



Gloucestershire County Council

2025/26 Budget Consultation Document

Contents

	Page
Summary Narrative Sections	
Section A: Context	3
Section B: 2025/26 Draft Budget	3
Section C: Council Strategy 2022/26	4
Section D: Consultation	5
Section E: Finance Settlement and Funding Assumptions 2025/26	5
Section F: Revenue Budget Proposal	9
Section G: Dedicated Schools Grant	14
Section H: Flexible Use of Capital Receipts	14
Section I: Council's Financial Standing and Risks	15
Section J: Section 151 Officer Review of the Budget – Section 25 Statement	16
Section K: Public Sector Equality Duty	17
Section L: Capital Strategy and the Prudential Code	17
Section M: Capital Expenditure	18
Section N: New Capital Investment	19
Section O: Borrowing	20
Section P: Treasury Management and Investment Strategy	21
Detailed Annexes	
Annex 1: Directorate Plans	23 - 71
Annex 2: Budget Movements by Service Area	72 - 82
Annex 2a: Summary of 4-year proposals by Service Area	83 - 88
Annex 2b: Categorisation of Revenue Investments, Efficiencies and Income	89 - 93
Annex 3: Budget Summaries by Service Area	94 - 98
Annex 4: Medium Term Financial Planning Framework	99
Annex 5: Reserve Strategy and Balances Analysis	100 - 105
Annex 6: Future Years Budgets	106
Annex 7: Capital Strategy	107 - 112
Annex 8a: Capital Programme	113 - 119
Annex 8b: New Capital Schemes Funded from Borrowing	120 - 121
Annex 8c: New Capital Funding Available	122
Annex 9: Treasury Management Strategy and Investment Strategy	123 - 144

A Context

- 1 The Council's draft Medium Term Financial Strategy (MTFS) will be presented to Cabinet on 29th January 2025 and put to the County Council for consideration and approval on 19th February 2025.
- 2 Prior to the MTFS being finalised the Council is undertaking a period of public consultation on the 2025/26 draft budget between 5th December 2024 and 10th January 2025. 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 29th January 2025.

B 2025/26 Draft Budget

- 3 The 2025/26 draft budget has been prepared using best estimates from available data. Although, notably, the projections do not incorporate announcements made in the Chancellor's Autumn Statement on 30th October 2024. The provisional financial settlement which quantifies the impacts of the announcements for the Council is not expected until mid-December 2024.
- 4 Some of the national headline figures from the Chancellor's Statement include:
 - £600 million additional social care funding
 - £700 million additional for targeted funding
 - Overall 3.2% uplift to Core Spending Power
 - Funding to cover the increased cost of the uplift to employer NI.
 - New funding of £230 million for Homelessness
 - £1 billion additional funding for SEND
 - Additional revenue from the Extended Provider Responsibility (EPR), with budget estimates from EPR being around £1.1 billion from January 2025
 - Continuation of Retail, Hospitality and Leisure business rates relief, together with confirmation that reliefs will be fully compensated
 - £86 million increase to the Disabled Facilities Grant
 - £1 billion extension to the Household Support Fund and Discretionary Housing Payments
 - £6.7 billion of capital investment in schools
 - Over £250 million to continue to test innovative measures to support children and reduce costs for local authorities. This includes £44 million of new funding to pilot a Kinship Allowance as well as to create hundreds of new foster placements
 - An increase of £500 million to £1.6 billion to maintain and renew local roads
 - £1 billion funding to support local bus services and bus operators
 - £100 million investment in cycling and walking infrastructure
- 5 The draft consultation budget contains the detailed budget proposals for 2025/26 including the general fund revenue budget, the capital programme and the Dedicated Schools Grant (DSG).
- 6 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 £649.589 million.

- 7 The budget proposals contained in this MTFS show a balanced position for 2025/26. However, Annex 2 highlights the use of £6.2 million unearmarked reserves proposed to achieve a balanced budget in 2025/26, along with the benefit of £6.2 million of one-off income from Energy from Waste. There are further reserve commitments detailed within Annex 5. If any additional funding over and above that currently forecast is announced in the provisional funding settlement in December, the first calling should be to reduce the reliance on one-off income and reserves across the MTFS period.

