose.
Release of contingency funding from activity based cost centres	(167)	0	0	0	(167)	Release of some contingency funding held in activity based contracts for smoking cessation and sexual health support as demand for the services is below projected levels.
Release of non-contractual funding from public health cost centres	(212)	(50)	0	0	(262)	Release of funding which is not contractually committed in public health cost centres due to changes in service requirements or business need, or availability of alternative provision.
Release of funding for emergency hormonal contraception due to availability of national funding	(51)	0	0	0	(51)	Release of funding for Emergency Hormonal Contraceptive (EHC) provided via community pharmacies for under 25s as the government will be picking up the funding of local EHC services from local public health teams.
Review of sexual health and contraceptive commissioned services to release efficiencies	0	(40)	(50)	0	(90)	Review of commissioned sexual health services providing Sexually Transmitted Infections (STI) testing and treatment and contraception to identify opportunities to work differently to improve provision and release efficiencies.
PH&W GRAND TOTAL	(580)	(140)	(50)	0	(770)	

4-Year Efficiencies, Service Reductions, and Income Plan - Summary of Proposals Continued

Proposed Efficiency, Service Reduction, or Income Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	Proposed Efficiency, Service Reduction, or Income Description
Corporate Resources						
<u>Budget Changes approved in February 25 Budget</u>						
<u>Income</u>						
3% Fees and Charges Uplift	(151)	(155)	(159)	(163)	(628)	
<u>Efficiency</u>						
Growth in SAP License Fees to be funded by efficiencies driven by future Target Operating Model	(191)	(200)	0	0	(391)	
Removal of legacy software arising from shift to cloud based Microsoft products	(100)	0	0	0	(100)	
Creation of in-house employment lawyer to provide employment advice and reduce costs of external legal advice advising on Employment Tribunals and employment issues	(149)	0	0	0	(149)	
Provision of additional Internal Audit (ARA) services and staffing efficiencies	(10)	(10)	(10)	0	(30)	
Rationalising the Corporate Estate Benefits Realisation	0	(738)	(90)	0	(828)	
<u>Budget Changes proposed in December 25 Budget</u>						
<u>Income</u>						
Increase charges for external payroll customers	(24)	(24)	(24)	(24)	(96)	A review of payroll charging has identified an opportunity to increase charges whilst still remaining competitive.
Income generated from the provision of an independent whistle blowing reporting service to an external organisation	(7)	0	0	0	(7)	Income generated from the provision of an independent whistle blowing reporting service to an external organisation
Increase fees and charges for archiving services	0	(10)	(5)	0	(15)	Review charges to commercial companies for accessing copyrighted materials, and to Church of England parishes for preserving their records
Review legal fees for Traffic Regulation Orders	0	(13)	(14)	(14)	(41)	Review legal fees charged for processing Traffic Regulation Orders to ensure they reflect the full cost
Extend access to GCC's contractor procurement frameworks to other organisations	0	(30)	0	0	(30)	Provide access to use GCC contractor frameworks in order to generate revenue.
Install ground-mounted solar panels on Gloucestershire County Council owned land, to generate renewable energy and income.	0	0	(50)	0	(50)	Lease GCC land to third party organisations to enable solar panels to be installed to generate renewable energy, reduce carbon emissions and generate revenue.

4-Year Efficiencies, Service Reductions, and Income Plan - Summary of Proposals Continued						
Proposed Efficiency, Service Reduction, or Income Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	Proposed Efficiency, Service Reduction, or Income Description
Corporate Resources Continued						
<u>Efficiency</u>						
Executive Support - savings from vacancy	(33)	0	0	0	(33)	Remove vacant part-time post from Executive Support team structure
Reduction to the Digital and ICT training budget	(30)	0	0	0	(30)	Decreases the training available to Digital and ICT staff
Deleting 3 FTE vacancies in the Digital and ICT service	(82)	0	0	0	(82)	Deleting the three vacancies, reduces capacity for improvements to the ICT service management ways of working.
Pausing work to improve GCC's HR policies, reward and recognition offer on a temporary basis during LGR implementation	(60)	0	0	60	0	Only undertake statutory changes to GCC's terms and conditions, policies or rewards and therefore stop any other improvement in order to focus this resource on developing policy and offer for the new councils as a result of LGR
AMPS - savings from ongoing cost control within service	(15)	0	0	0	(15)	End temporary appointment for "cost control" provision and achieve cost savings.
Reduction in gas and electricity consumption across the estate	(10)	(10)	(10)	(10)	(40)	Monitor consumption and introduce measures to reduce gas and electricity useage resulting in cost savings.
Adjustment to the Communication Team's training budget to match usage	(1)	(1)	0	0	(2)	The Communications team will have a smaller training budget going forward.
Staff savings as a result of more automation and improved processes in Business Service Centre (BSC)	(47)	(17)	(18)	0	(82)	Increased automation and the introduction of a new SAP system will result in some staffing efficiencies
Reduction in servicing and maintenance costs, prioritising statutory responsibilities	(12)	(13)	(13)	(13)	(50)	Undertake a detailed review of current servicing and reactive maintenance expenditure; identify processes to achieve reduced maintrance and reactive spend by prioritising statutory responsibilities.
Reduction in spend on grounds and cleaning contracts	(10)	(10)	(10)	(10)	(40)	Review current contract spend and identify appropriate areas for reductions to be implemented

4-Year Efficiencies, Service Reductions, and Income Plan - Summary of Proposals Continued						
Proposed Efficiency, Service Reduction, or Income Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	Proposed Efficiency, Service Reduction, or Income Description
<u>Corporate Resources Continued</u>						
Legal Services - 'Grow our Own' scheme	0	(73)	(324)	0	(397)	Support our paralegals to qualify as lawyers in order to reduce reliance on locums.
Improved ICT service management tool	0	(50)	(50)	0	(100)	Replacement of the current service management tool with a more cost effective option and increased use of modern digital solutions
Review of GCC's wide area network	0	0	0	(70)	(70)	Review of how we deliver support for the network with a view to reducing the external cost
Review of management capacity in Digital and ICT given changes to the operating model	0	(59)	0	0	(59)	Efficiencies from a review of the management structure as a result of changes to the Digital and ICT operating model
Modernising workforce reporting utilising the new digital microsoft infrastructure and tool set	0	0	(60)	0	(60)	Reducing the cost of producing workforce data and information through automation and self service
Options appraisal regarding the delivery of Occupational Health services	0	(50)	0	0	(50)	Consider options for increasing efficiency and reductions in the cost of delivering occupational health
Reduce rental and service charges in buildings currently leased from third parties.	0	(12)	(80)	0	(92)	Review existing arrangements and implement measures to reduce rental and service charge costs.
Reduce GCC's service occupation in Quayside House in order to free up space for commercial lettings.	0	0	(80)	0	(80)	Review current GCC service occupation of Quayside House and develop options for relocation of existing services, to free up space for third party occupation, resulting in increased income.
Adjust GFRS communications activity budget to match usage	0	(5)	0	0	(5)	Realignment of budget reflecting annual expenditure
Efficiencies generated from a review of the Internal Audit and Insurance service	0	0	(13)	0	(13)	In preparation for Local Government Reorganisation a review of the internal audit service has been commissioned. Efficiencies generated from this review will be finalised at a later date.
Efficiencies generated from Financial Management Service	0	(150)	0	0	(150)	Increased automation and a review of current processes will result in staffing efficiencies.
<u>Service Reduction</u>						
Review the traded offer to schools within the Digital and ICT service	0	0	(100)	0	(100)	Review the traded service provided to schools with a view to removing the cost to the council given this traded service currently loses money.
CORPORATE RESOURCES GRAND TOTAL	(932)	(1,630)	(1,110)	(244)	(3,915)	

4-Year Efficiencies, Service Reductions, and Income Plan - Summary of Proposals Continued						
Proposed Efficiency, Service Reduction, or Income Title	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000	Proposed Efficiency, Service Reduction, or Income Description
Technical & Countywide						
<u>Budget Changes approved in February 25 Budget</u>						
<u>Efficiency</u>						
Reduction in LGPS contributions	(7,500)	0	0	0	(7,500)	
Benefits Realisation Strategy from data and digital investment	(280)	(320)	(360)	0	(960)	
Efficiencies Savings associated with proposed Adults Social Care homes	0	(1,943)	(2,059)	0	(4,002)	
<u>Budget Changes proposed in December 25 Budget</u>						
<u>Income</u>						
Increase in purchased leave income budget	(141)	0	0	0	(141)	Staff have the ability to make an application to purchase up to 10 days additional leave with the permission of their manager. This proposals adjusts the budget to reflect the historic level of income generated.
<u>Efficiency</u>						
Restrict purchase of non-essential items through the stationery contract	(30)	(30)	(30)	(30)	(120)	Review existing spend and take action to restrict future non-essential purchases
Grants Receivable - Implement Full Cost Recovery of Corporate Overheads	(1,400)	0	0	0	(1,400)	The Council receives a variety of specific grants which are used to deliver specified services. The delivery of the grant funded service often require support from Corporate Resources but historically GCC has been inconsistent in charging these costs against the grant even where the terms and conditions allow this recharge. This proposal is designed to ensure that we recharge these costs where applicable. The £1.4m is based on the assumption that we will be able to recover c.4% corporate resources costs on c.30% of specific grants. A detailed policy needs to be developed in coming months.
Capital reprofiling existing programme	(364)	(1,698)	(334)	(4)	(2,400)	
Ways of Working Efficiencies	0	0	(5,000)	0	(5,000)	Following the PwC activity analysis survey completed in September and October, we have identified opportunities to streamline processes, reduce duplication, and improve productivity across the organisation. By challenging current ways of working and embedding more efficient practices, we aim to deliver a £5m saving. This will be achieved through better alignment of resources, smarter use of technology, and simplifying workflows to focus on high-value activities.
TECHNICAL & COUNTYWIDE GRAND TOTAL	(9,715)	(3,991)	(7,783)	(34)	(21,523)	
4-Year Total Efficiencies, Service Reductions, and Income Plan	(28,250)	(14,468)	(18,373)	(5,635)	(66,725)	

Annex 3 – Budget Summary by Service Area

Medium Term Financial Strategy – 2026/27 Budget – Overall Summary

	Proposed 2026/27 Budget	2026/27 Proposed Employee Related Budget	2026/27 Proposed Non - Employee Expenditure Budget	2026/27 Proposed Gross Expenditure Budget	2026/27 Grants Related Expenditure	2026/27 Total Expenditure	2026/27 Proposed Income Budget	2026/27 Grant Income	2026/27 Total Income	2026/27 Reserves	Proposed MTFS Budget 2026/27
Budget Area	£'000s	£000	£000	£000	£000	£000	£000	£000	£000	£000	£'000
Adults	243,101	58,547	306,406	364,953	52,966	417,919	-121,352	-52,966	-174,318	-500	243,101
Vulnerable Children	154,706	66,771	91,971	158,742	12,552	171,294	-3,839	-12,552	-16,391	-197	154,706
Other Children Services & DSG	46,915	23,534	24,931	48,465	406,270	454,735	-1,550	-406,270	-407,820	0	46,915
Economy, Environment and Infrastructure	95,857	33,028	90,896	123,924	13,432	137,356	-26,502	-13,432	-39,934	-1,565	95,857
Community Safety	29,030	25,027	4,264	29,291	4,635	33,926	-261	-4,635	-4,896	0	29,030
Public Health & Communities	39,610	3,207	37,047	40,254	761	41,015	-644	-761	-1,405	0	39,610
Corporate Resources	54,926	45,222	25,088	70,310	68	70,378	-14,153	-68	-14,221	-1,231	54,926
Technical and Countywide	33,309	7,214	31,809	39,023	0	39,023	-8,407	0	-8,407	2,693	33,309
Total Budget	697,454	262,550	612,412	874,962	490,684	1,365,646	-176,708	-490,684	-667,392	-800	697,454

- The split of the 2026/27 proposed budget to employee and non-employee budget areas is estimated based on initial plans; however this is subject to further change when these initiatives have been developed further.

Adults MTFS 2026/27

	Proposed 2026/27 Budget	2026/27 Proposed Employee Related Budget	2026/27 Proposed Non - Employee Expenditure Budget	2026/27 Proposed Gross Expenditure Budget	2026/27 Grants Related Expenditure	2026/27 Total Expenditure	2026/27 Proposed Income Budget	2026/27 Grant Income	2026/27 Total Income	2026/27 Reserves	Proposed 2026/27 MTFS Budget
Budget Area	£'000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£'000
Services for Older People	90,195	22,243	138,086	160,329	40,785	201,114	-69,921	-40,785	-110,706	-213	90,195
Services for People with Physical Disability	25,746	2,592	28,116	30,708	12,127	42,835	-4,899	-12,127	-17,026	-63	25,746
Services for People with a Learning Disability	76,230	9,088	103,292	112,380	0	112,380	-35,969	0	-35,969	-181	76,230
Services for People with Mental Health Issues	17,443	0	17,639	17,639	0	17,639	-153	0	-153	-43	17,443
Community Equipment/Telecare	5,026	5,059	5,695	10,754	0	10,754	-5,728	0	-5,728	0	5,026
Adults Safeguarding	2,100	1,852	307	2,159	54	2,213	-59	-54	-113	0	2,100
Carers Services	1,134	0	1,134	1,134	0	1,134	0	0	0	0	1,134
Occupational Therapy Service	2,546	0	2,546	2,546	0	2,546	0	0	0	0	2,546
Other Direct Services	8,397	6,810	3,494	10,304	0	10,304	-1,907	0	-1,907	0	8,397
Adults Management,Commissioning & Support Services	14,284	10,903	6,097	17,000	0	17,000	-2,716	0	-2,716	0	14,284
Total: Adults	243,101	58,547	306,406	364,953	52,966	417,919	-121,352	-52,966	-174,318	-500	243,101

Children & Families MTFS 2026/27

	Proposed 2026/27 Budget	2026/27 Proposed Employee Related Budget	2026/27 Proposed Non - Employee Expenditure Budget	2026/27 Proposed Gross Expenditure Budget	2026/27 Grants Related Expenditure	2026/27 Total Expenditure	2026/27 Proposed Income Budget	2026/27 Grant Income	2026/27 Total Income	2026/27 Reserves	Proposed 2026/27 MTFS Budget
Budget Area	£'000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000's
Vulnerable Children	154,706	66,771	91,971	158,742	12,552	171,294	-3,839	-12,552	-16,391	-197	154,706
Other Children Services	46,915	23,534	24,931	48,465	5,893	54,358	-1,550	-5,893	-7,443	0	46,915
DSG	-	0	0	0	400,377	400,377	0	-400,377	-400,377	0	0
Total: Children & Families	201,621	90,305	116,902	207,207	418,822	626,029	-5,389	-418,822	-424,211	-197	201,621

Economy, Environment & Infrastructure MTFS 2026/27

	Proposed 2026/27 Budget	2026/27 Proposed Employee Related Budget	2026/27 Proposed Non - Employee Expenditure Budget	2026/27 Proposed Gross Expenditure Budget	2026/27 Grants Related Expenditure	2026/27 Total Expenditure	2026/27 Proposed Income Budget	2026/27 Grant Income	2026/27 Total Income	2026/27 Reserves	Proposed 2026/27 MTFS Budget
Budget Area	£'000	£000	£000	£000	£000	£000	£000				£'000
Network, Traffic and Transport	13,312	2,542	12,834	15,376	2,842	18,218	-1,039	-2,842	-3,881	-1,025	13,312
Libraries & Registration Services	5,431	7,859	933	8,792	250	9,042	-3,361	-250	-3,611	0	5,431
Highways	32,188	15,270	28,563	43,833	0	43,833	-11,385	0	-11,385	-260	32,188
Parking	0	0	0	0	0	0	0	0	0	0	0
Environment and Waste	35,126	1,064	44,320	45,384	5,484	50,868	-10,228	-5,484	-15,712	-30	35,126
Strategic Infrastructure	5,830	2,913	3,656	6,569	0	6,569	-489	0	-489	-250	5,830
Flood Alleviation	1,153	398	755	1,153	0	1,153	0	0	0	0	1,153
EE&I Central Costs	1,801	1,901	-100	1,801	0	1,801	0	0	0	0	1,801
Adult Education	95	95	0	95	2,856	2,951	0	-2,856	-2,856	0	95
Employment & Skills Hub	921	986	-65	921	2,000	2,921	0	-2,000	-2,000	0	921
Total: Economy Environment & Infrastructure	95,857	33,028	90,896	123,924	13,432	137,356	-26,502	-13,432	-39,934	-1,565	95,857

Community Safety MTFS 2026/27

	Proposed 2026/27 Budget	2026/27 Proposed Employee Related Budget	2026/27 Proposed Non - Employee Expenditure Budget	2026/27 Proposed Gross Expenditure Budget	2026/27 Grants Related Expenditure	2026/27 Total Expenditure	2026/27 Proposed Income Budget	2026/27 Grant Income	2026/27 Total Income	2026/27 Reserves	Proposed 2026/27 MTFS Budget
Budget Area	£'000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£'000
Fire & Rescue Service	26,203	22,432	3,882	26,314	4,635	30,949	-111	-4,635	-4,746	0	26,203
Coroners	1,667	1,142	525	1,667	0	1,667	0	0	0	0	1,667
Trading Standards	1,160	1,171	64	1,235	0	1,235	-75	0	-75	0	1,160
Civil Protection Team	-	282	-207	75	0	75	-75	0	-75	0	0
Total: Community Safety	29,030	25,027	4,264	29,291	4,635	33,926	-261	-4,635	-4,896	0	29,030

Public Health & Communities MTFS 2026/27

	Proposed 2026/27 Budget	2026/27 Proposed Employee Related Budget	2026/27 Proposed Non - Employee Expenditure Budget	2026/27 Proposed Gross Expenditure Budget	2026/27 Grants Related Expenditure	2026/27 Total Expenditure	2026/27 Proposed Income Budget	2026/27 Grant Income	2026/27 Total Income	2026/27 Reserves	Proposed 2026/27 MTFS Budget
Budget Area	£'000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000's
Public Health - (See below for Service Breakdown)	28,873	2,141	26,832	28,973	761	29,734	-100	-761	-861	0	28,873
Supporting People	9,715	158	10,101	10,259	0	10,259	-544	0	-544	0	9,715
Other Prevention & Wellbeing Activities	1,022	908	114	1,022	0	1,022	0	0	0	0	1,022
Total: Public Health & Communities	39,610	3,207	37,047	40,254	761	41,015	-644	-761	-1,405	0	39,610