C Building Back Better in Gloucestershire – Our Council Strategy 2022/26

- 8 The Council Strategy – ‘Building Back Better in Gloucestershire’ - 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 2021, and following public consultation was presented to Cabinet in January 2022 and to Council in February 2022 for approval and adoption. It sets out the Council’s vision, its ambitions for the county and its priorities for addressing the challenges and opportunities it faces.
- 9 The Council’s vision is to make the most of all that Gloucestershire has to offer, help improve the quality of life for every community, support businesses to be successful and make sure Gloucestershire is a place where people want to live, work and visit.
- 10 Our ambition is for Gloucestershire to be:
- **A Magnet county** - A growing working age population, with more 18–40-year-olds with high level qualifications choosing to live and work in the county
 - **An Innovative county** - More businesses starting up, growing and investing in research and innovation
 - **A Skilled county** - More people with high-level skills and jobs in skilled occupations
 - **A Prosperous county** - Rising productivity and household incomes offering higher living standards
 - **An Inclusive county** - The economic and social benefits of growth to be felt by all
 - **A Healthy county** - People to have a good work/life balance and improved health and wellbeing
 - **A Connected county** - Improved transport and internet connections so that people and businesses can connect with each other more easily
 - **A Sustainable county** - More efficient use of resources and more use of sustainable energy
 - **A Resilient county** - Active, resilient local communities that keep people safe, provide them with support and help them to make a positive contribution.
- 11 The Council’s priorities for delivering those ambitions are as follows:
- Tackling Climate Change
 - Improving Our Roads
 - Sustainable Growth
 - Levelling up our communities
 - Securing Investment for Gloucestershire

- Transforming Children’s Services
- Transforming Adult Social Care
- Transforming Gloucestershire Fire and Rescue Service
- Improving Customer Experience

12 Directorate Plans (previously known as *Commissioning Intentions*) for each service area for 2025/26, which expand on the high-level priorities included in the Council Strategy, 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

13 Consultation on the draft 2025/26 budget proposals will take place between 5th December 2024 and 10th January 2025. 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.

14 Prior to finalising the proposed budget for consideration by Cabinet on 29th January the views expressed through the consultation will be carefully considered and where appropriate be incorporated into the final budget proposals.

15 The Corporate Overview and Scrutiny Committee will also carry out their budget scrutiny process on 8th January 2025 and will include briefings from Directors and Cabinet Members.

16 Following this meeting the Corporate Overview and Scrutiny Committee will feed back their views to the Cabinet prior to the final budget being proposed.

17 Following consultation and scrutiny, the detailed 2025/26 budget, the 4-year MTFS and supporting policy documents will be considered by Cabinet on 29th January 2025, with the recommended MTFS being put to the County Council for consideration and approval on 19th February 2025.

E Finance Settlement and Funding Assumptions 2025/26

18 The Council receives its funding through a number of sources; business rates income, government grants, council tax and charging for some of its services through fees and charges.

- 19 In the absence of any more recent information, the overall funding assumptions for the Council for 2025/26 and future years are based on the last available data sets. This includes the March 2024 Spring Statement and November 2023 Autumn Statement, a Policy Statement issued in December 2023 and the final 2024/25 one-year Finance Settlement received in February 2024. Funding levels will remain uncertain until the provisional finance settlement, expected in mid-December 2024. This will provide more certainty over funding streams for 2025/26, however final funding will not be confirmed until the final Finance Settlement in February 2025. The final budget and MTFs will then be approved by County Council on 19th February 2025.

Business Rates Retention

- 20 The Business Rate Retention (BRRS) Scheme was introduced nationally in 2013/14. The Scheme allows 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. GCC's share of the 50% retention is 20%, (estimated to be £27.0 million in 2025/26) with the district councils receiving 80%. In order to protect upper tier services, GCC also receives a Top Up grant as part of this BRR funding system, estimated to be £58.1 million for 2025/26.
- 21 The Council also receives compensation from central government for business rate policy decisions that impact business rate collection – this is provided as a s31 Grant. For 2025/26 the level of this s31 funding is forecast to be £22.069 million.
- 22 GCC along with all six District Councils in the County have been part of a 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).
- 23 GCC is currently working with the districts to submit a bid to Pool for 2025/26, to maximise the resources retained in the county. Additional modelling has been undertaken and it is anticipated that gains from the pooling arrangement will continue to be achieved. Arrangements are in place to slightly amend the Pool membership for 2025/26 to maximise gains across all Gloucestershire local authorities.

	Pool Gain 2020/21 £m	Pool Gain 2021/22 £m	Pool Gain 2022/23 £m	Pool Gain 2023/24 £m	Est. Pool Gain 2024/25 £m	Est. Pool Gain 2025/26 £m
District Share	2.3	2.0	2.6	2.6	3.0	3.0
GCC Share	0.6	0.5	0.6	0.8	0.7	0.7
SEDF Share	0.7	0.6	0.8	0.6	0.9	0.9
Total	3.6	3.1	4.0	4.4	4.5	4.5

- 24 GCC does not include these estimates as part of the expected income from the BRRS. Any Pool gain will be added to the Business Rate Reserve and applied against future pressures.

- 25 The BRRS is due to be updated, however due to the recent change in government this is now unlikely before 2026/27 and more likely to be later than this.

Other Funding Streams

- 26 In addition to BRRS income, GCC also receives a number of other grants, which central government include within the Core Spending Power (CSP) of local authorities. These grants include a number of social care related funding streams, which are technically ringfenced funding. Despite there being little information on these additional funding streams the current assumption is that all grants currently within CSP will continue, although some may increase for inflation others could well be cash flat.

- **Revenue Support Grant**

This is an un-ringfenced grant which is uplifted annually for inflation. In 2024/25 Fire Pension Grant was amalgamated into this funding stream increasing the grant to £11.1 million. Assuming a 2% uplift for inflation, £11.3m is expected for 2025/26.

- **Social Care Funding**

In total social care funding within CSP totalled £63.3 million in 2024/25. It is assumed that all these funding streams will continue, however because a couple of the funding streams were for a finite purpose it is unclear whether they will be uplifted for inflation. As a result, it is currently assumed that the Discharge Fund and the Social Care grant will be uplifted for inflation but the Market Sustainability grant won't. Overall, this results in £64.4 million expected in 2025/26, broken down as follows.

- **ASC Discharge Funding** – this grant is provided to ensure those people who need to draw on social care when they are discharged from hospital can leave as soon as possible. This grant is pooled as part of the Better Care Fund. The funding for 2025/26 is forecast to be £4.8 million compared to £4.6 million in 2024/25.
- **Market Sustainability and Improvement Fund** – this grant is provided to fund improvements to adults social care service delivery. The allocation for 2025/26 is forecast to be £11.047 million, the same as 2024/25.
- **Social Care Grant** - this grant is for social care expenditure in both adults and children's services. The funding for 2025/26 is forecast to be £48.5 million compared to £47.6 million in 2024/25.

- **Improved Better Care Fund**

This funding stream consists of several funding streams that were announced at different times but have now been combined into one. GCC continues to work closely with health partners to use this funding to facilitate more integrated working between health and social care. The allocation for 2025/26 is estimated to be cash-flat at £20.025 million.

- **Public Health Grant**

GCC is forecasting to receive £27.2 million in 2025/26 compared to £26.7 million in 2024/25. This funding forms part of the Council's base budget but is currently ring fenced for Public Health activities.

- **New Homes Bonus**
Originally set up as an incentive to reward councils for new home completions and for bringing empty homes back into use. This grant provided match funding for each new property. The scheme has now officially ended but some legacy funding still exists. It is expected that there will be one more legacy year at a cash-flat level of £858k.
- **Service Grant**
This is an un-ringfenced grant introduced in 2022/23. The funding for 2024/25 was cut to £529k to fund other priorities, and it is forecast that it will stay the same for 2024/25.
- **Inshore Fisheries**
This is an un-ringfenced grant and is intended for Inshore Fisheries. The forecast funding for 2025/26 is cash-flat at £122k.

Council Tax

- 27 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 2025/26 therefore proposes to raise council tax by 4.99% - 2.99% from general council tax with an additional 2.0% for Adult Social Care. Using these assumptions, an assumed 1.26% uplift in the taxbase and an assumed Collection Fund surplus of £2.7 million (final figures will not be known until January 2025) generates a total of £413.9 million.
- 28 Following changes to regulations that will allow a premium to be charged on second and long-term empty homes from April 2025, GCC is also assuming that an additional £4 million will be raised from this funding source. Guidance has recently been issued and district councils are currently calculating the expected impact on Council Tax income in their areas.
- 29 The Council's current proposal for 2025/26 Band D Council Tax is £1,679.65, including Adult Social Care precept. For 2024/25 Band D totalled £1,599.82 (representing an increase of £79.83 or just over £1.54 per week).
- 30 Forecast Council Tax levels for each band based on a 4.99% increase are shown below.

Band	2024/25	2025/26 Budget	Increase on 2024/25
	£	£	£
A	£1,066.55	£1,119.76	£53.21
B	£1,244.30	£1,306.40	£62.10
C	£1,422.06	£1,493.02	£70.96
D	£1,599.82	£1,679.65	£79.83
E	£1,955.34	£2,052.90	£97.56
F	£2,310.85	£2,426.16	£115.31
G	£2,666.37	£2,799.41	£133.04
H	£3,199.64	£3,359.30	£159.66

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

F Revenue Budget Proposal

- 31 The development of budget proposals for 2025/26 to 2028/29 commenced in the summer with the establishment of new budget planning process. This process tasked directors in the council with identifying opportunities to deliver the “same level of service for less money” to firstly close the budget gap on the council’s standstill budget and secondly create headroom for investment in the council’s priorities and areas of cost pressure / risk.
- 32 Recognising that to deliver sustainable savings after many years of cost pressures requires time and investment to be effective, proposals were considered over the four-year planning period; alongside undertaking a rigorous assessment of cost pressures over the same period.
- 33 These were all then scrutinised and assessed by the council’s Executive Directors at a series of Panel meetings over a number of days. This process has been completed and the Executive Directors are fully assured that the proposals are deliverable, risk assessed and prioritised. These proposals are now put forward for Cabinet consideration.
- 34 The package of proposals in this report includes a number of “bottom-up” savings for delivery from 2025/26 onwards that are listed in Annex 2a and 2b. However, the level of cost pressure for priority investments are significantly more than the headroom created. This led to the development of a “top down” benefits realisation strategy that will require more time to develop and future decisions prior to implementation.
- 35 The benefits realisation strategy includes:
- Reshaping of the Corporate Estate – by taking a strategic approach and looking holistically across the council’s asset base revenue savings will be generated, coupled with potentially additional capital receipts. Optimising income opportunities – a review of opportunities was undertaken by Commercial Gov which identified areas where either new or additional income streams could be generated. This workstream will develop the options and implications for future decisions to be taken.
 - Data and Digital investment – this budget is investing significant sums in improving digital technology and the use of data. This workstream recognises that it should be possible to realise savings from improving the way the council operates from these investments.
 - Moving to a preventative highways delivery approach – this recognises that significant additional sums are being invested into Find & Fix gangs and Highways transformation and will look to release revenue savings in due course from more efficient ways of working.
 - Fire Services investment – this recognises that significant investment has been made in GFRS to improve its operational capacity and create efficiencies. This workstream will look to release evidence-based revenue savings from the investment in due course.
- 36 Initial targets for each workstream over the four year period are included in Annex 2a and 2b however there remains a £5.2m budget gap in 2026/27 rising in later years after these are delivered and as such it will either be necessary to identify additional savings, reduce future investment plans and / or accelerate and exceed the initially proposed targets.