Public Health - Including the Ring Fenced Grant 2026/27

	Proposed 2026/27 Budget	2026/27 Proposed Employee Related Budget	2026/27 Proposed Non - Employee Expenditure Budget	2026/27 Proposed Gross Expenditure Budget	2026/27 Grants Related Expenditure	2026/27 Total Expenditure	2026/27 Proposed Income Budget	2026/27 Grant Income	2026/27 Total Income	2026/27 Reserves	Proposed 2026/27 MTFS Budget
Budget Area	£'000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000's
Sexual Health	4,008	0	4,008	4,008	0	4,008	0	0	0	0	4,008
Health Behaviours	1,488	0	1,488	1,488	761	2,249	0	-761	-761	0	1,488
Drugs and Alcohol	6,066	0	6,166	6,166	0	6,166	-100	0	-100	0	6,066
Children 0-19 (incl. Health Visiting & School Nursing)	13,470	0	13,470	13,470	0	13,470	0	0	0	0	13,470
Public Mental Health	400	0	400	400	0	400	0	0	0	0	400
NHS Health Checks	545	0	545	545	0	545	0	0	0	0	545
PH function incl. staffing and intelligence	2,896	2,141	755	2,896	0	2,896	0	0	0	0	2,896
Total: Public Health	28,873	2,141	26,832	28,973	761	29,734	-100	-761	-861	0	28,873

Corporate Resources MTFS 2026/27

	Proposed 2026/27 Budget	2026/27 Proposed Employee Related Budget	2026/27 Proposed Non - Employee Expenditure Budget	2026/27 Proposed Gross Expenditure Budget	2026/27 Grants Related Expenditure	2026/27 Total Expenditure	2026/27 Proposed Income Budget	2026/27 Grant Income	2026/27 Total Income	2026/27 Reserves	Proposed 2026/27 MTFS Budget
Budget Area	£'000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£'000
Policy Performance & Governance	15,676	16,600	117	16,717	68	16,785	-810	-68	-878	-231	15,676
Digital & People Services	20,233	11,874	9,718	21,592	0	21,592	-359	0	-359	-1,000	20,233
Asset Management & Property Services	9,307	4,659	13,633	18,292	0	18,292	-8,985	0	-8,985	0	9,307
Communications	1,310	1,271	43	1,314	0	1,314	-4	0	-4	0	1,310
Strategic Finance	5,708	10,603	-900	9,703	0	9,703	-3,995	0	-3,995	0	5,708
Corporate Resources Management	415	215	200	415	0	415	0	0	0	0	415
One Programme	2,277	0	2,277	2,277	0	2,277	0	0	0	0	2,277
Total: Corporate Resources	54,926	45,222	25,088	70,310	68	70,378	-14,153	-68	-14,221	-1,231	54,926

Technical & Countywide MTFS 2026/27

	Proposed 2026/27 Budget	2026/27 Proposed Employee Related Budget	2026/27 Proposed Non - Employee Expenditure Budget	2026/27 Proposed Gross Expenditure Budget	2026/27 Grants Related Expenditure	2026/27 Total Expenditure	2026/27 Proposed Income Budget	2026/27 Grant Income	2026/27 Total Income	2026/27 Reserves	Proposed 2026/27 MTFS Budget
Budget Area	£'000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£'000
County Council Contingencies	11,590	6,494	2,439	8,933	0	8,933	-36	0	-36	2,693	11,590
Corporately Controlled Budgets	853	515	1,738	2,253	0	2,253	-1,400	0	-1,400	0	853
Capital Financing & Interest Credits	19,068	0	26,039	26,039	0	26,039	-6,971	0	-6,971	0	19,068
Members and Elections	1,798	205	1,593	1,798	0	1,798	0	0	0	0	1,798
Total: Technical & Countywide	33,309	7,214	31,809	39,023	0	39,023	-8,407	0	-8,407	2,693	33,309

Context

The purpose of the Medium Term Financial Strategy (MTFS) is to give financial expression to the Council Strategy for the next four-year period. The MTFS sets out the Council's high-level funded plan, for achieving its goals and priorities, by balancing available financing and spending ambitions. It highlights the financial projections for financing, spending (revenue and capital), and reserves. The MTFS is prepared annually and covers the four-year period 2026/27 to 2029/30. It links decisions on resource allocation with decisions on policy priorities as set out in the Council Strategy.

Principles

The principles underlying the MTFS are:

- **Stable and Sustainable Budgets** – Maintain financial stability over the medium term.
- **Priority-Focused Resource Allocation** – Direct resources to the Council's highest priorities.
- **Value for Money** – Ensure efficient and effective use of funds.
- **Risk Management** – Maintain prudent (but not excessive) reserves to protect against financial risks.
- **Clear Funding Strategy** – Secure understanding of potential sources of finance.
- **Capacity for Change** – Build financial flexibility to support organisational transformation.
- **Adaptability** – Allow for shifts in spending as circumstances change.
- **Avoid Excessive Commitments** – Reduce debt over the MTFS period to release ongoing revenue savings.
- **Alignment of Resources and Commitments** – Match ongoing financing with ongoing spending obligations.

2026/27 Budget Assumptions

The 2026/27 Budget has been produced using the following assumptions:

- **Council Tax** – Increase of **2.99%**.
 - **Adult Social Care Precept** – Additional **2%** applied in 2026/27.
 - **Council Tax Base Growth** – Assumed increase of **1.26%**.
 - **Pay Award** – Assumed increase of **3.0%**.
 - **Inflation** – Adjustments only where there is a contractual commitment.
 - **Fees and Charges** – Increased by an average of **3%**, or as specified in Annex 2 (Income section).
 - **General Reserves** – Maintained at a minimum of **5% of Net Expenditure**.
 - **External Borrowing** – Repaid as it matures.
 - **Central Contingency** – Limited provision to cover unexpected costs and/or risks of unachievable savings targets.

- 1 Reserves are a key element of the Council's financial management and needed to manage financial risks, meet future commitments, and provide flexibility to manage change. Reserves should not be used to deliver saving plans or manage budgets in the long-term. The level of reserves held in any organisation is a measure of its financial resilience and is a key piece of evidence for external scrutiny on financial sustainability.
- 2 Local authorities are required to have regard to the level of reserves when considering their budget requirement and reserves are a recognised and intrinsic part of financial planning and budget setting.
- 3 It is the responsibility of the Council's Section 151 (S151) Officer and Members as the budget report is presented to Councillors, to ensure a prudent approach is taken in the administration of financial affairs and that there are sufficient reserves to meet the anticipated demands and requirements of the authority. As such, reserves are fundamental to both the health and performance of the Council.
- 4 The Council's General Fund Reserve is its primary source of uncommitted resources and is the one reserve that requires a fundamental review annually as it is not ringfenced for specific use. Local Authorities adopt various approaches for quantifying an appropriate balance to be held in this reserve, although typically a value of circa 5% of the Council's net operating budget is considered prudent.
- 5 Through consideration of its future budget challenges, Gloucestershire County Council has identified a non-exhaustive list of risks which – if crystallising – may require the use of General Fund Reserve funds to mitigate the pressure on a non-recurring basis. These risks include:
 - **Overspend on Service Expenditure:** Potential risk of overspends, including delayed delivery of savings.
 - **Emergency Incidents:** Risk allowance for incidents such as cyber security, or adverse weather (e.g. flooding). Where possible, any remedial costs required will be recovered from schemes such as Bellwin.
 - **Pump-priming Major Infrastructure Projects:** Ensure sufficient resources available to support infrastructure projects which may emerge, not currently included within service budget resources or earmarked reserves.
 - **Grant Funding:** The Council receives non-recurrent grant funding to undertake projects both capital and revenue. There is a risk of grant clawback where projects do not meet their outputs, where they do not proceed, or the Council subsequently breaks the grant conditions. There is also a risk that expenditure will slip beyond the period of the grant so becoming ineligible and require financing from alternative resources. There is also a risk that specific grants received annually in recent years, and which have not yet been confirmed for future years, may reduce or cease.
 - **Treasury Management:** Whilst the Council attempts to minimise the risks when making treasury management investment decisions there is still a potential risk of a bank or financial institution in which the Council has invested

- collapsing or has a lower than anticipated yield.
- **Pay awards and other employee related changes:** Pressures over and above the service budget projections and contingencies held within Technical & Countywide budgets.
 - **Risk of Provider Failure:** Provider running costs continue to grow, which creates a risk around their financial sustainability - particularly in social care. Provider failure could result in the need to commission alternative placements / services within very short timescales, and therefore transitional costs may be significant.
 - **Council Tax Income:** Given the complexities around second home council tax premium exemptions, as well as potential impacts upon home ownership, it is prudent to recognise a risk for any shortfall which may arise.
- 6 Any overall surplus or deficit on the Council's net revenue spending are, ordinarily, added to or taken from the General Reserve balances unless otherwise determined albeit forecast overspends must be actively managed and mitigated to avoid crystallising and impacting upon General Reserves.
- 7 The table on the following page provides a projection of reserve movements over the MTFS period, and notes explaining the purposes of the reserves.

Reserve Detail	Balance at 31 st March 2025	Forecast Balance at 31 st March 2026	Forecast Balance at 31 st March 2027	Forecast Balance at 31 st March 2028	Forecast Balance at 31 st March 2029	Forecast Balance at 31 st March 2030	Notes
	£'000	£'000	£'000	£'000	£'000	£'000	
Earmarked Reserves							
Capital Fund	5,616	5,463	5,463	5,463	5,463	5,463	1
Strategic Waste Reserve	3,812	9,425	7,118	4,811	2,504	197	2
Transformation Reserve	4,424	2,818	2,818	2,818	2,818	2,818	3
Invest to Save	86	86	151	216	281	281	4
Insurance Fund	10,551	9,929	8,851	7,091	5,221	3,321	5
Public Health	4,494	4,554	2,961	1,961	1,961	1,961	6
County Elections	1,266	6	256	506	756	756	7
Fire Joint Training Centre	611	611	515	423	423	423	8
Economic Stimulus Reserve	5,883	8,678	8,678	8,678	5,201	5,201	9
Fire PFI Reserve - GRFS	3,480	2,875	2,187	1,684	874	0	10
Revenue Grant Reserves	22,694	21,224	19,066	18,826	18,611	18,611	11
Rates Retention Reserve	23,122	9,746	5,029	4,124	2,923	1,159	12
Adult Care Reserve	11,546	7,480	2,658	2,658	2,658	2,658	13
Economy, Environment & Infrastructure Reserve	7,109	4,174	159	52	62	2	14
Traded Services Reserve	52	12	0	0	0	0	15
Shared Audit Services Reserve	154	208	208	208	208	208	15
LED Renewables Reserve	361	0	0	0	0	0	16
S256 Funding	23,659	23,621	15,621	9,621	3,621	1,621	17
Other Reserves	513	513	513	513	513	513	18
Highways Act Commuted Sums Reserves	2,574	2,574	2,574	2,574	2,574	2,574	19
Risk & Investment Reserve	2,500	2,200	2,200	2,200	2,200	2,200	20
Education Funding Risk Reserve	77	58	0	0	0	0	
Vulnerable Children Reserve	175	175	0	0	0	0	
Growing Our Communities	1,100	550	0	0	0	0	
Home to School Transport Reserve	0	126	126	0	0	0	
Services to Families with Young Children	68	68	68	68	68	68	
Total Earmarked Reserves (Non School)	135,926	117,173	87,219	74,494	58,939	50,034	
LGR & Devolution Reserve	5,525	6,074	6,074	6,074	3,000	0	21
Schools Related							
Total School Related	23,921	23,921	23,921	23,899	23,899	23,899	22
Total Earmarked Revenue Reserves	165,373	147,169	117,214	104,467	85,838	73,933	
General Fund Balances	36,831	37,034	36,463	36,463	37,664	39,428	23
Total Useable Revenue Reserves	202,203	184,202	153,677	140,930	123,502	113,361	

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Reserves with Statutory Override Deficits							
Total Statutory Override Deficits	-78,537	-123,554	-167,093	-211,108	-253,094	-295,387	24

Notes on Reserves

1. **Capital Fund:** This is an earmarked reserve to provide funding for capital expenditure to reduce the need for external borrowing. All funds are earmarked for specific capital projects as agreed under the capital programme.
2. **Strategic Waste Reserve:** The strategic waste reserve is a smoothing reserve relating to the full contract life of the Energy from Waste project and has a small balance for Household Recycling Centres capital projects.
3. **Transformation Reserve:** The transformation reserve supports various corporate programmes, including ICT transformation and the One Programme (SAP) upgrade of Finance, HR, and Procurement systems.
4. **Invest to Save:** The invest to save reserve supports projects that are designed to deliver on-going savings in the future by providing “pump priming” funding.
5. **Insurance Fund:** Fund levels are based on external professional actuarial review and advice to mitigate the Council's insurance liability.
6. **Public Health:** The public health reserve holds any unused balances from the Public Health Grant received by Government. The reserves increased during the pandemic due to the suspension and/or scaling back of some services. The reserves will be gradually invested over the next 2-3 years (subject to the appropriate approval processes) in meeting known inflationary cost pressures in the grant, and in identified projects which meet the criteria of the public health grant and the short term nature of the funding while also ensuring sufficient contingency is maintained to respond to unforeseen cost pressures in the grant or enable resources to be stepped up in response to health protection.
7. **County Elections:** The county elections reserve acts as a smoothing reserve to fund the costs associated with county council elections held every four years. A budgeted contribution of £250k is annually made to this fund.
8. **Fire Joint Training Centre:** The fire joint training reserve acts as an equalisation fund to smooth out revenue implications over the course of the PFI contract. PFI credits are received within the early years of the contract and need to be held to fund anticipated costs in the later years of the contract. Reserve balances are now expected to slowly reduce for the remaining of the contract to 2028.
9. **Economic Stimulus Reserve:** The economic stimulus reserve is committed to fund a series of initiatives to support economic

growth within Gloucestershire i.e. Fastershire rural broadband and apprenticeship initiative.

10. **Fire PFI Reserve – GFRS:** The fire PFI reserve acts as an equalisation fund to smooth out revenue implications over the course of the PFI contract. PFI credits are received within the early years of the contract and need to be held to fund anticipated costs in the later years of the contract. As highlighted in section I of this document, an emerging risk around the sufficiency of this reserve is currently under review.
11. **Revenue Grant Reserves:** The revenue grants reserve is a technical reserve established, as required under accounting policies, for specific unapplied revenue grants where conditions related to the grant have been fully met.
12. **Rates Retention Reserve:** The Council receives part of its base funding through the Business Rates Retention system (BRR). As a result, the Council is subject to volatility around Business Rate collections. To smooth this volatility this reserve was created to top up any deficits. This reserve is also used to manage the operation of the Business Rates Pool (and Pilot during 2018/19). Surplus cash generated, or deficits needing to be funded, are managed via this reserve to ensure that there is no in year impact on the Budget. Part of this reserve is ring fenced for economic development projects across the county, funded from surplus Pool money allocated to the Strategic Economic Development Fund, held by the Council on behalf of all Pool members. From 2026/27 Pooling is highly unlikely due to changes in the levy rate and the Business Rates revaluation.
13. **Adult Care Reserve:** Adult Care Reserve was established to cover the budgetary risks associated with the fluctuations in demand led adult services. Projections include the use of this reserve to mitigate the timing of historic savings targets, as reported to Cabinet in June 2025. 2026/27 draw down also includes funding for the Improvement Partner, as approved by Cabinet in September 2025.
14. **Economy, Environment, and Infrastructure Reserve:** This reserve was created to hold multiple revenue carry forwards for Economy, Environment, and Infrastructure services.
15. **Traded Services and Shared Audit Services Reserves:** The traded services & shared audit reserve was created to support activities to generate further traded income.
16. **LED Renewables Reserve:** This is the smoothing reserve for the repayment of the SALIX/SEELs repayments over 7 years.
17. **Section 256 Funding:** These are ring-fenced grants received from Health Partners, to support collaborative services and activities.
18. **Other Reserves:** This relates to a small number of specific reserves.
19. **Highways Act Commuted Sums Reserve:** This is a revenue reserve of Developer Contributions towards the maintenance of

new Highways assets. For example, drainage soakaways on new residential estate or new traffic signals. These are usually towards the first 5–10-year maintenance period for the new asset and drawn down to revenue as and when needed to support the related revenue budgets.

20. **Risk & Investment Reserve:** This is to cover risks and investments as they emerge or are developed by the Council's Administration and will be considered for drawdown to deliver the savings forecast in the MTFS with recommendations made to Cabinet in January 2026.
21. **Local Government Reorganisation & Devolution Reserve:** A specific earmarked reserve was created in January 2025, pending confirmation of the Government's preferred option for Local Government Reorganisation in Gloucestershire. This will need to be increased in the final budget report to Cabinet in January 2026.
22. **School Related:** Individual Schools balances - ring-fenced. (Excludes DSG)
23. **General Fund Balances:** In line with other Authorities, Gloucestershire County Council maintains its General Fund Reserve at 5% of net revenue budget. The figures above assume that there is a transfer from the Business Rates Retention Reserve to increase the balance where required, in future years of the MTFS, to maintain the 5% threshold as the net revenue budget increases.
24. **Statutory Override Deficits:** Reserve balances are generally restricted from falling into deficit. However, technical instruments - known as Statutory Overrides - may be mandated by Government, such that specific deficit balances are held separately to other reserve balances. Statutory Overrides currently exist for cumulative deficits in Financial Instrument balances (due to end 31 March 2029) and Dedicated Schools Grant (due to end 31 March 2028).