- 37 Transformation resource has also been allocated in this budget to ensure the capacity and investment is in place to drive forward the work needed to progress these high level proposals and develop into deliverable plans. This reflects the start of a process which will be governed through a newly created Transformation Executive Board chaired by the Deputy Leader and Cabinet Member for Transformation and Change.
- 38 The proposed revenue budget for 2025/26 totals £649.589 million, a net increase of £32.718 million from 2024/25.
- 39 The 2025/26 budget is made up of £53.032 million of investment in services offset by £6.189m use of reserves and £14.125 million of budget reductions, removal of 2024/25 one-off growth, additional income, savings, and efficiencies. See summary table below – full details are included in Annex 2.
- 40 As detailed in Annex 6, the projected net revenue budgets for 2026/27, 2027/28 and 2028/29 are £679.364 million, £710.911 million and £743.418 million respectively. The 2026/27 budget proposals include a further £2.669 million use of non-earmarked reserves to fund one-off pressures. The budget gap or savings to be identified for 2026/27, 2027/28 and 2028/29 are £5.3 million, £5.1 million and £7.2 million respectively. These savings will need to be generated by additional funding or efficiencies generated by the planned Benefit Realisation approach.
- 41 Cabinet has identified its priorities, specifically:
- **Infrastructure:** *Continuing to improve the county's roads – building on the progress that has been achieved in recent years, including making sure information and engagement with residents continue to get better.*
 - **Communities:** *Standing up for communities - making sure where new housing is being proposed that the impact on roads, schools and other key services is well understood and the necessary financial investment is committed to address it.*
 - **Solvency:** *Making sure the council continues to operate in a financially responsible way – prioritising investment into those areas that will have the greatest impact on the lives of Gloucestershire residents.*
 - **SEND:** *Taking action to improve our SEND response in the face of rising demand - work harder and smarter to support young people with SEND and their families to access the support and services they need.*
 - **Adults:** *Supporting the adults that need our help the most - Making it easier for adults and those supporting them to access the care or support they need and to help people to begin to think about the years ahead and what their needs may be.*
 - **Continuous Improvement:** *Delivering continuous improvement – making sure council services continue to evolve a mindset where they are always looking for ways to deliver a better, more efficient services that achieve better outcomes for Gloucestershire residents.*
 - **Climate:** *Ensuring investment in climate change and minimising environmental impact runs through how services operate.*

- 42 In recent years, the council has invested heavily in addressing the impacts of climate change and this spans across revenue and capital budgets. Within the annual revenue budget, the council plans to spend £7.178 million including £753k of one-offs on a variety of activity such as decarbonising our estate, Air Quality projects, tree planting and maintenance. In addition, the capital programme includes climate related schemes totalling £24.510 million including decarbonisation through Electric Vehicles and Solar Panels, encouraging healthier and more sustainable travel through expanding the Cheltenham – Gloucester Cycle route, improving Flood Alleviation and reducing waste through investment in Household Recycling Centres.

The 2025/26 budget proposes new revenue expenditure of £2.573 million and £5.249 million over the life of new capital schemes to support climate activity including air scrubbers in the proposed GFRS training facility, Air Source heat pumps in Shire Hall heating, tree establishment and maintenance, waste projects, and further cycleway investment.