Revenue Budget Forward Projections

Annex 6

	2025/26	2026/27	2027/28	2028/29	2029/30
	Actual	Forecast	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
Adults	224.921	243.101	256.598	271.731	289.870
Vulnerable Children	151.666	154.706	158.750	161.916	166.140
Other Children's Services	42.757	46.915	51.367	56.451	61.909
Economy, Environment & Infrastructure	89.322	95.857	97.851	101.091	104.949
Community Safety	27.359	29.030	29.853	29.853	30.433
Public Health & Communities	38.922	39.610	40.169	40.643	41.381
Corporate Resources	51.269	54.926	56.313	57.085	58.301
Technical & Countywide	38.863	33.309	33.566	35.315	39.574
Surplus/(Savings) to be Identified				(0.794)	(3.979)
Net Operating Budget	665.079	697.454	724.467	753.291	788.578
Grant Funding	250.080	256.305	255.358	255.111	259.517
Budget to be met by Council Tax Payers	415.000	441.149	469.109	498.181	529.062
<u>Council Tax Calculation</u>					
Council Tax Base (Est)	247,075	250,161	253,373	256,286	259,236
Council Tax (Band D Equivalent)	£1,679.65	£1,763.46	£1,851.46	£1,943.85	£2,040.85
% Increase in Council Tax	4.99%	4.99%	4.99%	4.99%	4.99%

Introduction

- 1 GCC's Capital Strategy outlines the principles and framework that underpin our long term capital investment and expenditure proposals. The Capital Strategy was a new requirement for councils to produce from April 2018 following the publication of the revised Prudential Code for Capital Finance in Local Authorities 2018.
- 2 The Capital Strategy gives a high-level overview of how capital expenditure; capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 3 Capital decisions have financial consequences for many years into the future. The Capital Strategy provides a mechanism by which our capital investment and financing decisions can be aligned with our over-arching corporate priorities and objectives over a medium-term planning horizon. GCC's Capital Strategy is informed and aligned to our directorate plans and asset management and property services plans and policies, available on GCC's website. The 2025-2029 Corporate Asset Management Plan is on the agenda for the January 2026 cabinet meeting.

Vision and Ambitions

- 4 GCC's vision, ambition and priorities for Gloucestershire are brought together in a Council Strategy – A Stronger Future, Built Together.
- 5 Its vision is underpinned by strategic priorities outlined in the document. Capital investment is important in order to meet these priorities and corporate objectives, and the approved and proposed capital programme includes a continued commitment to meet these priorities.
- 6 The Capital Strategy Board and Property Board will review the approach to the investment activity and the use of assets and capital resources and will align with the new Corporate Asset Management Plan, to align with the strategic vision and delivery framework they will guide management of the current and future Capital Programme.

Capital Strategy Aims and Objectives

- 7 The key aims of this Capital Strategy are:
 - To outline the capital programme presented in the MTFs and how it has been developed in alignment with the key priorities outlined in the 2025-29 Council Strategy.
 - To set out the required and available funding options for the capital programme, including the presentation of key prudential indicators.
 - To present the arrangements that enable a programme wide approach for managing and monitoring the capital schemes in the programme, and assessing potential new schemes, including assessment of outcomes, the use of any financial returns and the continual alignment to the Capital

Strategy.

Capital Expenditure and Financing

- 8 Capital expenditure is where GCC spends money on assets, such as land, property or vehicles that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets.
- 9 In 2026/27, GCC is planning capital expenditure of £218.441 million. This is split between general capital services, as detailed in Annex 8, and PFI and Finance Leases. The total is summarised below:

Table 1: Prudential Indicator, Estimates of Capital Expenditure

	2024/25 Actual £m	2025/26 Forecast £m	2026/27 Forecast £m	2027/28 Forecast £m	2028/29 Forecast £m
Capital Expenditure	131.912	145.415	216.520	242.299	95.608
PFI and Finance Lease Lifecycle additions *	1.820	1.344	1.921	2.310	2.682
TOTAL	133.732	146.759	218.441	244.609	98.290

* £441k of capital expenditure in 2024/25 arises from a change in the accounting for leases and does not represent cash expenditure

Governance:

- 10 For the majority of service areas service managers bid annually to include projects in GCC's capital programme. The GCC's project appraisal process will be the methodology employed to evaluate schemes included in the MTFS. The elements are:
- Scheme description
 - Fit against GCC's priorities
 - Costs including whole life costs and scheme phasing
 - Available funding and source
 - Revenue consequences
 - Risk assessment
 - VAT issues
 - Planning and site issues
 - Target dates
- 11 Analysis of existing approved schemes will be carried out at each MTFS refresh to identify all "non-committed" schemes. If necessary, these will be re-prioritised against other priority schemes awaiting approval. Capital resources will be made available to deliver schemes that meet GCC's "invest to save" criteria.

- 12 All Highway related projects, with a few limited exceptions are subjected to a mathematical assessment process applicable to the area of the service involved. The exceptions are the allocations that are set aside for reactive works which relates to urgent work necessary to keep the network in a safe and operational state, community offer where we match contributions from the community, and low-cost minor works where we react on a local basis to needs.
- 13 GCC has a statutory obligation to ensure there are sufficient local school places available across the County. The capital and grant funding it receives is prioritised against schemes which have been identified to meet forecast growth (basic need) in areas where additional places are required and where the condition of the school's infrastructure needs updating and replacing. Annual monitoring of pupil's forecasts and housing, together with annual inspections of school site and premises ensure the information is up to date to inform planned decisions. GCC produced a School Places Strategy document (2023- 2028). The strategy is a key framework document for GCC in considering any statutory proposals for changes to school organisation including the commissioning of new schools and will inform future capital investment priorities.
- 14 The final capital programme is presented to Cabinet in January and to Council in February each year. Full details of GCC's current capital programme can be found in the Councils MTFS.

Financing Capital Expenditure

- 15 All capital expenditure must be financed, either from external sources (government grants and other contributions), GCC's own resources (revenue, reserves, and capital receipts) or debt (including internal borrowing, leasing, and Private Finance Initiative). The planned financing of the above expenditure is as follows:

Table 2: Capital Financing

	2024/25 Actual £m	2025/26 Forecast £m	2026/27 Forecast £m	2027/28 Forecast £m	2028/29 Forecast £m
External sources	90.113	99.860	147.513	155.304	35.748
Capital Receipts	9.089	16.735	12.150	6.475	2.000
Revenue resources	8.162	3.399	1.833	1.200	2.902
Debt	24.548	25.421	55.024	79.320	54.958
Total Capital Programme	131.912	145.415	216.520	242.299	95.608
PFI and Finance Lease *	1.820	1.344	1.921	2.310	2.682
TOTAL	133.732	146.759	218.441	244.609	98.290

* £441k of capital expenditure in 2024/25 arises from a change in the accounting for leases and does not represent cash expenditure

- 16 In order to maximise the resources available to us, GCC looks to fund new capital programmes from external resources and capital receipts from disposal of surplus assets where possible. GCC would only look to fund schemes through borrowing if no other funding source was available or where the business case demonstrates the loan can be repaid through the investment.
- 17 Where borrowing is required, debt taken is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing. Usually this is from revenue, which is known as the minimum revenue provision (MRP). Leases and PFI assets are financed via lease payments.
- 18 Capital receipts, proceeds from selling capital assets, can also be used to replace debt finance. There are no plans to use other capital receipts in this way for 2026/27. The planned replacement of our borrowing is outlined in the table below:

Table 3: Replacement of Debt Finance

	2024/25 Actual £m	2025/26 Forecast £m	2026/27 Forecast £m	2027/28 Forecast £m	2028/29 Forecast £m
MRP	9.483	10.565	11.176	12.477	13.869
Capital Receipts applied against debt	4.081	-	-	-	-
Finance Leases and PFI	2.135	2.152	2.087	1.773	1.421
Deferred Liability	2.485	2.485	2.485	2.485	2.485
TOTAL	18.184	15.201	15.748	16.734	17.774

- 19 MRP is increasing due to additional unfunded capital spend included as part of the approved capital programme, details of which can be found in the MTFS. GCC's full MRP statement is available within the Treasury Management Strategy at Annex 9.
- 20 The cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP payments and capital receipts used to replace debt. Statutory guidance is that our debt should remain below the capital financing requirement, except in the short-term. Based on the above figures for expenditure and financing, GCC's estimated CFR is as follows:

Table 4: Prudential Indicator, Estimates of Capital Financing Requirement

	2024/25 Actual £m	2025/26 Forecast £m	2026/27 Forecast £m	2027/28 Forecast £m	2028/29 Forecast £m
Loans CFR	347.841	362.570	406.290	473.007	514.114
Finance Leases and PFI	136.569	132.060	127.615	123.485	119.561
TOTAL	484.410	494.629	533.906	596.492	633.675

- 21 To compare GCC's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. The liability benchmark is the total amount borrowed less investments held at year end and forecast over the MTFS period. This assumes that cash and investment balances are kept to a minimum level of £10 million at each year-end, representing the amount needed to continue to be a "professional" investor under MIFIID II requirements.
- 22 The graph is presented in the Treasury Strategy in Annex 9, and in summary this shows that GCC will need to borrow externally over the new MTFS period to maintain liquidity. This is because of the increasing borrowing requirement for the

capital programme, hence a rising CFR. As GCC is not externalising debt long term, it creates lower investment balances, so at a point in time investment balances become too low to continue this strategy. Based on an analysis of the graph it shows that there is a 15 year borrowing need for the current MTFS period, and this helps GCC to plan borrowing to ensure more effective use of resources.

- 23 GCC is also legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit. These limits need to include PFI and Finance Lease liabilities. These limits are kept under review and presented quarterly to Cabinet to ensure that debt remains affordable and risk is managed.

Table 5: Prudential Indicator, Authorised Limit and Operational Boundary for External Debt

	2024/25 Limit £m	2025/26 Limit £m	2026/27 Limit £m	2027/28 Limit £m	2028/29 Budget £m
Authorised Limit - total external debt	580.000	550.000	585.000	660.000	695.000
Operational Boundary Limit - total external debt	560.000	530.000	565.000	640.000	675.000

- 24 Although capital expenditure is not charged directly to the revenue budget, interest payable on loans, PFI and lease liabilities costs and a Minimum Revenue Provision (MRP) are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to our net revenue spending to assess affordability of the borrowing held. As the capital programme funded from debt increases so does the indicator.

Table 6: Prudential Indicator, Financing and Affordability

	2024/25 Actual	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
Financing Cost £m	38.911	45.085	45.345	53.593	61.226
Proportion of Revenue %	6.27	6.78	6.50	7.40	8.13

Management and Monitoring of the Capital Programme

- 25 GCC employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. GCC pays for staff to study towards relevant professional qualifications.
- 26 Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. GCC currently

employs Arlingclose Limited as treasury management advisers.

- 27 Asset valuations are co-ordinated internally by GCC's Valuation Service Team, with valuations carried out through a combination of GCC's internal valuers and, where necessary, external valuers (RICS qualified). The Valuation Service Team ensures all valuations are carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.
- 28 GCC presents regular reports on the Capital Programme to Cabinet as part of the Financial Monitoring reports. Prudential Indicators are included in the report on a quarterly basis.
- 29 Officer groups meet regularly to review and monitor performance. These groups bring together a range of service interests and professional expertise.

Annex 8a

MEDIUM TERM CAPITAL PROGRAMME - COUNTY COUNCIL SERVICES FINANCING STATEMENT

	----- Profiled Budget -----					Total Still Required £000	Prior Years Actual £000	Total Scheme Investment £000
	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Future Years £000			
GROSS PAYMENTS								
<u>Adults</u>	12,127	16,573	22,106	15,645	12,095	78,546	2,565	81,111
	12,127	16,573	22,106	15,645	12,095	78,546	2,565	81,111
<u>Public Health</u>								
Traveller Services	427	262	42	20	0	751	290	1,041
	427	262	42	20	0	751	290	1,041
<u>Children's Services</u>								
Schools	19,589	33,719	25,018	21,495	20,371	120,192	50,435	170,627
Non Schools	2,387	2,851	840	0	0	6,078	3,711	9,789
	21,976	36,570	25,858	21,495	20,371	126,270	54,146	180,416
<u>Economy, Environment & Infrastructure</u>								
Transport & Highways	90,831	136,358	164,499	42,266	52,824	486,778	236,045	722,823
Planning & Economic Development	767	1,626	766	1,852	0	5,011	15,579	20,590
Environment & Waste	1,943	2,749	1,436	1,353	390	7,871	3,025	10,896
Libraries & Registration	676	935	145	145	0	1,901	3,170	5,071
	94,217	141,668	166,846	45,616	53,214	501,561	257,819	759,380
<u>Community Safety</u>								
Fire & Rescue Service	4,137	7,020	11,595	4,481	420	27,653	2,808	30,461
	4,137	7,020	11,595	4,481	420	27,653	2,808	30,461
<u>Corporate Resources</u>								
Asset Management & Property Services	8,627	11,165	13,226	7,307	4,213	44,538	23,636	68,174
ICT Projects	3,899	3,262	2,626	3,044	2,924	15,755	10,396	26,151
Archives & Information Management	5	0	0	0	25	30	27	57
	12,531	14,427	15,852	10,351	7,162	60,323	34,059	94,382
Total	145,415	216,520	242,299	97,608	93,262	795,104	351,687	1,146,791
AVAILABLE RESOURCES								
External Grant - including Government	89,169	128,653	154,006	34,756	28,378	434,962		
Borrowing	25,421	55,024	79,320	56,958	18,835	235,558		
Capital Receipts	16,735	12,150	6,475	2,000	26,000	63,360		
Section 106 Contributions	4,818	9,802	1,298	992	42	16,952		
Other External Contributions	5,873	9,058	0	0	20,000	34,931		
Capital Fund/Revenue Contributions	3,320	333	0	0	0	3,653		
Other Reserves	79	1,500	1,200	2,902	7	5,688		
Total	145,415	216,520	242,299	97,608	93,262	795,104		
Surplus/deficit (-)	0	0	0	0	0	0		

Capital Programme 2026/27	Budget							Financing for Remaining Life (2025/26 onwards)									
Scheme Name	Total Scheme Budget £000	Prior Years Actuals £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Future Years £000	Capital Receipts £000	S106 External Contrib £000	External Grant £000	Borrowing £000	Other External Contrib £000	Other Reserves £000	Revenue Contrib £000	Total for Remaining Life £000	Prior Years Funding £000	Funding of Budget Total £000
Summary by service area																	
Adults	81,111	2,565	12,127	16,573	22,106	15,645	12,095	631	0	18,991	57,931	0	0	993	78,546	2,565	81,111
Traveller Services	1,041	290	427	262	42	20	0	0	0	0	744	0	7	0	751	290	1,041
Schools	170,627	50,435	19,589	33,719	25,018	21,495	20,371	3	9,465	102,167	8,017	115	0	425	120,192	50,435	170,627
Non Schools	9,789	3,711	2,387	2,851	840	0	0	0	0	346	5,258	474	0	0	6,078	3,711	9,789
Transport & Highways	722,823	236,045	90,831	136,358	164,499	42,266	52,824	27,136	6,314	311,332	108,419	32,281	0	1,296	486,778	236,045	722,823
Planning & Economic Development	20,590	15,579	767	1,626	766	1,852	0	1,200	0	949	1,093	0	1,769	0	5,011	15,579	20,590
Environment & Waste	10,896	3,025	1,943	2,749	1,436	1,353	390	318	4	1,089	2,050	0	3,900	510	7,871	3,025	10,896
Libraries & Registration	5,071	3,170	676	935	145	145	0	423	1,169	0	309	0	0	0	1,901	3,170	5,071
Fire & Rescue Service	30,461	2,808	4,137	7,020	11,595	4,481	420	1,599	0	0	25,925	0	0	129	27,653	2,808	30,461
Asset Management & Property Services	68,174	23,636	8,627	11,165	13,226	7,307	4,213	2,464	0	88	39,625	2,061	0	300	44,538	23,636	68,174
ICT Projects	26,151	10,396	3,899	3,262	2,626	3,044	2,924	4,323	0	0	11,432	0	0	0	15,755	10,396	26,151
Archives & Information Management	57	27	5	0	0	0	25	18	0	0	0	0	12	0	30	27	57
Capital Receipts Adjustment - Disposals Forecast	0	0	0	0	0	0	0	25,245	0	0	-25,245	0	0	0	0	0	0
Total Capital Programme	1,146,791	351,687	145,415	216,520	242,299	97,608	93,262	63,360	16,952	434,962	235,558	34,931	5,688	3,653	795,104	351,687	1,146,791
Adults																	
H.O.L.D. Scheme	654	264	0	0	390	0	0	0	0	390	0	0	0	0	390	264	654
Community Capacity/Market Management	790	296	0	150	344	0	0	494	0	0	0	0	0	0	494	296	790
GELS Vehicle Replacement	264	0	0	0	264	0	0	0	0	0	264	0	0	0	264	0	264
Disabled Facilities Grant 2024/25	1,040	0	1,040	0	0	0	0	0	0	1,040	0	0	0	0	1,040	0	1,040
Disabled Facilities Grant 2025/26	8,490	0	8,490	0	0	0	0	0	0	8,490	0	0	0	0	8,490	0	8,490
DFG 25/26 - Community Equipment	945	0	945	0	0	0	0	0	0	0	0	0	0	945	945	0	945
New Adult Care Homes	5,550	0	0	0	0	3,500	2,050	0	0	0	5,550	0	0	0	5,550	0	5,550
Adult Care Home - The Elms	14,450	0	500	5,700	8,250	0	0	0	0	0	14,450	0	0	0	14,450	0	14,450
Adult Care Home - Cinderford	13,900	0	250	450	9,900	3,300	0	0	0	0	13,900	0	0	0	13,900	0	13,900
Adult Care Home - Coombe Hill	14,100	0	250	200	0	6,225	7,425	0	0	0	14,100	0	0	0	14,100	0	14,100
Adult Care Homes - FF&E	6,000	0	0	0	2,000	2,000	2,000	0	0	0	6,000	0	0	0	6,000	0	6,000
Schemes under £250,000 25/26 onwards	3,103	2,005	652	108	338	0	0	137	0	581	380	0	0	0	1,098	2,005	3,103
New Funding 2026/27 onwards																	
Wheelchair Access Vehicles for Adults & Childrens Services	855	0	0	855	0	0	0	0	0	0	807	0	0	48	855	0	855
High Cost Disabled Facilities Grants Contribution	880	0	0	220	220	220	220	0	0	0	880	0	0	0	880	0	880
Contribution to Minor Adaptations	1,600	0	0	400	400	400	400	0	0	0	1,600	0	0	0	1,600	0	1,600
Disabled Facilities Grant 2026/27 (estimate)	8,490	0	0	8,490	0	0	0	0	0	8,490	0	0	0	0	8,490	0	8,490
Total Adults	81,111	2,565	12,127	16,573	22,106	15,645	12,095	631	0	18,991	57,931	0	0	993	78,546	2,565	81,111
Traveller Services																	
Willows Travellers Site	643	227	355	61	0	0	0	0	0	0	409	0	7	0	416	227	643
Schemes under £250,000 25/26 onwards	398	63	72	201	42	20	0	0	0	0	335	0	0	0	335	63	398
Total Public Health	1,041	290	427	262	42	20	0	0	0	0	744	0	7	0	751	290	1,041

Capital Programme 2026/27	Budget							Financing for Remaining Life (2025/26 onwards)									
Scheme Name	Total Scheme Budget £000	Prior Years Actuals £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Future Years £000	Capital Receipts £000	S106 External Contrib £000	External Grant £000	Borrowing £000	Other External Contrib £000	Other Reserves £000	Revenue Contrib £000	Total for Remaining Life £000	Prior Years Funding £000	Funding of Budget Total £000
Schools																	
The Wheatridge Special School	19,430	960	7,500	10,670	300	0	0	0	0	18,070	400	0	0	0	18,470	960	19,430
New Cheltenham Special School	20,000	1	899	10,500	8,100	500	0	0	0	14,724	5,275	0	0	0	19,999	1	20,000
High Needs Provision Capital 25/26	6,889	0	250	500	5,639	500	0	0	0	6,889	0	0	0	0	6,889	0	6,889
Henley Bank School expansion	2,682	0	1,682	1,000	0	0	0	0	2,682	0	0	0	0	0	2,682	0	2,682
Leckhampton High School new school	34,522	34,151	71	300	0	0	0	0	0	0	371	0	0	0	371	34,151	34,522
Basic Need Grant 2025/26	20,373	0	0	3,000	6,085	11,288	0	0	0	20,373	0	0	0	0	20,373	0	20,373
Schools Condition Allocation 24/25	3,187	0	100	2,500	587	0	0	0	0	3,187	0	0	0	0	3,187	0	3,187
Schools Solar Fund 24/25	480	14	15	146	305	0	0	0	0	0	466	0	0	0	466	14	480
Schools Condition Allocation 25/26	6,387	0	0	0	2,000	2,500	1,887	0	0	6,387	0	0	0	0	6,387	0	6,387
Music Hub Capital Grant	582	0	524	58	0	0	0	0	0	582	0	0	0	0	582	0	582
Berkeley Primary expansion	685	0	50	635	0	0	0	0	685	0	0	0	0	0	685	0	685
Severnbanks Primary expansion	5,154	0	254	2,700	2,000	200	0	0	3,168	1,986	0	0	0	0	5,154	0	5,154
St. David's Primary expansion	1,500	211	0	0	0	1,289	0	0	992	297	0	0	0	0	1,289	211	1,500
Northway Pre-School	675	10	515	150	0	0	0	0	665	0	0	0	0	0	665	10	675
Winchcombe Abbey Primary expansion	1,500	115	0	0	0	1,385	0	0	0	1,385	0	0	0	0	1,385	115	1,500
Greenacres Primary new school	6,871	320	0	0	0	3,551	3,000	0	0	6,551	0	0	0	0	6,551	320	6,871
Childcare Expansion Capital Grant 23/24	864	0	864	0	0	0	0	0	0	864	0	0	0	0	864	0	864
Glenfall Community Primary Flat roofing	268	0	268	0	0	0	0	0	0	268	0	0	0	0	268	0	268
Schemes under £250,000 25/26 onwards	23,094	14,653	6,597	1,560	2	282	0	3	1,273	5,120	1,505	115	0	425	8,441	14,653	23,094
New Funding 2026/27 onwards																	
Basic Need Grant 2026/27	5,620	0	0	0	0	0	5,620	0	0	5,620	0	0	0	0	5,620	0	5,620
Basic Need Grant 2027/28	3,564	0	0	0	0	0	3,564	0	0	3,564	0	0	0	0	3,564	0	3,564
Schools Condition Allocation 2026/27 (estimate)	6,300	0	0	0	0	0	6,300	0	0	6,300	0	0	0	0	6,300	0	6,300
Total Schools	170,627	50,435	19,589	33,719	25,018	21,495	20,371	3	9,465	102,167	8,017	115	0	425	120,192	50,435	170,627
Non Schools																	
55a Redwell Road	525	238	187	100	0	0	0	0	0	68	219	0	0	0	287	238	525
Barnwood Residential Home	999	645	35	319	0	0	0	0	0	0	354	0	0	0	354	645	999
Children's Home TBA (was Bisley Road)	1,095	0	50	495	550	0	0	0	0	278	817	0	0	0	1,095	0	1,095
Foster Carer Grants	640	0	75	275	290	0	0	0	0	0	640	0	0	0	640	0	640
Southfields Semi-Independent Accommodation	3,463	526	2,000	937	0	0	0	0	0	0	2,463	474	0	0	2,937	526	3,463
Schemes under £250,000 25/26 onwards	2,387	2,302	40	45	0	0	0	0	0	0	85	0	0	0	85	2,302	2,387
New Funding 2026/27 onwards																	
Youth Support Vehicles for Activities Team	80	0	0	80	0	0	0	0	0	0	80	0	0	0	80	0	80
The Birches - Harm Outside the Home Service	600	0	0	600	0	0	0	0	0	0	600	0	0	0	600	0	600
Total Non Schools	9,789	3,711	2,387	2,851	840	0	0	0	0	346	5,258	474	0	0	6,078	3,711	9,789

Capital Programme 2026/27	Budget							Financing for Remaining Life (2025/26 onwards)									
Scheme Name	Total Scheme Budget £000	Prior Years Actuals £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Future Years £000	Capital Receipts £000	S106 External Contrib £000	External Grant £000	Borrowing £000	Other External Contrib £000	Other Reserves £000	Revenue Contrib £000	Total for Remaining Life £000	Prior Years Funding £000	Funding of Budget Total £000
Transport & Highways																	
Cycle Infrastructure - Budget Only	300	0	0	0	200	100	0	0	0	300	0	0	0	0	300	0	300
A46 Coopers Hill - Piled Retaining Wall	991	593	31	367	0	0	0	0	0	398	0	0	0	0	398	593	991
Longmans Barn	513	133	74	306	0	0	0	0	0	380	0	0	0	0	380	133	513
B4058 Rushmire Hill	1,845	1,131	703	11	0	0	0	0	0	45	669	0	0	0	714	1,131	1,845
B4234 Forest Road Lydney - Site 1	2,385	403	1,021	956	5	0	0	0	0	1,668	314	0	0	0	1,982	403	2,385
A466 Wye Valley - Rock Fall Containment	334	0	334	0	0	0	0	0	0	334	0	0	0	0	334	0	334
A466 Wye Valley - Bluebell Cottage	484	0	201	283	0	0	0	0	0	484	0	0	0	0	484	0	484
Landslips - Budget Only	2,686	0	0	686	1,000	1,000	0	0	0	0	2,686	0	0	0	2,686	0	2,686
B4063 Gloucester to Chelt Cycle Route	23,767	21,793	1,800	174	0	0	0	1,426	0	548	0	0	0	0	1,974	21,793	23,767
Gloucester City Centre Cycle Link	11,614	4,687	3,000	3,000	927	0	0	0	0	6,927	0	0	0	0	6,927	4,687	11,614
Gloucester to Stroud Cycle Link	2,619	1,536	1,083	0	0	0	0	0	0	304	0	104	0	675	1,083	1,536	2,619
BSI Plan - MTFS 24-25 & DfT 25-26 Funds	6,776	0	1,493	2,434	2,849	0	0	0	0	4,176	2,600	0	0	0	6,776	0	6,776
Bus Electrification - MTFS 23-24	1,500	0	1,200	300	0	0	0	0	0	0	1,500	0	0	0	1,500	0	1,500
Interchange Hubs Rollout - MTFS 23-24-25	1,600	3	0	1,497	100	0	0	0	0	0	1,597	0	0	0	1,597	3	1,600
Interchange Hub - Stroud Merrywalks	412	54	0	358	0	0	0	0	0	0	200	108	0	50	358	54	412
ANPR Enforcement Camera Replacement	523	151	125	125	61	61	0	0	0	0	372	0	0	0	372	151	523
Highways Locals pre 26/27	1,651	0	0	1,651	0	0	0	5	0	444	1,202	0	0	0	1,651	0	1,651
M5 Junction10 Improvement Schemes	110,806	0	0	0	64,806	6,000	40,000	20,000	806	70,000	0	20,000	0	0	110,806	0	110,806
M5 J10 Roundabout	122,160	44,976	11,764	40,524	24,896	0	0	4,000	0	63,176	0	10,000	0	8	77,184	44,976	122,160
West Cheltenham Link Road	32,923	8,667	4,439	15,292	4,525	0	0	0	0	24,256	0	0	0	0	24,256	8,667	32,923
A4019 Widening	72,415	16,482	5,993	21,492	28,448	0	0	0	848	55,076	0	0	0	9	55,933	16,482	72,415
Gloucester South West Bypass - Llanthony	12,422	11,878	544	0	0	0	0	0	0	544	0	0	0	0	544	11,878	12,422
Cheltenham to Bishops Cleeve Cycle Track	17,814	10,709	7,105	0	0	0	0	0	67	6,445	0	593	0	0	7,105	10,709	17,814
Honeybourne Cycle ext A40 Lansdown	1,551	69	485	997	0	0	0	0	352	60	0	770	0	300	1,482	69	1,551
Albert St Junction - Lydney Hiwy Strategy	618	0	0	618	0	0	0	0	618	0	0	0	0	0	618	0	618
High Priority Strategic Schemes Budget	2,492	0	1,143	653	696	0	0	104	0	2,388	0	0	0	0	2,492	0	2,492
C&G Capacity Improvements S106	289	0	10	279	0	0	0	0	289	0	0	0	0	0	289	0	289
A438 Ashchurch / Shannon Way Junct Imps	474	0	5	469	0	0	0	0	474	0	0	0	0	0	474	0	474
LED Streetlighting Major Project	20,976	19,811	92	100	100	100	773	1,165	0	0	0	0	0	0	1,165	19,811	20,976
StLight Column Structural Test & Repair	1,658	1,359	65	77	77	80	0	0	0	299	0	0	0	0	299	1,359	1,658
StLight Column Replacement	3,868	2,768	1,080	20	0	0	0	162	0	938	0	0	0	0	1,100	2,768	3,868
Hambrook House (Spring) - 170	1,188	233	955	0	0	0	0	0	0	0	955	0	0	0	955	233	1,188
HAW REL Structures - to be recoded	352	1	351	0	0	0	0	0	0	351	0	0	0	0	351	1	352
KEMPSFORD CULVERTS / Washpool-401	658	38	620	0	0	0	0	0	0	0	620	0	0	0	620	38	658
Walk Bridge (contribution to Stroud DC)	1,000	0	0	666	334	0	0	0	0	0	1,000	0	0	0	1,000	0	1,000
Netheridge Swing Bridge - 1260	300	0	300	0	0	0	0	0	0	300	0	0	0	0	300	0	300
Whiteway Cottage Wall - W0886	367	67	300	0	0	0	0	0	0	0	300	0	0	0	300	67	367
Bridges & Structures - Budget Only	9,341	0	970	2,871	2,500	3,000	0	0	0	1,285	8,056	0	0	0	9,341	0	9,341
Barnfurlong Depot - Badgeworth TEWKS	15,852	150	400	5,000	5,000	5,302	0	51	0	0	15,651	0	0	0	15,702	150	15,852
Community Offer - General	353	9	17	100	100	100	27	0	0	344	0	0	0	0	344	9	353
Hatherley Rd, Hatherley Ln, Reddings Rd	704	393	38	273	0	0	0	50	261	0	0	0	0	0	311	393	704
Cheltenham Town Centre Zone	482	11	86	385	0	0	0	0	0	471	0	0	0	0	471	11	482
A419 Chalford to Agricultural College	300	0	0	300	0	0	0	0	0	0	300	0	0	0	300	0	300
Road Safety Capital Investment - Budget	400	0	0	400	0	0	0	0	0	0	400	0	0	0	400	0	400
Safety - Budget Only	1,364	0	538	394	242	190	0	0	0	1,364	0	0	0	0	1,364	0	1,364
EV Charge Points - GCC sites & Fire Stns	755	289	354	112	0	0	0	0	0	0	466	0	0	0	466	289	755
EV Charge Points - Public LEVI	3,107	0	731	630	621	621	504	0	0	3,107	0	0	0	0	3,107	0	3,107
Drainage - Budget Only	2,287	0	857	734	696	0	0	0	0	1,000	1,287	0	0	0	2,287	0	2,287
Traffic Signals - Budget Only	5,310	0	0	247	1,146	1,500	2,417	0	0	1,605	3,705	0	0	0	5,310	0	5,310
Footways ATMW - North	707	421	286	0	0	0	0	0	0	285	0	1	0	0	286	421	707
Local Patching MTFS 22/23 - West	636	0	636	0	0	0	0	0	0	250	386	0	0	0	636	0	636
Local Patching MTFS 22/23 - South	578	0	578	0	0	0	0	0	0	250	328	0	0	0	578	0	578
Local Patching MTFS 22/23 - North	578	0	578	0	0	0	0	0	0	250	328	0	0	0	578	0	578
Local Patching MTFS 22/23 - East	578	0	578	0	0	0	0	0	0	250	328	0	0	0	578	0	578

Capital Programme 2026/27	Budget							Financing for Remaining Life (2025/26 onwards)									
	Total Scheme	Prior Years						Capital	S106 External	External	Other External	Other	Revenue	Total for	Prior Years	Funding of	
Scheme Name	Budget	Actuals	2025/26	2026/27	2027/28	2028/29	Future Years	Receipts	Contrib	Grant	Borrowing	Contrib	Reserves	Contrib	Remaining Life	Funding	Budget Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Minor Works - Budget Only	2,301	0	2,301	0	0	0	0	0	0	2,301	0	0	0	0	2,301	0	2,301
C'Ways - Class A Roads: Struct Maint	13,112	0	4,419	3,693	2,500	2,500	0	0	0	5,612	7,500	0	0	0	13,112	0	13,112
C'Ways - Class B Roads: Struct Maint	11,472	0	3,972	2,500	2,500	2,500	0	0	0	1,388	10,084	0	0	0	11,472	0	11,472
C'ways - Class 3 Roads: Struct Maint	17,188	0	9,688	2,500	2,500	2,500	0	0	0	7,165	10,023	0	0	0	17,188	0	17,188
C'ways - Unclassified: Struct Maint	14,770	0	2,883	4,000	3,500	3,500	887	0	0	1,402	13,368	0	0	0	14,770	0	14,770
Footways: Structural Maintenance	1,939	0	1,671	268	0	0	0	0	0	1,939	0	0	0	0	1,939	0	1,939
Cycleways: Struct Maint - Budget Only	555	0	500	55	0	0	0	0	0	555	0	0	0	0	555	0	555
Reactive Works - Budget Only	3,300	0	3,300	0	0	0	0	0	0	3,300	0	0	0	0	3,300	0	3,300
Safety Fencing - VRS	1,217	368	250	250	249	100	0	0	0	449	400	0	0	0	849	368	1,217
Safety Signs Replacement - Key Routes	800	1	100	150	160	160	229	0	0	0	799	0	0	0	799	1	800
AT Bulk Lining and Studs-MTFS Bid	1,783	1,160	623	0	0	0	0	0	0	250	373	0	0	0	623	1,160	1,783
Texture Blasting	773	463	310	0	0	0	0	0	0	310	0	0	0	0	310	463	773
Prep Works for Surfacing Schemes	929	429	131	369	0	0	0	0	0	500	0	0	0	0	500	429	929
Schemes under £250,000 25/26 onwards	98,148	84,809	7,720	4,741	739	50	89	173	2,599	6,855	2,783	705	0	224	13,339	84,809	98,148
New Funding 2026/27 onwards																	
Corporate Fleet - provision of hire vehicles	100	0	0	100	0	0	0	0	0	0	70	0	0	30	100	0	100
Additional EV chargers at GCC sites	440	0	0	220	220	0	0	0	0	0	440	0	0	0	440	0	440
Additional roll out of parking schemes	1,000	0	0	250	250	250	250	0	0	0	1,000	0	0	0	1,000	0	1,000
Road Safety - Area and Route Treatments	1,200	0	0	100	300	400	400	0	0	0	1,200	0	0	0	1,200	0	1,200
Traffic data collection system upgrade	129	0	0	129	0	0	0	0	0	0	129	0	0	0	129	0	129
Highways resurfacing & proactive drains enhancement	15,000	0	0	5,000	5,000	5,000	0	0	0	0	15,000	0	0	0	15,000	0	15,000
Highways Maintenance Block Grant 2026/27 (estimate)	25,890	0	0	6,473	6,473	6,473	6,471	0	0	25,890	0	0	0	0	25,890	0	25,890
Highways Local Transport Grant 2026/27	3,114	0	0	779	779	779	777	0	0	3,114	0	0	0	0	3,114	0	3,114
Total Transport & Highways	722,823	236,045	90,831	136,358	164,499	42,266	52,824	27,136	6,314	311,332	108,419	32,281	0	1,296	486,778	236,045	722,823
Planning & Economic Development																	
Bishops Cleeve - Flood Alleviation FDGiA	444	39	26	64	165	150	0	133	0	272	0	0	0	0	405	39	444
Coleford Flood Alleviation Project	550	182	0	368	0	0	0	168	0	200	0	0	0	0	368	182	550
Fastershire Broadband Strategy	13,700	11,953	45	0	0	1,702	0	0	0	0	0	0	1,747	0	1,747	11,953	13,700
Natural Flood Defence Scheme	300	0	110	85	105	0	0	0	0	0	300	0	0	0	300	0	300
Pittville Flood Alleviation Project	450	117	0	133	200	0	0	333	0	0	0	0	0	0	333	117	450
Priors & Oakley FAS - FDGiA	3,290	2,934	356	0	0	0	0	204	0	152	0	0	0	0	356	2,934	3,290
Strategic Transport Model 2023-24-25	670	0	13	391	266	0	0	0	0	0	648	0	22	0	670	0	670
Schemes under £250,000 25/26 onwards	1,186	354	217	585	30	0	0	362	0	325	145	0	0	0	832	354	1,186
Total Planning & Economic Development	20,590	15,579	767	1,626	766	1,852	0	1,200	0	949	1,093	0	1,769	0	5,011	15,579	20,590
Environment & Waste																	
Green Investment - Trees	1,849	1,115	584	72	39	39	0	0	0	412	0	0	0	322	734	1,115	1,849
HRC Refurbishment Waste Compaction Prog	1,406	0	474	932	0	0	0	82	0	0	1,300	0	0	24	1,406	0	1,406
HRCs - Skip/Bin Refurbish/Replace	607	302	145	80	80	0	0	0	0	0	305	0	0	0	305	302	607
Schemes under £250,000 25/26 onwards	2,689	1,608	740	90	14	8	229	236	4	677	0	0	0	164	1,081	1,608	2,689
New Funding 2026/27 onwards																	
Nature recovery	445	0	0	75	103	106	161	0	0	0	445	0	0	0	445	0	445
Household Recycling Centres	3,900	0	0	1,500	1,200	1,200	0	0	0	0	0	0	3,900	0	3,900	0	3,900
Total Environment & Waste	10,896	3,025	1,943	2,749	1,436	1,353	390	318	4	1,089	2,050	0	3,900	510	7,871	3,025	10,896