- 43 The report outlines how the Cabinet propose to deliver on these priorities through the proposals in this budget. Annex 2b includes a breakdown between these priorities against the proposed 2025/26 revenue investments and efficiencies and income, summarised as:

	Investments				
	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
Infrastructure	2,980	1,843	1,440	1,898	8,161
Communities	11,052	6,968	5,824	6,171	30,014
Solvency	2,608	4,758	5,382	5,169	17,917
SEND	2,076	1,196	683	570	4,525
Adults	18,897	15,769	16,445	17,041	68,152
Continuous Improvement	2,897	563	(1,777)	269	1,952
Climate	2,573	229	1,057	1,061	4,920
Uncategorised (eg Pay inflation)	9,949	9,693	10,224	10,540	40,406
Total	53,032	41,019	39,278	42,719	176,048

	Efficiencies and Income Generation				
	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
Infrastructure	(124)	(700)	(300)	-	(1,124)
Communities	(3,516)	(2,899)	(1,947)	(431)	(8,793)
Solvency	(6,708)	(10,658)	(2,758)	(2,793)	(22,917)
SEND	-	-	-	-	-
Adults	(1,470)	(2,075)	(3,186)	(3,731)	(10,462)
Continuous Improvement	(1,607)	(1,248)	(455)	(1,176)	(4,486)
Climate	(11,066)	6,198	-	-	(4,868)
Total	(24,491)	(11,382)	(8,646)	(8,131)	(52,650)

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

Medium Term Financial Strategy – 2025/26 Budget – Overall Summary

Budget Area	Approved 2024/25 Budget	Removal of 2024/25 One Off Budget Adjustments	Agreed Budget Transfers between Service Areas	MTFS 2024/25 Base Budget	Pay Inflation Costs	Investments	Efficiencies and Additional Income	Use of Reserves	Proposed 2025/26 Budget	Percentage Increase / Decrease (Excluding Reserves)
	£'000	£000	£000	£'000	£000	£000	£000	£000	£'000	%
Programme Budget Areas										
Adults	206,610	0	150	206,760	2,012	17,691	-2,199	0	224,264	8.54%
Vulnerable Children	146,428	35	-1,289	145,174	2,110	6,290	-3,321	-59	150,194	2.61%
Other Children Services	34,835	0	1,359	36,194	640	5,112	-646	0	41,300	18.56%
Economy, Environment and Infrastructure	82,840	12,092	0	94,932	1,032	6,510	-12,167	-1,563	88,744	9.01%
Community Safety	25,734	-736	0	24,998	1,198	1,428	-225	-40	27,359	6.47%
Public Health & Communities	37,109	157	-150	37,116	98	1,106	-244	-796	37,280	2.61%
Corporate Resources	51,140	-1,182	50	50,008	1,488	1,290	-1,289	-231	51,266	0.70%
Technical & Countywide	32,175	0	-120	32,055	845	4,182	-4,400	-3,500	29,182	*1.58%
Total Budget	616,871	10,366	-	627,237	9,423	43,609	-24,491	-6,189	649,589	6.31%

*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.

45 The 2025/26 draft budget is funded as follows:

	£000
Original 2024/25 Budget	<u>616,871</u>
Removal of One-off investments	10,366
Revised 2024/25 Base Budget	<u>627,237</u>
2025/26 Proposed Pay Inflation	9,423
2025/26 Proposed Cost and Spending Pressures	43,609
2025/26 Proposed Cost Reductions	-24,491
2025/26 Use of Reserves	-6,189
Total 2025/26 Budget	<u>649,589</u>
Less:	
Top Up Grant	58,143
Business Rates Income	27,041
Revenue Support Grant	11,293
S31 Grant	22,069
Social Care Funding	64,385
Service Grant	529
Improved Better Care Fund	20,025
Public Health Grant	27,207
New Homes Bonus	858
Inshore Fisheries	122
Collection Fund Surplus	2,749
Second Homes Uplift	4,000
Budget to be met from Council Taxpayer	<u>411,169</u>

Council Tax at Band D = £1,679.65

- 46 The proposed budget for 2025/26 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.
- 47 The current budget also includes provision for a 3% pay award in 2025/26 with a central pay and prices contingency for any unexpected pressures.
- 48 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.

- 49 Continuation of various specific grants is uncertain in the medium term. Through the MTFS planning process, a number of grants have been identified as uncertain, with a combined impact of £4.2 million during the MTFS period – and this is not an exhaustive list of uncertain grants. These grants include Supporting Families, Bus Services grants, and Local Enterprise Partnership (LEP) grants. At present – given the uncertainty – it is not proposed to include core budget growth in the MTFS proposals to replace these grants and it is not assumed services will continue should grants be ceased by central government. They are noted as risks, which may create budget pressures in later years of the MTFS, should the Council receive confirmation that they will not be extended.

G Dedicated Schools Grant (DSG)

- 50 In 2024/25 the current gross DSG is £644.6m. 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.
- 51 Due to the change in government the DfE have advised that funding announcements for the 2025/26 indicative DSG are delayed and will not be issued until late November 2024 therefore provisional uplifts to the DSG for 2025/26 are unknown at this point. The final 2025/26 DSG allocations, including the census update, should be announced in December 2024.
- 52 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 at 31 March 2025 is £73.109 million. Based on current information it is anticipated that a deficit budget of £31.7 million will be set in 2025/26. This will increase the cumulative deficit beyond £100 million by the expected end of Statutory Override on 31 March 2026. 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.
- 53 This creates a risk that General Fund balances will be required to meet the cumulative deficit, as at 1 April 2026. Based upon current trajectories, the Council's Useable Revenue Reserves will be insufficient to meet the deficit as at 1 April 2026. This creates a risk of insolvency, which Local Authorities and representative groups nationally continue to highlight to Central Government.
- 54 Annex 5 includes reserve projections for the MTFS period, including the anticipated growth in the DSG Deficit Reserve.