Capital Programme 2026/27	Budget								Financing for Remaining Life (2025/26 onwards)									
Scheme Name	Total Scheme	Prior Years							Capital	S106 External	External	Other External	Other	Revenue	Total for	Prior Years	Funding of	
	Budget	Actuals	2025/26	2026/27	2027/28	2028/29	Future Years	Receipts	Contrib	Grant	Borrowing	Contrib	Reserves	Contrib	Remaining Life	Funding	Budget Total	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Libraries & Registration																		
Libraries Customer Programme	1,828	1,181	80	322	100	145	0	407	0	0	240	0	0	0	647	1,181	1,828	
Schemes under £250,000 25/26 onwards	3,243	1,989	596	613	45	0	0	16	1,169	0	69	0	0	0	1,254	1,989	3,243	
Total Libraries & Registration	5,071	3,170	676	935	145	145	0	423	1,169	0	309	0	0	0	1,901	3,170	5,071	
Fire & Rescue Service																		
10 front Line Pumping Units	3,994	0	0	2,500	1,494	0	0	0	0	0	3,994	0	0	0	3,994	0	3,994	
26 Small Combi EV Van/Cars - MTFS 22-23	348	0	348	0	0	0	0	0	0	0	348	0	0	0	348	0	348	
Aerial Ladder Platform - MTFS 22-23	750	0	750	0	0	0	0	0	0	0	750	0	0	0	750	0	750	
Aerial Ladder Replacement	827	0	0	0	827	0	0	0	0	0	827	0	0	0	827	0	827	
Cinderford Fire Station Alterations	600	0	80	500	20	0	0	0	0	0	600	0	0	0	600	0	600	
Front Line Pumping Appliances	2,128	0	0	0	0	2,128	0	0	0	0	2,128	0	0	0	2,128	0	2,128	
GFRS Training Facilities - Coombe Hill	9,853	0	0	1,500	6,000	2,353	0	0	0	0	9,853	0	0	0	9,853	0	9,853	
Incident Command Unit Vehicle-MTFS 22-23	378	0	178	200	0	0	0	0	0	0	350	0	0	28	378	0	378	
Integrated Communications Control System	401	0	193	208	0	0	0	0	0	0	300	0	0	101	401	0	401	
Officer Car Response Vehicles	863	0	60	383	0	0	420	0	0	0	863	0	0	0	863	0	863	
Replacement of Boat Fleet	312	0	0	312	0	0	0	0	0	0	312	0	0	0	312	0	312	
Six 4x4 Pickups & Water Rescue Trailer	342	0	0	342	0	0	0	0	0	0	342	0	0	0	342	0	342	
Stroud Community F&R Station Access	416	37	350	29	0	0	0	0	0	0	379	0	0	0	379	37	416	
Schemes under £250,000 25/26 onwards	5,825	2,771	2,178	246	630	0	0	1,599	0	0	1,455	0	0	0	3,054	2,771	5,825	
New Funding 2026/27 onwards																		
Breathing Apparatus Replacement	1,924	0	0	0	1,924	0	0	0	0	0	1,924	0	0	0	1,924	0	1,924	
Vision 5 hardware Refresh	700	0	0	0	700	0	0	0	0	0	700	0	0	0	700	0	700	
Cinderford Fire Station alterations	800	0	0	800	0	0	0	0	0	0	800	0	0	0	800	0	800	
Total Fire & Rescue Service	30,461	2,808	4,137	7,020	11,595	4,481	420	1,599	0	0	25,925	0	0	129	27,653	2,808	30,461	
Asset Management & Property Services																		
Agile Phase 2 - Shire Hall	2,500	0	400	750	750	600	0	0	0	0	2,500	0	0	0	2,500	0	2,500	
Area Based Review	507	0	0	181	326	0	0	0	0	0	507	0	0	0	507	0	507	
Cabinet Corridor Refurbishment	600	0	600	0	0	0	0	445	0	0	155	0	0	0	600	0	600	
Coroners Court Refrigeration Replacement	450	191	5	82	86	86	0	259	0	0	0	0	0	0	259	191	450	
Corporate Properties - Kitchen Upgrades	600	8	60	292	240	0	0	0	0	0	592	0	0	0	592	8	600	
Corporate Property - Condition	2,472	1,980	492	0	0	0	0	150	0	0	342	0	0	0	492	1,980	2,472	
Corporate Property-Equalities Act Requir	841	0	341	500	0	0	0	0	0	0	841	0	0	0	841	0	841	
County Offices Chelt - Refurb & Reconfig	7,909	37	200	500	3,872	3,300	0	0	0	0	7,674	198	0	0	7,872	37	7,909	
CYP 2/4 Deep St move to Orchard House	597	41	556	0	0	0	0	318	0	88	150	0	0	0	556	41	597	
Dean House Hub	900	5	850	45	0	0	0	0	0	0	895	0	0	0	895	5	900	
Gloucester Library Building Infrastruct.	460	5	455	0	0	0	0	0	0	0	455	0	0	0	455	5	460	
M&E - Corp Prop Condition Data Works	1,454	621	333	500	0	0	0	826	0	0	7	0	0	0	833	621	1,454	
New Hucclecote GP Surgery	5,007	242	639	2,000	2,126	0	0	0	0	0	4,765	0	0	0	4,765	242	5,007	
Non Highways Bridges & Structures	2,792	205	15	461	1,500	611	0	0	0	0	2,587	0	0	0	2,587	205	2,792	
Quayside - Health Hub	16,365	16,098	80	187	0	0	0	0	0	0	187	80	0	0	267	16,098	16,365	
Quayside final area (ICB)	1,783	0	500	1,283	0	0	0	0	0	0	0	1,783	0	0	1,783	0	1,783	
Rain Garden Installation	300	0	100	200	0	0	0	0	0	0	0	0	0	300	300	0	300	
Rural Estate - Investment to enhance CA	3,661	133	839	1,100	1,001	196	392	0	0	0	3,528	0	0	0	3,528	133	3,661	
Shire Hall Heating	4,500	0	500	1,500	1,500	1,000	0	0	0	0	4,500	0	0	0	4,500	0	4,500	
Social Care Services Remodelling	820	69	100	351	300	0	0	0	0	0	751	0	0	0	751	69	820	
New Adult Care Homes - Coombe Hill land	3,000	0	0	0	0	0	3,000	0	0	0	3,000	0	0	0	3,000	0	3,000	
Schemes under £250,000 25/26 onwards	6,189	4,001	1,562	440	186	0	0	466	0	0	1,722	0	0	0	2,188	4,001	6,189	

Capital Programme 2026/27	Budget							Financing for Remaining Life (2025/26 onwards)									
Scheme Name	Total Scheme Budget £000	Prior Years Actuals £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Future Years £000	Capital Receipts £000	S106 External Contrib £000	External Grant £000	Borrowing £000	Other External Contrib £000	Other Reserves £000	Revenue Contrib £000	Total for Remaining Life £000	Prior Years Funding £000	Funding of Budget Total £000
New Funding 2026/27 onwards																	
Improve accessibility on the Corporate Estate	460	0	0	106	107	177	70	0	0	0	460	0	0	0	460	0	460
Corporate estate buildings maintenance & compliance work	2,122	0	0	292	990	740	100	0	0	0	2,122	0	0	0	2,122	0	2,122
Corporate estate mechanical & electrical maintenance	1,649	0	0	305	185	550	609	0	0	0	1,649	0	0	0	1,649	0	1,649
Upgrade security at appropriate locations	236	0	0	90	57	47	42	0	0	0	236	0	0	0	236	0	236
Total Asset Management & Property Services	68,174	23,636	8,627	11,165	13,226	7,307	4,213	2,464	0	88	39,625	2,061	0	300	44,538	23,636	68,174
ICT Projects																	
Data Storage	695	366	129	200	0	0	0	0	0	0	329	0	0	0	329	366	695
End User Devices 25/26 MTF5	2,695	0	0	1,359	1,336	0	0	0	0	0	2,695	0	0	0	2,695	0	2,695
End User Hardware	7,132	4,616	2,266	250	0	0	0	2,516	0	0	0	0	0	0	2,516	4,616	7,132
LAN / WAN	5,512	4,078	1,100	334	0	0	0	1,434	0	0	0	0	0	0	1,434	4,078	5,512
Server OS Updates - Windows 2012	431	137	125	169	0	0	0	0	0	0	294	0	0	0	294	137	431
WAN/LAN connection upgrades	2,646	0	0	66	1,290	1,290	0	0	0	0	2,646	0	0	0	2,646	0	2,646
Schemes under £250,000 25/26 onwards	1,738	1,199	279	260	0	0	0	373	0	0	166	0	0	0	539	1,199	1,738
New Funding 2026/27 onwards																	
Replacement of infrastructure for digital data backup	460	0	0	460	0	0	0	0	0	0	460	0	0	0	460	0	460
Server upgrades and replacement	164	0	0	164	0	0	0	0	0	0	164	0	0	0	164	0	164
ICT hardware for end users	4,678	0	0	0	0	1,754	2,924	0	0	0	4,678	0	0	0	4,678	0	4,678
Total ICT Projects	26,151	10,396	3,899	3,262	2,626	3,044	2,924	4,323	0	0	11,432	0	0	0	15,755	10,396	26,151
Archives & Information Management																	
Schemes under £250,000 25/26 onwards	57	27	5	0	0	0	25	18	0	0	0	0	12	0	30	27	57
Total Archives & Information Management	57	27	5	0	0	0	25	18	0	0	0	0	12	0	30	27	57
Capital Receipts Adjustment - Disposals Forecast	0	0	0	0	0	0	0	25,245	0	0	-25,245	0	0	0	0	0	0
Removal of Existing Projects																	
Investment and Transformation Fund	41,560	0	0	13,853	13,853	13,854	0	9,603	0	0	31,957	0	0	0	41,560	0	41,560
	-41,560	0	0	-13,853	-13,853	-13,854	0	-9,603	0	0	-31,957	0	0	0	-41,560	0	-41,560
Quayside - Multi-Storey Car Park	7,549	0	0	4,000	3,549	0	0	0	0	0	7,549	0	0	0	7,549	0	7,549
	-7,549	0	0	-4,000	-3,549	0	0	0	0	0	-7,549	0	0	0	-7,549	0	-7,549
Highways Locals 26/27 - 28/29	2,100	0	0	700	700	700	0	0	0	0	2,100	0	0	0	2,100	0	2,100
	-2,100	0	0	-700	-700	-700	0	0	0	0	-2,100	0	0	0	-2,100	0	-2,100
Total Investment & Transformation Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Annex 8b

Capital Programme - Changes 2026/27 Onwards

New Schemes							
Scheme Name	Total Scheme Budget £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Future Years £000	Scheme Description
Adults Services							
Replacement of Wheelchair Access Vehicles (WAVS) for Adults and Childrens Services	855	855	0	0	0	0	To replace a fleet of vehicles that are end of life.
Adult Social Care and Children's Social Care High Cost Disabled Facilities Grants Contribution	880	220	220	220	220	0	This is an investment in high cost home adaptations to enable adults and children to stay at home. The investment replaces previous DFG funding for equipment as this is no longer available
Social Care Contributions to Minor Adaptations	1,600	400	400	400	400	0	This is an investment in minor adaptations to enable the service to continue to deliver effective minor adaptations for individuals. The investment replaces previous DFG funding for equipment as this is no longer available
Adults Services Total	3,335	1,475	620	620	620	0	
Children's Services							
Youth Support Vehicles for Activities Team	80	80	0	0	0	0	Purchase of suitable vehicles for transporting children and equipment for our outdoors activities provision.
The Birches - Harm Outside the Home Service	600	600	0	0	0	0	To create a unified countywide service supporting children experiencing, or at risk of, harms outside of the home (e.g. exploitation, substance misuse, criminality).
Children's Services Total	680	680	0	0	0	0	
Economy, Environment & Infrastructure							
Nature recovery	445	75	103	106	161	0	Purchasing of trees, hedges, woody shrubs and wildflowers
Household Recycling Centres	3,900	1,500	1,200	1,200	0	0	Refurbishment and vital repairs to council household recycling centres and compaction equipment
Corporate Fleet - provision of hire vehicles	100	100	0	0	0	0	Provide up to 3 vehicles that can be used as short term hire vehicles rather than teams procuring a vehicle from external hire car providers
Additional EV chargers at GCC sites	440	220	220	0	0	0	Implement additional EV chargers at GCC sites
Additional roll out of parking schemes	1,000	250	250	250	250	0	Capital funding to design and implement a programme of new Pay & Display machinery and residents parking zones where local communities are facing parking pressures
Road Safety - Area and Route Treatments	1,200	100	300	400	400	0	Implement road safety measures including traffic calming, speed limit reviews, minor junction improvements at areas and routes where there are the worse issues of killed and seriously injured people due to traffic collisions and improve priority journey ways for vulnerable road users.
Traffic data collection system upgrade	129	129	0	0	0	0	Collection of traffic data has advanced with the provision of more digital data, which now needs to form an integral part of our traffic modelling systems.
Highways resurfacing & proactive drains enhancement	15,000	5,000	5,000	5,000	0	0	Additional funding to support our commitment to Fix Our Roads and Tidy Our Streets
Economy, Environment & Infrastructure Total	22,214	7,374	7,073	6,956	811	0	

Scheme Name	Total Scheme Budget £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Future Years £000	Scheme Description
Community Safety							
Breathing Apparatus Replacement	1,924	0	1,924	0	0	0	Replacement of breathing apparatus sets which have reached end of life (10-15 years).
Vision 5 hardware Refresh	700	0	700	0	0	0	Replacement of hardware system within the control room for mobilising fire and rescue assets to emergency incidents.
Cinderford Fire Station Alterations	800	800	0	0	0	0	Additional funding to support the major refurbishment and expansion of existing Cinderford fire station to accommodate the operational requirements of a full-time day watch duty system.
Community Safety Total	3,424	800	2,624	0	0	0	
Corporate Resources							
Improve accessibility and provide reasonable adjustments on the Corporate Estate	460	106	107	177	70	0	Investment to ensure compliant estate, fit for purpose and meeting legislative accessibility requirements
Essential buildings maintenance and compliance work to the corporate estate to ensure it remains fit for purpose and safe.	2,122	292	990	740	100	0	Investment in buildings and structures to ensure compliance and safety.
Essential mechanical and electrical maintenance systems and compliance work to the corporate estate to ensure it remains fit for purpose and safe.	1,649	305	185	550	609	0	Investment in mechanical and electrical systems to ensure compliance and safety.
Replacement of the infrastructure required to backup the council's digital data	460	460	0	0	0	0	Ensures that our data backup solutions are modern and fit for purpose
Rolling programme of upgrades and replacement of aging server infrastructure	164	164	0	0	0	0	Replaces servers and infrastructure that would otherwise go out of date during 2026/27
Provision of ICT hardware including laptops for end users across the council	4,678	0	0	1,754	2,924	0	This funds to ongoing programme of refreshing devices used by staff and the public including laptops, desktops, monitors etc
Upgrade security arrangements at appropriate locations, including CCTV and door access systems.	236	90	57	47	42	0	Review and upgrade security systems at appropriate locations, prioritised on risk basis.
Corporate Resources Total	9,769	1,417	1,339	3,268	3,745	0	
Total New Schemes	39,422	11,746	11,656	10,844	5,176	0	
Removal of Existing Schemes							
Highways Local capital element	-2,100	-700	-700	-700	0	0	This removes the capital element of Highways Local to reinvest into Fix our Roads and Tidy Our Streets
Proposed multi-storey car park	-7,549	-4,000	-3,549	0	0	0	Withdrawal of current project while medium to long term car parking requirements are considered
Investment and Transformation Fund	-41,560	-13,853	-13,853	-13,854	0	0	This fund was created to fund invest to save capital schemes - moving forward schemes will be approved on an individual business case basis.
Total Schemes Removed	-51,209	-18,553	-18,102	-14,554	0	0	
Total Change to the Capital Programme 2026/27 Onwards	-11,787	-6,807	-6,446	-3,710	5,176	0	

Annex 8c

New Funding Available 2026/27 Onwards (Excluding New MTFS Bids)

Scheme Name	Budget					Funding	Funding of Budget Total £000
	Total Scheme Budget £000	2026/27 £000	2027/28 £000	2028/29 £000	Future Years £000	External Grant £000	
<u>Summary by service area</u>							
Adults	8,490	8,490	0	0	0	8,490	8,490
Schools	15,484	0	0	0	15,484	15,484	15,484
Transport & Highways	29,004	7,252	7,252	7,252	7,248	29,004	29,004
Total Capital Programme	52,978	15,742	7,252	7,252	22,732	52,978	52,978
<u>Adults</u>							
Disabled Facilities Grant 2026/27 (estimate)	8,490	8,490	0	0	0	8,490	8,490
Total Adults	8,490	8,490	0	0	0	8,490	8,490
<u>Schools</u>							
Basic Need Grant 2026/27	5,620	0	0	0	5,620	5,620	5,620
Basic Need Grant 2027/28	3,564	0	0	0	3,564	3,564	3,564
Schools Condition Allocation 2026/27 (estimate)	6,300	0	0	0	6,300	6,300	6,300
Total Schools	15,484	0	0	0	15,484	15,484	15,484
<u>Transport & Highways</u>							
Highways Maintenance Block Grant 2026/27 (estimate)	25,890	6,473	6,473	6,473	6,471	25,890	25,890
Highways Local Transport Grant 2026/27	3,114	779	779	779	777	3,114	3,114
Total Transport & Highways	29,004	7,252	7,252	7,252	7,248	29,004	29,004

Treasury Management and Investment Strategy Statement 2026/27

Introduction

1. Treasury management is the management of GCC's cash flows, borrowing and investments, and the associated risks. GCC has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to GCC's prudent financial management.
2. The Chartered Institute for Public Finance and Accounting (CIPFA) 2021 Prudential Code, Treasury Management Code of Practice (the Code) and Department of Levelling Up, Housing and Communities (DLUHC) 2018 guidance requires GCC to produce:
 - A Capital Strategy,
 - A Treasury Management Strategy, and
 - An Investment Strategy covering non-treasury investments.
3. The strategies will be approved by full Council as part of the MTFS. The Treasury Management Strategy (TMSS) and Investment Strategy are submitted to the Audit and Governance Committee in accordance with its terms of reference to regularly monitor and scrutinise GCC's Treasury Management policy and practices.
4. Treasury risk management at GCC is conducted within the framework of the Code, which requires GCC to approve a treasury management strategy before the start of each financial year. This report fulfils GCC's legal obligation under the Local Government Act 2003 to have regard to the Code.
5. GCC invests its money for three broad purposes:
 - because it has surplus cash from its day-to-day activities, for example when income is received in advance of expenditure (known as treasury management investments),
 - to support local public services by lending to or buying shares in other organisations (service investments), and
 - to earn investment income (known as commercial investments where this is the main purpose).
6. This TMSS focusses on the first category, investments held for service purposes or for commercial profit are considered separately. As we have very little within those categories the required Investment Strategy is included as Appendix C of this report.

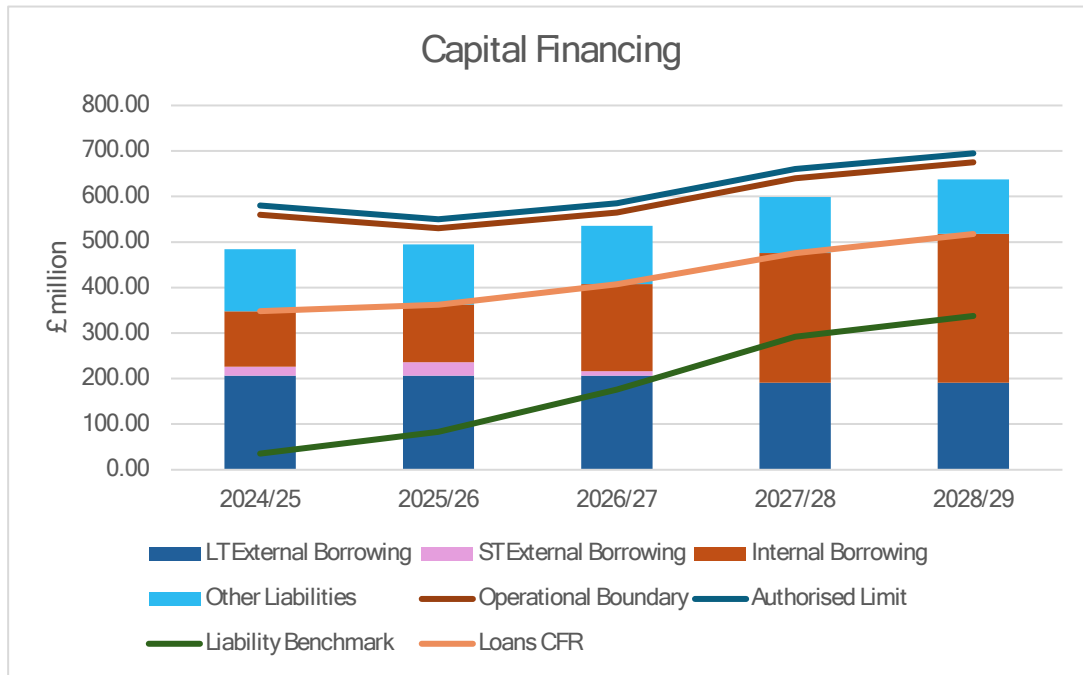
Should service or commercial investing become more material in the future a separate targeted strategy would be produced.

7. The key aims of this TMSS are:

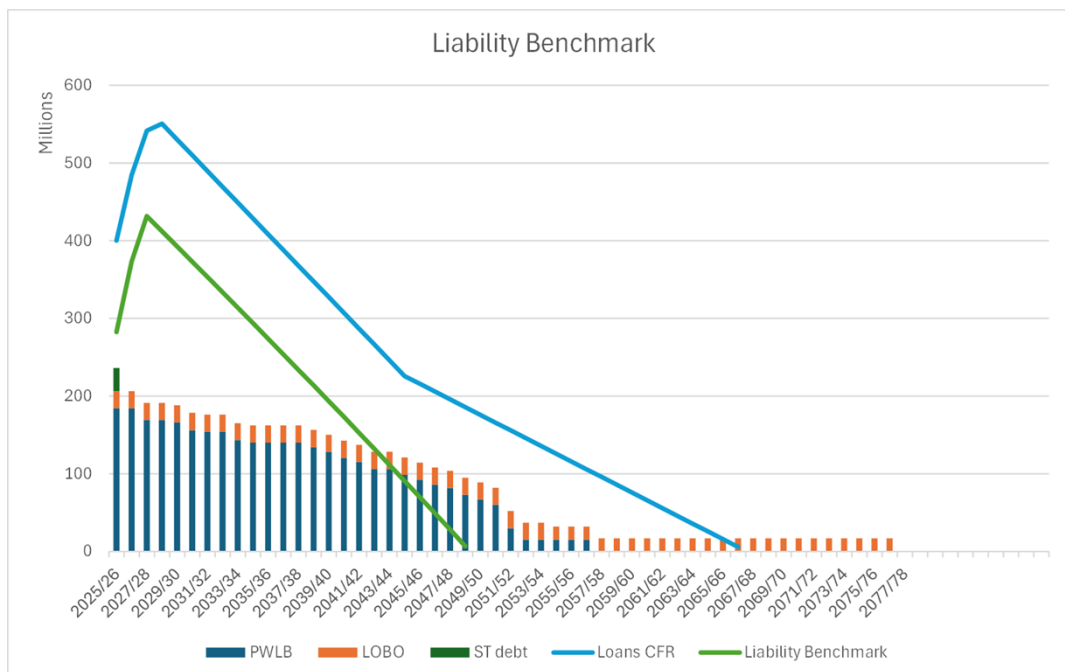
- To set out the key principles on which our borrowing and investment decisions are made, including how security and risk have been assessed in the development of our investments.
- To outline how we invest our money to ensure we have the financial resources to support the key priorities outlined in the 2026/2027 Medium Term Financial Plan.
- To present the arrangements for managing and monitoring our treasury management decisions.
- To present the 2026/27 Minimum Revenue Provision (MRP) Statement.
- To present the refreshed Treasury Management Policy Statement, including the updated section within TMP1, Responsible Investment Principles.

Borrowing

8. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR). GCC has an increasing CFR due to the approved capital programme which includes schemes that are to be funded from borrowing. As at 31st March 2025 GCC had a CFR balance of £484.5 million, which included £228.4 million of external borrowing, and a £136.6 million lease liability (including PFI and the Waste liability). The remaining balance is internal borrowing whereby investment balances are lower as they offset against the need to borrow.
9. CIPFA's Prudential Code recommends that external borrowing should be lower than the highest forecast CFR over the following three years. Table 1 below shows that GCC expects to comply with this recommendation, particularly as borrowing is not currently being externalised long term.



10. GCC is required under the Code to consider the borrowing portfolio against a liability benchmark. The liability benchmark is an important tool to help establish whether GCC is likely to be a long-term borrower or long-term investor in the future and so shape the strategic focus and decision making. The liability benchmark shown below represents an estimate of the cumulative amount of external borrowing GCC must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.



11. The benchmark indicates a rising CFR over the current MTFS period due to the approved capital programme. This indicates that GCC will need to manage debt in the short term

with the chart indicating a 20-year borrowing need. Investment balances are falling as borrowing continues to be held internally and short-term liquidity issues may arise if debt is not externalised.

12. Despite having an increasing need to borrow GCC will continue to manage the borrowing requirement using existing balance sheet resources (balances, reserves, cash flow surpluses) as much as possible. New debt would only be externalised long term if it becomes uneconomical to hold it internally. A short-term borrowing strategy is more favourable based on current projections on interest rates. GCC will therefore continue to borrow short term to manage liquidity.
13. Due to decisions taken in the past, GCC is currently projected to have £206.3 million long term external borrowing at the end of March 2026 at an average interest rate of 4.6%. GCC's aim is to repay maturing debt, however nothing is due to mature during 2026/27. GCC has 3 Lender Option Borrower Option (LOBO's) with Dexia Bank on a 6 monthly call. If these were called GCC will take the opportunity to repay these loans during 2026/27 due to their inflexible structure and long life.
14. In setting a balanced budget GCC must calculate its budget requirement for each financial year and include the revenue costs that come from capital expenditure and financing decisions. Under the Local Government Act 2003 and the Prudential Code GCC must consider what is affordable, prudent, and sustainable. All capital borrowing decisions are assessed and approved as part of the MTFS planning process. The implications on the revenue budget are assessed as part of this planning process.
15. GCC's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in prudential indicators, which are designed to assist members in their overview and consideration of capital expenditure plans both in terms of affordability and prudence. The key capital prudential indicators are included within the Capital Strategy, which is included within the MTFS. Prudential Indicators are reported quarterly to Cabinet through the Performance Monitoring process.

Borrowing Strategy

16. GCC's strategy is to maintain borrowing and investments below their underlying levels, known as internal borrowing. GCC's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required. The flexibility to renegotiate loans should GCC's long-term plans change is a secondary objective.
17. Given that longer term rates are currently high and expected to remain so during 2026/27, and following discussions with our treasury advisors, Arlingclose, a more appropriate strategy for borrowing will be to borrow short term from the PWLB or LA market when liquidity means that there are insufficient resources to maintain internal borrowing. However, if long term rates prove more attractive, then GCC will switch to using the Public Works Loan Board (PWLB) or another lender in the market to fund past and future debt.
18. The benefits of internal borrowing will continue to be monitored regularly, and opportunities for restructuring or repaying debt at a discount will continue to be explored. Arlingclose will continue to assist GCC with this analysis, and identification of discount

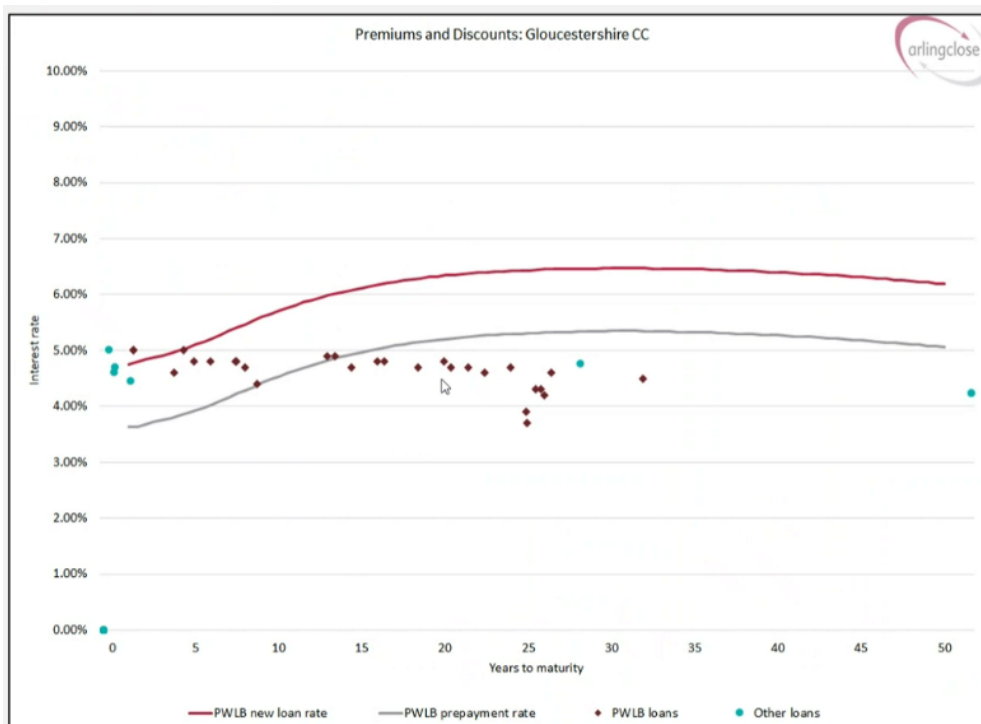
opportunities. GCC will continue to borrow short-term loans to cover unexpected cash flow shortages.

Sources of Borrowing

Lending Body	£m 31/03/26	Detail
HM Treasury's PWLB lending facility	184.20	GCC has previously raised the majority of its long-term borrowing from the PWLB. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield.
Municipal Bonds Agency	-	UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities.
National Wealth Fund Ltd	-	UK Infrastructure Bank is a government-owned policy bank, launched in 2021 looking to provide £6bn of infrastructure finance to local government over the next 5 years to finance regional and local economic growth, support tackling climate change and the investment in infrastructure assets or in new infrastructure technology.
Market Loans (LOBO)	22.05	For LOBO's the lender has the option to propose an increase in the interest rate at set dates, following which the borrower has the option to either accept the new rate or to repay the loan at no additional cost.
Short-term and variable rate loans (Banks, LA's Pension Funds)	30.00	These loans provide a useful alternative to fixing into long term loans particularly in a high interest rate environment. There is a risk of exposure to short-term interest rate rises.
Current Total Forecast	236.25	

Debt rescheduling

19. The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. GCC may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.
20. Currently a number of loans are in a discount position (marked loans below the grey line below), however, to repay these would require replacement debt to be taken due to cashflow liquidity, and these would be at a much higher rate (red line on the below chart). Therefore, although this option will be kept under review it is not currently financially advantageous to do.



21. Borrowing and rescheduling activity will be reported to the Audit and Governance Committee in the Annual Treasury Management Report, the Mid Year Report and any other treasury management reports presented to Audit & Governance Committee.
22. Capital finance may also be raised by the following methods that are not borrowing, but may be classed as other debt liabilities and impact on the CFR:
 - leasing
 - hire purchase
 - Private Finance Initiative
 - sale and leaseback
 - similar asset based finance.

Treasury Management Investments

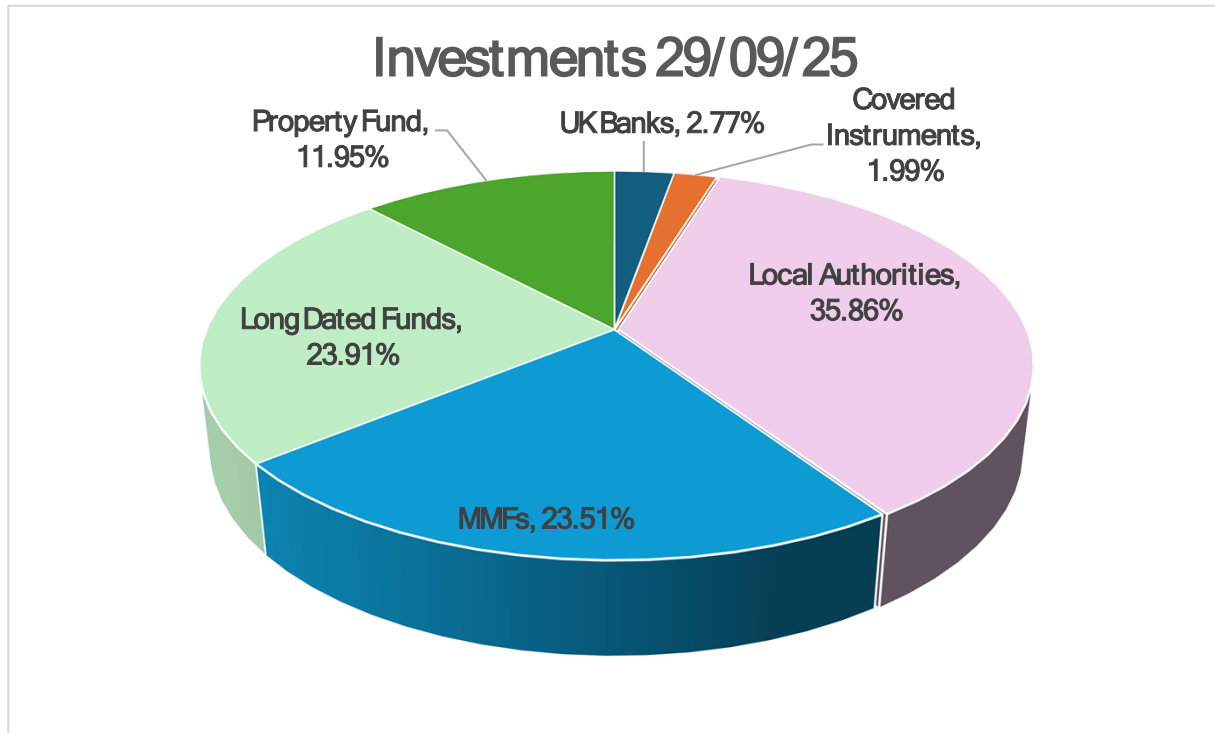
23. Despite the internally borrowed position, GCC still holds significant invested funds, representing income received in advance of expenditure plus balances and reserves. During 2025/26 to 29th September 2025 GCC's internal treasury investment balance has ranged between £187.2 million and £291.5 million, with minimum balances over £34 million lower than balances held during 2024/25. Balances are lower than prior years due to increasing internal borrowing levels. Balances are expected to fall further as borrowing held internally increases as a result of capital spend funded from borrowing.
24. As at 29th September 2025 GCC held £250.9 million of treasury investments which is forecast to fall to £138 million by the end of March 2026. This assumes no further short term borrowing is taken, no new fixed investment is carried out, and no strategic funds are matured. GCC's balances are forecast to fall as liquid balances will be used to avoid the need to borrow at year end when rates can be artificially high between other LAs.

25. The table below shows the forecast between short- and longer-term holdings. Future capital receipts are not factored in until they are received. Balances are forecast to fall over the MTFS period as cash balances are used for approved capital schemes. Borrowing to maintain liquidity is assumed.