H Flexible Use of Capital Receipts

- 55 Originally put in place in 2016 and currently extended until 31st March 2026 the Flexible Use of Capital Receipts Directive allows for capital receipts to be used to fund what would normally be revenue expenditure for costs "incurred on projects designed to reduce future revenue costs and/or transform service delivery". Examples include projects to introduce shared services, digitalise service delivery

or integrate services across different functions.

- 56 The proposed budget 2025/26 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.
- 57 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

- 58 Under the Local Government Act 2003 the Council has a responsibility to ensure that reserves are adequate. During 2024/25 all reserves have been examined in detail.
- 59 A summary of the Council's forecast revenue reserves during the period of the MTFS are as follows:

	31 March 2025	31 March 2026	31 March 2027	31 March 2028	31 March 2029
	£'000	£'000	£'000	£'000	£'000
Earmarked Revenue Reserves - Non Schools	84,533	54,683	44,453	39,099	32,510
Earmarked Reserves – School Related	25,708	25,708	25,708	25,708	25,708
General Fund Reserve	31,682	33,968	35,546	37,171	37,171
Total Useable Revenue Reserves	141,923	114,359	105,707	101,978	95,389
Statutory Override Deficits	(76,209)	(104,822)	(142,367)	(186,032)	(235,362)

- 60 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. However, it is proposed that a prudent sector standard is 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 2-3, this is achieved by an annual transfer from the Business Rates Retention Reserve. Revised Pooling arrangements are expected to generate sufficient additional income to top up General Fund Reserve in future years. More information is detailed in Annex 5.
- 61 Non School Revenue Earmarked Reserves are forecast to fall from £84.533 million as at 31st March 2025, to £32.510 million as at 31st March 2029. See Annex 5 for more information. It should be noted that these figures currently exclude health partnership funds (Integrated Commissioning Board), received under Section 256 agreements. These balances may be adjusted as an outcome of the

2023/24 Statement of Accounts Audit, once complete.

- 62 The 2025/26 reserve projections above include the proposed drawing of £6.189 million to balance the 2025/26 budget, plus a further £2.669 million for one-off expenditure in 2026/27. See Annex 2 for details of these drawings from reserves.
- 63 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 2025 and 31st March 2026 respectively.
- 64 This creates an implied risk that Useable Revenue Reserve balances will be required to mitigate these deficits upon expiry. It is proposed that – if the Financial Instruments deficit crystallises – this is managed by a transfer from the Business Rates Retention Reserve, forecast to be £3.1 million as per the quarter 2 report to Cabinet in December 2024 and assumed in Annex 5. The DSG deficit, as highlighted in Section G, is significantly larger than this and cannot be managed in this way, nor is it legally possible without Secretary of State approval.

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

- 65 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.
- 66 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.
- 67 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. Further details of general reserve risk analysis can be found in Annex 5.
- 68 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 2025/26 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 2025.
 - 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 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 2025/26 and beyond.

69 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.

70 Annex 2 highlights the use of £6.2 million unearmarked reserves which are proposed to achieve a balanced budget in 2025/26, along with the benefit of £6.2 million of one-off income. There are further reserve commitments detailed within Annex 5. In order to ensure that future budgets are robust and achievable it is imperative that the Council develops plans to implement the Benefits Realisation Strategy initiatives identified in this report and identify further additional savings to ensure that the cost of future service provision is brought in line with estimated permanent funding streams.

K Public Sector Equality Duty

71 An Equality Impact Assessment covering the final budget proposals is being drafted and will be included in the January 2025 Cabinet report.

L Capital Strategy and the Prudential Code

72 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.

73 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.

74 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.

75 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.

76 The Council complies with the Prudential Code by:

- Having a Capital Strategy,
- Having medium term plans (Corporate Strategy, Revenue and Capital budgets),
- Complying with the Treasury Management Code of Practice, and
- Producing indicators for affordability and prudence, included within Annex 9.

M Capital Expenditure

77 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.

78 The proposed capital programme provides future investment (excludes 2024/25) in the county totalling £573.6 million. The main investment relates to Economy, Environment and Infrastructure (£306.0 million), Schools and facilities for children (£87.5 million), Corporate Resources (£91.9 million), Adults (£65.1 million) and Fire and Rescue Service (£23.1 million).

N New Capital Investment

- 79 The capital programme contains an estimate of £200.93 million of new investment on capital schemes, spread over a number of financial years, financed from grants and borrowing, as set out in the table below.