Treasury Management Investments, Principal Position	31.03.25 Actual £m	31.03.26 Forecast £m	31.03.27 Budget £m	31.03.28 Budget £m	31.03.29 Budget £m
Near-term investments	106.44	155.59	142.09	112.95	89.83
Longer-term investments	95.00	90.00	60.00	45.00	35.00
TOTAL	201.44	245.59	202.09	157.95	124.83

26. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy. GCC may request its money back at short notice, however the business model to date has been to hold money in strategic pooled funds for the longer term, for a period of at least five years. Currently there is an accounting override on strategic investments, meaning that capital gains and losses are not taken into account in the Comprehensive Income and Expenditure Statement, and thereby meaning that a provision is not needed to smooth variations in capital values. This override is coming to an end in March 2029, at which point any gains and losses will need to be taken into account when the Budget is set.
27. Due to reducing cash levels, and some funds being exposed to fossil fuels, which is against Council policy, it is likely that GCC will disinvest from a number of these funds during the next few years. Capital values are kept under review and as funds recover sufficiently, a decision will be taken on whether to disinvest. Wherever possible original principal values will be recovered enough before disinvestment, however GCC may look to offset losses on a fund with gains on another in order to disinvest at a cost neutral position.
28. The CIPFA Code requires GCC to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. GCC's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, GCC will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested. GCC aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing in accordance with the ESG Treasury Policy, detailed in Appendix E.
29. Market conditions have been relatively stable during 2025/26 with interest rates falling from a peak of 4.5% at the start of the financial year to 4.0% as at 29th September 2025. Due to an inverted yield curve short term rates have generally been more favourable than longer term rates, so more cash has been held in instant access accounts during the year. As GCC's internal borrowing position has increased there has been less cash available for investment, and less fixed term investments have been made. GCC continues to favour having a well diversified portfolio and continues to seek opportunities

to ensure security of cash over yield. The pie chart below shows how GCCs surplus cash is invested as at 29th September 2025.



30. GCC may invest its surplus funds with any of the counterparty types in table 2 below, subject to the cash limits (per counterparty), the time limits shown, and the Responsible Investment Policy incorporated as part of the Treasury Management Policies. Further details on counterparties and types are provided at Appendix D, and the Treasury Management Policy Statement is shown in Appendix E.

Table 2: Approved Investment Counterparties and Limits

Sector	Time Limit	Counterparty Limit	Sector Limit
The UK Government	50 years	Unlimited	n/a
Local authorities & other government entities	25 years	£15m	Unlimited
Secured investments *	25 years	£30m	Unlimited
Banks (unsecured) *	13 months	£15m	Unlimited
Building societies (unsecured) *	13 months	£15m	£30m
Registered providers (unsecured) *	5 years	£15m	£30m
Money market funds *	n/a	£30m / fund	Unlimited
Strategic pooled funds	n/a	£30m / fund	£150m
Real estate investment trusts	n/a	£30m	£30m
Other investments *	5 years	£15m	£30m

** Minimum credit rating: Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A-*

As some managers are pooled or not UK based GCC also sets the following limits:

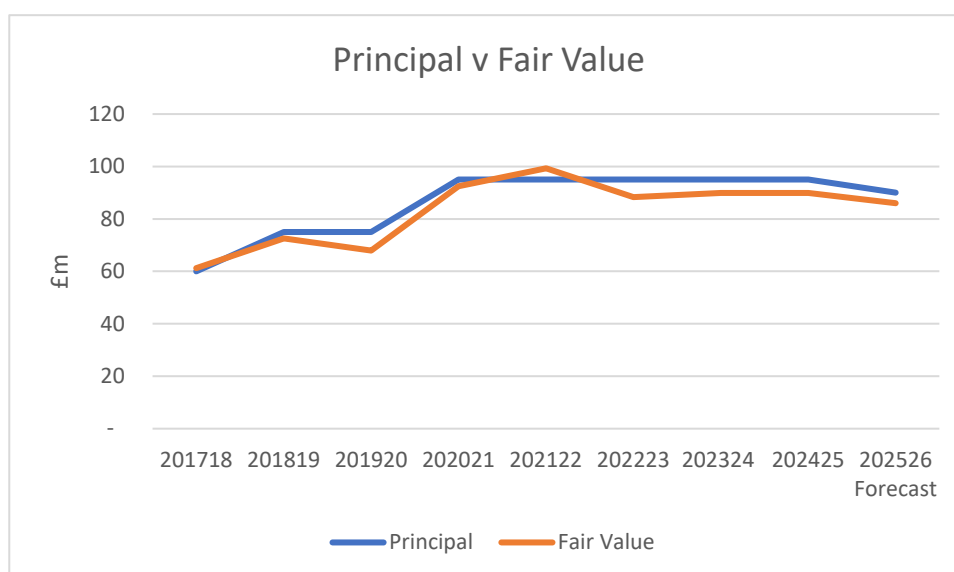
	Cash limit
Any group of pooled funds under the same management	£60m per manager
Negotiable instruments held in a broker's nominee account	£30m per broker
Foreign countries	£30m per country

Responsible Investment

31. In 2019 GCC's Full Council passed a Motion: Responsible Investment Policy, which ruled out new investments in fossil fuel companies. At the time it was acknowledged that some of the Fund investments treasury held did contain a small percentage of fossil fuel holdings, however, to disinvest at the time would have resulted in a capital loss.
32. GCC now has a climate action plan, The Council Climate Change Strategy, and the target is to reduce corporate emissions, with a target to reach net zero by 2030. More details can be found at the link below: [Greener Gloucestershire](#).
33. When investing the treasury team has ensured that no new investments are taken out in funds that hold fossil fuels, in line with the responsible investment motion, and existing funds are actively monitored with a view to disinvesting once capital values are sufficiently recovered.
34. The Code now requires local authorities to consider their counterparty policies in light of Environment, Social and Governance (ESG) information. However it is recognised that there is not a developed approach to ESG for public sector organisations and ESG scoring / criteria is a developing area in the investment arena.
35. ESG issues are wide-ranging and non-standardised, however GCC aims to be a responsible investor and will consider ESG issues when investing. When investing in banks and funds, GCC will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, and / or the UK Stewardship Code.
36. Although not required by the Code, a new section has been added to the Treasury Management Policy Statement: TMP1 Risk Management - Responsible Investment Principles. The Treasury Policy Statement is presented as Appendix E to this report.
37. The current portfolio meets ESG objectives in the following way:
 - We invest in a social housing REIT that provides high-standard, specialist properties which provide housing for some of society's most vulnerable people. Tenant groups include those with autism, learning disabilities as well as mental health struggles. This fund is also signed up to the UN Principles for Responsible Investment.
 - We invest in a responsible income fund which does not invest in companies which have fossil fuel reserves or are engaged in fossil fuel extraction.
 - We invest in an ethical bond fund which does not invest in companies which have fossil fuel reserves or are engaged in fossil fuel extraction.

- We invest in a diversified income fund that has a significant exposure to wind / solar / renewable energy companies and is very active in promoting responsible investing.
- All the banks that we hold investment balances with are signed up to the UN Principles for Responsible Banking.
- All of our Pooled Strategic Funds (excluding our social housing REIT) and Money Market Funds are signed up to the UN Principles for Responsible Investment, the UK Stewardship Code 2020, and the Net-Zero Asset Managers Initiative.

38. Capital value on the funds that we hold have been recovering, and as at the end of September 2025 the following fund values are forecast, with a £4.0 million capital loss compared to a £4.2 million loss as at the end of the financial year 2024/25. This loss is reduced to £2.25 million if the Fundamentum fund is excluded. Fundamentum is a social housing REIT, so not subject to the statutory override. Although values on the Fundamentum fund are currently lower than expected, this is due to the valuer taking into consideration some distressed housing associations in the supported housing sector and lack of clear government policy. Rental income and dividend payouts have been unaffected by the valuation and the uncertainty is expected to be resolved over time.



39. Three of the funds currently held contain fossil fuel investment (Aegon, Ninety One and Schroders), and the loss currently reported on those funds is £2.198 million, an improvement of over £0.5 million on values at the end of March 2025. Opportunities to disinvest from these funds will be kept under review.

Monitoring Treasury Investments

40. Credit ratings are obtained and monitored by GCC's treasury advisers, who will notify changes in ratings as they occur. Arlingclose currently review the three main credit rating agencies, Fitch, Moody's, and Standard and Poor's, and provides a monthly updated credit list. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria as set out in this TMSS:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be,
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty in consultation with Arlingclose.

41. Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as “negative watch”) so that it may fall below the approved rating criteria, then only investments that can be withdrawn will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other information on the security of investments:

42. GCC understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from GCC’s treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

43. GCC is aware that investment with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be taken into account when making investment decisions.

44. When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008, 2020 and 2022, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, GCC will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest GCC’s cash balances, then the surplus will be deposited with the UK Government or with other local authorities. This will cause a reduction in the level of investment income earned but will protect the principal sum invested.

45. In order to monitor this, we have set cash limits on the credit quality of the investments as follows:

	Cash limit
Total Long Term Investments	£150m
Total Investments without Credit Ratings or below A- (excluding UK Government or Local Authorities)	£30m per broker
Total Investments (excluding Pooled Funds) domiciled in foreign countries rated below AA+	£30m per country

46. GCC uses cash flow forecasting to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of GCC being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to GCC's medium-term financial plan and cash flow forecast.
47. GCC will spread its liquid cash over at least three providers (e.g. bank accounts and money market funds) to ensure that access to cash is maintained in the event of operational difficulties at any one provider.

Treasury Management Indicators

48. GCC measures and manages its exposures to treasury management risks using the following indicators.

Security:

49. GCC has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit Risk Indicator	Target
Portfolio average credit rating	A-

Liquidity:

50. GCC has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

Liquidity Risk Indicator	Target
Total cash within 6 months	£50m

Interest rate exposures:

51. This indicator is set to control GCC's exposure to interest rate risk. The upper limits on fixed and variable rate interest exposures, expressed as the proportion of net principal borrowed will be:

Interest Rate Risk Indicator	Limit
Upper limit on one-year revenue impact of a 1% rise / fall in interest rates	£500k

52. Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate. The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at new market rates.
53. Maturity structure of borrowing: This indicator is set to control GCC's exposure to refinancing risk. Due to the current short term borrowing strategy more may be held under

one year compared to previous years. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	50%	0%
12 months to 10 years	50%	0%
10 years and above	100%	0%

54. Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.
55. Principal sums invested for periods longer than 364 days: The purpose of this indicator is to control GCC's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management investments will be £150 million annually.
56. Long-term investments with no fixed maturity date include strategic pooled funds and real estate investment trusts but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

Capacity, Skills, and Culture

57. GCC provides training from our Treasury Management Advisors to members of the Audit and Governance Committee on an annual basis, to ensure that they are fully aware of the investments included in the Treasury Management Strategy and Investment Strategy. This ensures that members can take informed decisions on the investments being included in the strategy and have the opportunity to challenge their use to ensure that they fully understand the implications of the investment.
58. Where commercial deals are to be negotiated, Finance will be involved to ensure that the core principles of the prudential framework and of the regulatory regime within which local authorities operate is taken into account.

Other items

59. The CIPFA Code requires GCC to include the following in its treasury management strategy.

Policy on the Use of Financial Derivatives

60. Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).
61. GCC will only use standalone financial derivatives (such as swaps, forwards, futures,

and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that GCC is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

62. Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria assessed using the appropriate credit rating for derivative exposures. An allowance for credit risk calculated using the methodology in the Treasury Management Practices document will count against the counterparty credit limit and the relevant foreign country limit.
63. In line with the CIPFA Code, GCC will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

Markets in Financial Instruments Directive

64. GCC has opted up to professional client status with its providers of financial services, including advisers, banks, brokers, and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of GCC's treasury management activities, this is the most appropriate status.

Investment advisers

65. GCC employs Arlingclose Limited as treasury management advisers on a three plus two year contract following a full tender exercise in 2022. The contract commenced on 1st December 2022 and is now in the two year extension period so will run to 30th November 2027.

Investment of money borrowed in advance of need

66. GCC may, from time to time, borrow in advance of need, where this is expected to provide the best long-term value for money. Since amounts borrowed will be invested until spent, GCC is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the overall management of treasury risk.
67. The total amount borrowed will not exceed the authorised borrowing limit of £655m. The maximum period between borrowing and expenditure is expected to be three years, although GCC is not required to link particular loans with particular items of expenditure.

Financial Implications

68. The expected investment income in 2026/27 is forecast to be £8.2 million. Future investment income is forecast to be lower due to predicted falling interest rates and lower investment balances as a result of the internally borrowed position. For the purpose of setting the budget, it has been assumed that new treasury investments will be made at an average rate of 3.6%.

69. The estimated budget for debt interest to be paid in 2026/27 is forecast to be £11.5 million, based on an average debt portfolio of £251 million at an average interest rate of 4.5%.

Other Options Considered

70. The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The above strategy represents an appropriate balance between risk management and cost effectiveness.

2026/27 Minimum Revenue Provision Statement

71. Where GCC finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires GCC to have regard to MHCLG (now DLUHC) Guidance most recently issued in April 2024.
72. The broad aim of the Guidance is to ensure that capital expenditure is financed over a period that is reasonably commensurate with that over which the capital expenditure provides benefits.
73. The Guidance requires GCC to approve an Annual MRP Statement each year and provides a number of options for calculating a prudent amount of MRP but does not preclude the use of other appropriate methods. The following statement incorporates the options recommended in the Guidance.
74. MRP is calculated by reference to the Capital Financing Requirement (CFR) which is the total amount of past capital expenditure that has yet to be permanently financed, noting that debt must be repaid and therefore can only be a temporary form of funding. The CFR is calculated from GCC's Balance Sheet in accordance with CIPFA's Prudential Code for Capital Expenditure in Local Authorities, 2021 edition.
75. To ensure that the MRP charge remains prudent, GCC regularly reviews its CFR. To reduce the amount of excess MRP set aside, GCC changed its policy for capital expenditure in 2015/16 setting aside a fixed sum for the historic debt, currently £6.2 million. This charge still allows for a prudent provision for the repayment of existing debt and ensures that Prudential Indicators are not breached.
76. The asset life of capital assets obtained through the capital programme will form the basis of calculating an annual MRP provision for any new borrowing since 2015/16, starting in the year after the asset becomes operational. For any commercial related investments, a business case review will be carried out and an appropriate provision for the repayment of any debt taken, set aside.
77. For assets acquired by leases or the Private Finance Initiative, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.

78. MRP in respect of former operating leases brought on Balance Sheet due to the adoption of the IFRS 16 Leases accounting standard, and the asset values have been adjusted for accruals, prepayments, premiums and/or incentives, then the MRP charges will be adjusted so that the overall charge for MRP over the life of the lease reflects the value of the right-of-use asset recognised on transition rather than the liability.
79. Capital expenditure incurred during 2025/26 will not be subject to a MRP charge until 2026/27 at the earliest, in line with guidance issued.
80. Based on the latest estimate of the CFR, MRP for 2026/27 is forecast as follows:

	31.03.2025 Actual CFR	2025/26 Actual MRP	31.03.2026 Estimated CFR	2026/27 Estimated MRP
	£m	£m	£m	£m
Capital expenditure before 01.04.2008	237.734	6.200	231.534	6.200
Unsupported capital expenditure after 31.03.2008	110.107	4.265	131.164	4.976
Leases and Private Finance Initiative	136.569	4.637	131.932	4.572
Total	484.410	15.102	494.630	15.748

Capital loans

- For capital expenditure on loans to third parties which were made primarily for financial return rather than direct service purposes, MRP will be charged in accordance with the policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational. This MRP charge will be reduced by the value any repayments of loan principal received during in the year, with the capital receipts so arising applied to finance the expenditure instead.
- For capital expenditure on loans to third parties which were made primarily for service purposes, GCC will make zero MRP except as detailed below for expected credit losses. Instead, GCC will apply the capital receipts arising from the repayments of the loan principal to finance the expenditure in the year they are received.
- For capital loans made on or after 7th May 2024 where an expected credit loss is recognised during the year, the MRP charge in respect of the loan will be no lower than the loss recognised. Where expected credit losses are reversed, for example on the eventual repayment of the loan, this will be treated as an overpayment.
- For capital loans made before 7th May 2024 and for loans where expected credit losses are not applicable, where a shortfall in capital receipts is anticipated, MRP will be charged to cover that shortfall over the remaining life of the assets funded by the loan.

Capital receipts

81. Proceeds from the sale of capital assets are classed as capital receipts and are typically used to finance new capital expenditure. Where GCC decides instead to use capital

receipts to repay debt and hence reduce the CFR, the calculation of MRP will be adjusted as follows:

- Capital receipts arising on the repayment of principal on capital loans to third parties will be used to lower the MRP charge in respect of the same loans in the year of receipt, if any.
- Capital receipts arising on the repayment of principal on finance lease receivables will be used to lower the MRP charge in respect of the acquisition of the asset subject to the lease in the year of receipt, if any.
- Capital receipts arising from other assets which form an identified part of GCC's MRP calculations will be used to reduce the MRP charge in respect of the same assets over their remaining useful lives, starting in the year after the receipt is applied.
- Any other capital receipts applied to repay debt will be used to reduce MRP in equal instalments starting in the year after receipt is applied.

Arlingclose's Economic and Interest Rate Forecast (24 September 2025)

	Current	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28
Official Bank Rate													
Upside risk	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central Case	4.00	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Downside risk	0.00	-0.25	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
3-month money market rate													
Upside risk	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central Case	4.01	3.80	3.75	3.80	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85
Downside risk	0.00	-0.25	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
5yr gilt yield													
Upside risk	0.00	0.65	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	4.10	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Downside risk	0.00	-0.65	-0.70	-0.75	-0.80	-0.85	-0.90	-0.95	-1.00	-1.05	-1.05	-1.05	-1.05
10yr gilt yield													
Upside risk	0.00	0.65	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	4.68	4.50	4.45	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40
Downside risk	0.00	-0.65	-0.70	-0.75	-0.80	-0.85	-0.90	-0.95	-1.00	-1.05	-1.05	-1.05	-1.05
20yr gilt yield													
Upside risk	0.00	0.65	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	5.37	5.20	5.10	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Downside risk	0.00	-0.65	-0.70	-0.75	-0.80	-0.85	-0.90	-0.90	-0.90	-0.90	-0.90	-0.90	-0.90
50yr gilt yield													
Upside risk	0.00	0.65	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	4.87	4.80	4.75	4.65	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70
Downside risk	0.00	-0.65	-0.70	-0.75	-0.80	-0.85	-0.90	-0.90	-0.90	-0.90	-0.90	-0.90	-0.90

Note:

PWLB Standard Rate = Gilt yield + 1.00%

PWLB Certainty Rate = Gilt yield + 0.80%

National Wealth Fund (NWF) Rate = Gilt yield + 0.40%

Underlying Assumptions:

- The MPC voted 7-2 to maintain Bank Rate at 4.0% in September 2025, in line with both Arlingclose and wider market expectations. While continuing to signal the expectation of “gradual and careful” policy easing, the MPC minutes also emphasised some committee members’ concerns about second round inflation effects. The shift in MPC focus over the past few months has increased uncertainty over the timing of the next rate cut.
- Inflation remained at 3.8% in August, but the expectation is for the CPI rate to peak around 4% this month and remain elevated into next year. The rise is largely the result of higher food and regulated prices, and labour costs. Services inflation remains elevated but has eased recently. Inflation expectations have picked up, but this is likely largely the result of the noticeable rise in food prices.
- Spare capacity has opened up in the labour market and wage growth is slowly moderating, which should place further downward pressure on services inflation.
- Underlying GDP growth remains subdued. While H1 2025 has been relatively strong, this was partly due to one-off factors. Q3 Gross Domestic Product (GDP) growth is likely to slow, with July’s GDP figures suggesting a lack of momentum. Downside risks persist, most notably the rising probability of fiscal tightening in the Budget.

- Business investment is lacklustre and private sector output is constrained by weaker domestic demand and spending. Ongoing uncertainty over the global outlook is still discouraging capital investment, particularly in the manufacturing sector.
- As the government struggles to meet fiscal rules amid a seeming lack of market confidence, fiscal consolidation is likely in the next Budget. This may place downward pressure on consumption and therefore economic growth.
- Arlingclose's view remains that the risks to growth are weighted to the downside. While upside risks to inflation remain over the short-term, these wane into the second half of 2026. The MPC's stance, however, suggests the chance of a Q4 reduction in Bank Rate has declined.
- Gilt yields remain elevated, driven by concerns around UK and US fiscal credibility, general anxiety about bond issuance levels, and uncertainty over the impact of US monetary and trade policy. While the MPC reduced Quantitative Tightening, due to these factors, longer term yields continue to include high term premia, the persistence of which is difficult to estimate.

Forecast:

- The MPC's sensitivity to higher inflation is partly offsetting the effect of the weak economic environment on Bank Rate expectations. However, Arlingclose continue to forecast one more 0.25% rate cut in Q4 2025 to 3.75%, while recognising that uncertainty over the timing of this move has increased.
- While downside risks to Arlingclose forecasts remain, the Committee's stance argues against further downward moves in our central forecast for Bank Rate at this time. They expect the UK Budget to be an inflection point that may materially change the interest rate outlook.
- Long-term gilt yields remain elevated for various reasons, both domestic and international. These issues may not be resolved quickly, but the UK Budget will be a key market driver.

EXISTING PORTFOLIO PROJECTED FORWARD

	Portfolio 29/09/25 Actual £m	Average Rate %	31-Mar-26 Estimate £m	31-Mar-27 Estimate £m	31-Mar-28 Estimate £m	31-Mar-29 Estimate £m
External Borrowing						
Fixed Rate – PWLB	184.200	4.61	201.728	184.228	184.228	184.228
Fixed Rate – Market	22.050	4.35	22.050	33.050	33.050	33.050
Temporary Loans	35.000	4.64	10.000	0.000	0.000	0.000
Total External Borrowings	241.250	4.59	233.778	217.278	217.278	217.278
Other long-term liabilities (PFI)	132.060		132.060	127.615	123.485	119.561
Total External Debt	373.310	4.59	365.838	344.893	340.763	336.839
Treasury Investments:						
<i>Managed in house</i>						
- Short term deposits and monies on call and Money Market Funds	150.942	4.32	155.590	142.089	112.953	89.833
- Long Term investments (over 12 months)	10.000	4.45	0.000	0.000	0.000	0.000
<i>Managed externally / Strategic Funds</i>	90.000	4.25	90.000	60.000	45.000	35.000
Total Investments	250.942	4.30	245.590	202.089	157.953	124.833
Net (Borrowing) / Investment Position	(122.368)		(120.248)	(142.804)	(182.810)	(212.006)

Appendix C

Non Treasury Investment Strategy

1. Statutory guidance issued by the government in January 2018 requires GCC to consider the strategy for service and commercial investments.
2. The guidance defines investments as “all of the financial assets of a local authority as well as other non-financial assets that the organisation holds primarily or partially to generate a profit; for example, investment property portfolios.”
3. GCC interprets this to exclude (a) trade receivables which meet the accounting definition of financial assets but are not investments in the everyday sense of the word and (b) property held partially to generate a profit but primarily for the provision of local public services.
4. This aligns GCC’s definition of an investment with that in the 2021 edition of the CIPFA Prudential Code, a more recent piece of statutory guidance.

Service Investments: Loans

5. GCC can lend money to support local public services and stimulate local economic growth. GCC does not currently have any service investments.

Service Investments: Shares

6. GCC holds shares costing £1 in Ubico Ltd. The fair value of GCC’s interest in the company at 31st March 2025 is considered to be zero, since it is a wholly local authority owned not-for-profit ‘Teckal’ company. As a ‘Teckal’ company it is treated as if it were an in-house department and the shareholder councils are able to enter into service contracts with the company without undertaking an EU compliant procurement process.

Commercial Investments: Property

7. GCC has not invested in Commercial Property to date. Should GCC invest in property and in accordance with government guidance, GCC considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.
8. GCC will assess the risk of loss before entering into and whilst holding property investments by producing a comprehensive business plan and monitoring performance on an ongoing basis.

Other Liabilities

9. Although not strictly counted as investments, since no money has exchanged hands yet, loan commitments and financial guarantees carry similar risks to GCC and are included here for completeness. GCC has guaranteed to cover the liabilities associated with the pensions of ex- employees following the transfers of council services to external bodies. These arrangements are monitored and assessed to ensure that any provision for possible liabilities are made and included within the Statement of Accounts.

Counterparty Types:

Banks and Building Societies Unsecured:	Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.
Credit Rating:	Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. Investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account. For entities without published credit ratings, investments may be made either (a) where external advice indicates the entity to be of similar credit quality; or (b) to a maximum of £100,000 per counterparty as part of a diversified pool e.g. via a peer-to-peer platform.
Government:	Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.
Registered Providers (unsecured):	Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing and registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England). As providers of public services, they retain the likelihood of receiving government support if needed.
Money market funds:	Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, GCC will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.
Other investments:	This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing GCC's investment at risk.
Operational bank accounts:	GCC may incur operational exposures, for example through current accounts, and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept to a minimum. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of GCC maintaining operational continuity.
Real estate investment trusts (REIT):	Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties. Investments in REIT shares cannot be withdrawn but can be sold on the stock market to another investor.
Secured Investments:	These investments are secured on the borrower's assets, which limits the potential losses in the event of insolvency. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the highest of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.
Strategic Pooled Funds:	Bond, equity and property funds offer enhanced returns over the longer term but are more volatile in the short term. These allow GCC to diversify into asset classes other than cash without the need to own and manage the underlying investments. These funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting GCC's investment objectives will be monitored regularly. These accounts are treated as long term investments due to the variability of the capital value of the investment and will be held for a period of at least 5 years. Any new funds opened will be in accordance with GCC's policies around fossil fuel, climate change and sustainable resources.

GLOUCESTERSHIRE COUNTY COUNCIL
TREASURY MANAGEMENT POLICY STATEMENT 2026

INTRODUCTION

- 1) This is a formal statement of the arrangements that are to apply in respect of Treasury Management at Gloucestershire County Council (GCC).
- 2) For the purpose of this statement, treasury management is defined as the management of GCC's cash flows, its banking, money market and capital market transactions; the effective control, identification and monitoring of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks. This includes the centrally held cash resources of the Gloucestershire Pension Fund.
- 3) GCC adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice, as described in section 5 of the Code.
- 4) Accordingly, GCC will create and maintain, as the cornerstones for effective treasury management: -
 - A treasury management policy statement stating the policies, objectives, and approach to risk management of its treasury management activities.
 - Suitable treasury management practices (TMPs), setting out the manner in which GCC will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
 - Investment management practices (IMPs) for investments that are not for treasury management purposes.
- 5) GCC nominates Audit & Governance Committee (A&GC) to be responsible for ensuring effective oversight of the treasury management strategy and policies.
- 6) A&GC will receive reports on treasury and investment management policies, practices, and activities including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs and IMPs.
- 7) The TMSS, together with the Capital Strategy, will receive full Council sign off annually as part of the MTFS process.
- 8) Following changes to the Code, Cabinet will receive quarterly Prudential Indicator updates as part of the monitoring report process.
- 9) GCC regards the successful identification, monitoring, and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on the risk implications for the organisation, and any financial instruments entered into to manage these risks.

- 10) The treasury management operation ensures that at all times monies are available to GCC to meet its operational requirements. Transactions involving the borrowing and lending of monies seek to minimise the cost or maximise the benefit to GCC in terms of interest paid or earned, whilst taking into account the appropriate security, diversification, and risk of investments.
- 11) GCC acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.
- 12) All executive decisions on investment, borrowing or financing are delegated to the Chief Financial Officer (CFO), in accordance with GCC's policy on delegation powers. Centralisation of treasury management brings benefits from economies of scale, control, expertise, communications, and coherence. Day to day procedures on treasury management are contained within separate Treasury Management Daily Procedures Documents that are reviewed and updated regularly to ensure that they remain fit for purpose.
- 13) GCC's borrowing will be affordable, sustainable, and prudent and consideration will be given to the management of interest risk and refinancing risk. The source of borrowing and the type of borrowing should allow GCC transparency and control over its debt.

GCC's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should GCC's long-term plans change is a secondary objective.

- 14) GCC's priority in relation to its treasury investments is the security of capital and liquidity (or accessibility) of these investments.

GCC's objective when investing treasury monies is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, GCC will aim to achieve, where appropriate, a total return that is equal or higher than the prevailing rate of inflation in order to maintain the spending power of the sum invested.

- 15) Responsible Investment is important for GCC and therefore TMP 1 includes a more extensive policy on the principles that underlie this.

TREASURY MANGEMENT PRACTICES (TMP's)

TMP1 RISK MANAGEMENT

The CFO will design, implement, and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect.

1) Credit and counterparty risk management

GCC regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with whom funds may be deposited. It also recognises the need to have, and will maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.

2) Liquidity risk management

GCC will ensure that it has adequate though not excessive cash resources, borrowing arrangements, overdraft, or standby facilities to enable it at all times, to have the level of funds available to it which are necessary for the achievement of its business/service objectives.

GCC will not borrow earlier than required to meet cash flow needs unless there is a clear business case for doing so. GCC will only borrow to ensure an adequate level of short-term investments to provide liquidity. All maturing debt will be repaid in full and capital programme borrowing requirement will be held internally until such time as this becomes unsustainable.

3) Interest rate risk management

GCC will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements.

This will be achieved by the prudent use of approved instruments, methods, and techniques to create stability and certainty of costs and revenues. This is done while retaining flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates. The policy for the use of derivatives, should they be used, will be clearly detailed in the annual strategy.

4) Exchange Rate risk

GCC will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels. All foreign exchange transactions will be at a negotiated rate agreed within the Lloyds Bank contract.

5) Inflation risk management

The effects of inflation, insofar as they can be identified as impacting directly on its treasury management activities, will be controlled as an integral part of the strategy for managing overall exposure to inflation.

6) Refinancing risk management

GCC will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if require, which are competitive and as favourable to GCC as can reasonably be achieved in the light of market conditions prevailing at the time.

GCC will actively manage its relationships with its counterparties in these transactions to secure this objective and avoid overreliance on any one source of funding if this might jeopardise achievement of the above.

7) Legal and regulatory risk management

GCC will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities.

GCC recognises that future legislative or regulatory changes may impact on its treasury management activities and so far, as it is reasonably able to do so, will seek to manage the risk of these impacting adversely on GCC.

8) Fraud, error and corruption, and contingency management

GCC will ensure that it has identified the circumstances that may expose it to the risk of loss through fraud, error, corruption, or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

9) Market Price risk management

GCC will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests and will accordingly seek to protect itself from the effects of such fluctuations.

10) Responsible Investment Principles

Although not required under the treasury Code, responsible investment is an important consideration for GCC members when placing funds for treasury management purposes.

GCC declared a Climate Emergency in 2019 and has committed to reducing carbon emissions from all sources in the county to net zero by 2045 and to reduce emissions by 80% by 2030, relative to 2005. GCC has committed to putting climate change at the heart of local decisions to ensure the greatest impact across Gloucestershire. In 2019 GCC also passed a motion to ensure that no new investments are taken out in funds that invest in fossil fuel.

Whilst recognising that ESG issues are wide-ranging and non-standardised, GCC aims to be a responsible investor and will consider ESG issues when investing. This will include consideration on the financial impact of ESG considerations on its investments and acting as responsible and active investors when voting.

The key principles that will be considered on investing are as follows:

- i) For direct investments, GCC will seek to ensure that counterparties (excluding the UK Government and other UK Local Authorities) have:
 - a. no direct investment in Fossil Fuel companies prior to investing,
 - b. are signed up to the UN Principles for Responsible Banking, which is a framework developed by the United Nations Environment Programme Finance Initiative to align the banking sector with the UN Sustainable Development Goals and the Paris Climate Agreement.
- ii) For investments into Pooled Funds, including Money Market Funds (MMFs) and longer dated Strategic Pooled Funds, GCC will seek to ensure that:
 - a. no fund used has exposure to Fossil Fuel investments prior to investing in line with the 2019 Fossil Fuel exclusion Motion,
 - b. all fund managers invest in line with the United Nations Global Compact, which is the world's largest corporate sustainability initiative, aimed at encouraging businesses to adopt sustainable and socially responsible policies,
 - c. for those pooled funds with existing fossil fuel exposure GCC will disinvest from those funds as capital values recover to original principal values invested,
 - d. all funds exclude investment in controversial weapons investment. Controversial weapons are defined as being those which have a disproportionate and indiscriminate impact on civilian populations. These may include:-
 - Anti-Personnel Mines
 - Chemical and Biological Weapons
 - Cluster Weapons
 - Nuclear Weapons
 - e. funds used are signed up to the UN Principles for Responsible Investment, the UK Stewardship Code 2020, and the Net-Zero Asset Managers Initiative.

TMP 2 BEST VALUE AND PERFORMANCE MEASUREMENT

GCC is committed to the pursuit of best value in its treasury management activities, and to the use of performance methodology in support of that aim, within the framework set out in its treasury management policy statement. Accordingly, the treasury management function will be the subject of ongoing analysis of the value it adds in support of GCCs stated business or service objectives. It will be the subject of regular examination of alternative methods of service delivery, of the availability of fiscal or other grant or subsidy incentives and of the scope for other potential improvements. The performance of the treasury management function will be measured using criteria that will include measures of effective treasury risk management and not only measures of financial performance (income or savings).

TMP3 DECISION-MAKING AND ANALYSIS

GCC will maintain full records of its treasury management decisions, and of the processes and practices applied in reaching those decisions, both for the purposes of learning from the past, and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time.

TMP4 APPROVED INSTRUMENTS, METHODS, AND TECHNIQUES

GCC will undertake its treasury management activities by employing only those instruments, methods and techniques that fall within the limits and parameters defined in TMP1. A detailed schedule on approved instruments will be set out in the annual TMSS. GCC has reviewed its classification with financial institutions under MiFID II and taken up Professional status.

TMP 5 ORGANISATION, CLARITY, AND SEGREGATION OF RESPONSIBILITIES, AND DEALING ARRANGEMENTS

GCC considers it essential, for the purposes of the effective control and monitoring of its treasury management activities, for reducing the risk of fraud or error, and for pursuit and optimum performance, that these activities are structured and managed in a fully integrated manner, and that there is at all times a clarity of treasury management responsibilities.

The principle on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling these policies, particularly with regard to the execution and transmission of funds, the recording and administering of treasury management decisions, and the audit and review of the treasury management functions.

The Finance Manager: Planning and Treasury will ensure that there are clear written statements of the responsibilities for treasury management, and the arrangements for absence cover.

The Finance Manager: Planning and Treasury will ensure there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds.

TMP 6 REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS.

GCC will ensure that regular reports are prepared and considered on:

- the implementation of its treasury management policies;
- on the effects of decisions taken and transactions executed in pursuit of those policies;
- on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities; and
- on the performance of the treasury management function.

As a minimum A&GC will receive:

- an annual report on strategy and the plan to be pursued in the coming year
- a mid- term review

- an annual report on the performance of the treasury management function, the effects of decisions taken, transactions executed in the past year, and any circumstances of non-compliance with the treasury policy statement and TMPs

A&GC will receive annual training in January each year from our treasury advisors, prior to the presentation of the TMSS, to ensure that they have a full understanding of the proposals.

They will also have responsibility for the security of treasury management policies and practices.

Full Council will sign off the TMSS and Capital Strategy as part of the budget setting process, with these documents being an integral part of the MTFS.

GCC will report the prudential indicators required by regulation on a quarterly basis to Cabinet as part of the budget monitoring reporting process.

TMP7 BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS

The CFO will prepare, and GCC will approve an annual budget for treasury management, to comply with TMP1, TMP2 and TMP4. The CFO will exercise effective controls over this budget and will report upon and recommend any changes required in accordance with TMP6. GCC will account for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force for the time being. GCC will ensure that its auditors and those charged with regulatory review, have access to all information and papers supporting the activities of the treasury management function as are necessary for the proper fulfilment of their roles, and that such information and papers demonstrate compliance with external and internal policies and approved practices.

TMP8 CASH AND CASH FLOW MANAGEMENT

Unless statutory or regulatory requirements demand otherwise, all monies in the hands of this GCC will be under the control of the CFO and will be aggregated for cash flow and investment management purposes. Cash flow projections will be prepared on a regular and timely basis, and the CFO will ensure that these are adequate for the purposes of monitoring compliance with TMP1 and for the purpose of identifying future borrowing needs.

TMP9 ANTI MONEY LAUNDERING

GCC is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will maintain procedures for verifying and recording the identity of counterparties and reporting suspensions. The Money Laundering Officer will ensure that staff involved in this function are properly trained.

TMP10 STAFF TRAINING AND QUALIFICATIONS

GCC recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will

provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge, and skills.

The CFO will ensure that GCC members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and those responsibilities.

TMP11 USE OF EXTERNAL SERVICE PROVIDERS

GCC recognises the potential value of employing external providers of treasury management services, in order to acquire access to specialist skills and resources. When it employs such service providers, it will ensure it does so for reasons that will have been submitted to a full evaluation of the costs and benefits. It will also ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review. It will ensure where feasible and necessary, that a spread of service providers is used, to avoid over-reliance on one or a small number of companies.

TMP12 CORPORATE GOVERNANCE

GCC is committed to the pursuit of proper corporate governance and to establishing the principles and practices by which this can be achieved. Accordingly, the treasury management function and its activities will be undertaken with openness and transparency, honesty, integrity, and accountability.

GCC has adopted and implemented the key principles of the TM Code.