New Capital Funding Available 2025/26 onwards	£000
Borrowing	
New MTFs Bids	138,692
Total Borrowing	138,692
Grants	
Adults – Disabled Facilities Grant 2025/26 (estimate)	6,842
Schools – Schools Condition Allocation 2025/26 (estimate)	4,300
Schools – Basic Need Capital Allocation 2025/26	23,133
E,E&I – Highways Maintenance Block Grant 2025/26	9,896
E,E&I – Highways Maintenance Block Grant - Incentive Element 2025/26	2,474
E,E&I – Highways Maintenance Grant - Road Resurfacing Fund 2025/26	2,809
E,E&I – Integrated Transport Block Grant 2025/26	2,884
E,E&I – Pothole Action Fund 2025/26	9,896
Total Grants	62,234
Total New Capital Funding 2025/26 onwards	200,926

- 80 Priority schemes not supported by grants have been included within the new programme on the basis that they will be funded from borrowing. These new schemes recommended for approval amount to £138.69 million and are detailed in Annex 8b.
- 81 An estimate of £62.23 million new capital funding from Government grant allocations has been included (see Annex 8c).

Adults

- 82 An indicative figure for the Disabled Facilities Grant of £6.84 million has been included for 2025/26 based on the allocation received for 2024/25.

Schools

- 83 An indicative figure for the Schools Condition Allocation of £4.30 million has been included for 2025/26 based on the allocation received for 2024/25.
- 84 The Council has received notification of a Basic Need Grant allocation of £23.13 million for 2025/26.

Economy, Environment and Infrastructure

- 85 The Council receives capital grants from the Department of Transport for Highways Maintenance Block and Integrated Transport Block.
- 86 Indicative figures for the Maintenance Block Grant allocations have been included for 2025/26 based on the allocations received for 2024/25. £9.90 million for the main Maintenance Block Grant allocation, £2.81 million of Local Highways Additional grant and £2.47 million for the Incentive Element of the Maintenance Block Grant allocation.
- 87 An indicative figure for the Integrated Transport Block Grant of £2.88 million has been included for 2025/26 based on the allocation received for 2024/25.
- 88 An indicative figure of £9.90 million is included for the Pothole Action Fund.

O Borrowing

- 89 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 from investment balances (mainly reserves). This strategy essentially involves lending investment balances to ourselves to reduce overall interest costs. With all 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.
- 90 Since 2024/25 capital financing from borrowing has been approved to be borrowed externally. However, the strategy of maintaining borrowing internally wherever possible will be continued. 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.
- 91 Capital receipts can also be used to fund capital expenditure and repay debt. A Disposal Schedule will be considered by Cabinet in March 2025. 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 MTF5.
- 92 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

93 The proposed Treasury Management Strategy Statement 2025/26 is shown in Annex 9. It will be considered by the Audit and Governance Committee on 30th January 2025 alongside the Non-Treasury Investment Strategy.

94 Annex 9 provides details of:

- Treasury Management Strategy for 2025/26.
- Non-Treasury Management Investment Strategy 2025/26.
- 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 2b	Categorisation of Revenue Investments, Efficiencies and Income
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 2025/26
Annex 8b	New Schemes 2025/26 Funded from Borrowing
Annex 8c	New Funding Available 2025/26 onwards
Annex 9	Treasury Management Strategy and Investment Strategy

Annex 1 – Directorate Plans

Adult Social Care

Context and Strategic Direction

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”

Local/regional/national shift in priorities

The past year has seen Adult Social Care focus on preparedness for CQC assurance as well as maintaining its transformation programme. The process of self-assessment has prompted a 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. It has also accelerated our focus on using data and intelligence to understand the difference we make and the outcomes we are achieving; for example, taking a data led approach to our new Market Position Statement and reporting regularly on outcomes of quality audits of practice. 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 with a change in government we have seen the Association of Directors of Adult Social Care (ADASS) and the LGA 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.

Reflections, progress on council strategy

Current & future strategic priorities

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
 - We have mapped and costed our preventative activity and are drafting 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.
 - We are developing an all-age carer’s strategy and will align the re-procurement for the carers support contract with the objectives identified.
 - This will result in developing evidence based ways of helping people stay more independent for longer, while we support increasing numbers of people
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.
 - We have focused on the reablement and intermediate care model supporting discharge from hospital as part of the system wide “Working as One” Programme. In the coming year we have committed within our MTFs plans to develop our longer-term planning for reablement, therapy and intermediate care.
 - This will result in increased provision of early, short-term support, in people’s homes, with the aim of decreasing reliance on long term care and maintaining their 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 focused on the tendering and implementation of a new 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.
 - This will result in 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
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 published our Market Position Statement. In the coming year this will drive the development of several key strategies focusing on developing the domiciliary care market, the provision of bed-based nursing care, and extra care housing.
 - This will result in targeted ways of supporting increasing numbers of people in their own homes or close to their homes.
 - We have been developing an external workforce strategy in co-production, this aims to focus our market support offer on addressing limited workforce capacity and the issues arising from the use of international recruitment.

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

Gloucestershire spent £407.59 per adult on Adults' Social Care in 2022/23 (LGA Research, 2024). This was less than the overall spend per adult for England of £523.7; a difference of -22% from the national level. The average for all English county local authorities (single tier) was £530.69. Compared with 2021/22, overall spending per adult changed by 0.9% from its previous level of £403.98. For comparison, across England spending per adult changed by 6.9% from £490.23 in 2021/22. Since 2018, the gap between Gloucestershire's spend per adults on ASC and the rest of the country local authorities has widened significantly. GCC Adults budget has increased by an average of 2% per year over the 10 years 14/15-23/24 (£32M). Cumulative net savings (less demographic growth) have been made at an average of 4% per year over the 10 years 14/15-23/24 (£64M)

Given the context outlined above, the 25-29 MTFs process has identified minimal opportunities for savings. At time of writing, Adult Social Care has struggled to make its savings targets over the past four years. This has been offset by vacancy underspend and a cautious approach to investment and will need to be managed by use of reserves in the short term. The last forecast includes savings targets of £7.079 million carried forward from previous years. Of the £7.079 million, £1.539 million is shown as achievable with £5.540 million currently shown as undeliverable or delayed for the current financial year. We have used the 2024 MTFs process to review and reprofile our current savings projects to arrive at a set of achievable savings for the next five years.

For the coming year we have committed to further scoping the potential for longer term transformation in four key areas linked to our strategic objectives:

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

Market pressures – increasing costs; availability and demand

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: average care worker pay has increased in real terms from an average of £8.82 an hour in 2015/16 to £10.11 in 2022/23. Demand for services does not just come from those who have services brokered by us. 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 less 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 new government is being called upon to address the challenge of social care funding now that the planned charging reforms have been postponed indefinitely.

Legislation or policy impacting delivery

The Darzi report into NHS performance ([Independent investigation of the NHS in England - GOV.UK \(www.gov.uk\)](https://www.gov.uk)) has prompted calls for the government to effectively reduce pressure on healthcare systems, improve health outcomes and tackle inequalities by involving local government in shaping the upcoming 10-year plan for health. The new government's autumn statement is expected to impact social care as it responds to the Darzi report.

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

Evidence Base (*previously 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)

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.

Every district of Gloucestershire is expecting to see a dramatic increase in their 65+ population over the next 20 years and especially in their population of over 85s. 30.5% of the population of Gloucestershire live in a rural area, whilst the rural nature of Gloucestershire is one of its best assets, it poses challenges for some people and our workforce capacity is impacted as a result. Lack of access to transport can pose a challenge in recruiting and retaining a Social Care Workforce.

Increase in population

Age band	Gloucestershire	Cheltenham	Cotswolds	Forest of Dean	Gloucester	Stroud	Tewkesbury
18-64	5%	-1%	7%	4%	3%	4%	13%
65-84	31%	26%	37%	26%	31%	29%	37%
85+	84%	76%	99%	87%	84%	78%	86%
Total pop.	12%	5%	18%	12%	8%	11%	20%

Tewkesbury and the Cotswolds are expected to see the highest population increase across both working age and older adults, driving relatively significant overall growth in the population of these districts.

Identifying the equality and diversity issues e.g. barriers to accessing services, disparities in outcomes. Taken from our [Adult Social Care Diversity Report](#) (Gloucestershire County Council, 2023)

People who draw on adult social care services, whether living with a disability, long-term condition, or experiencing short-term needs due to crisis, hospital discharge, or mental health issues, face barriers to accessing services and disparities in outcomes likely associated with their protected characteristics

Gaps in information about marital status/living arrangements, race and religion/belief of people drawing on social care present an issue for us, as these should all be considered as part of care assessment and planning, and mean we are at high risk of missing opportunities to support people with diverse needs. For example, the social care needs of people who are not white in a population where 84% of people drawing on social care are white.

Additionally, there is an 11% over-representation of people living in the 5 most deprived deciles who are open to Adult Social Care compared with the overall adult population of Gloucestershire.

Further work on understanding our population and the compounding impact of multiple disadvantage is required. We are starting this by focused work in our Transformation programme on improving how our data is ingested, stored and managed, and developing our reporting frameworks. We are also working alongside Public Health and the ICB in developing a systemwide data strategy.

Bench-marking comparators **Areas for Improvement**

1. Self Directed Support and Direct Payments (NHS England Digital, 2023)
We are an outlier nationally in relation to self-directed support and direct payments. We believe this is to do with our strict interpretation of the definition of self-directed support. However, we know there is more we should do in this area. We are focusing on our approach to market management for example through our micro enterprises project and coproduction to build the diversity of the market and workforce understanding, so that we have the right foundations to improve direct payment uptake.
2. Reviews
Total numbers of reviews completed have seen a slightly downward trend, albeit we are seeing improvements in numbers of reviews within 12 months.
3. Satisfaction in over 65 population group (NHS England Digital, 2023)
We benchmark slightly lower than comparator groups on satisfaction of older people with care and support. We are cognisant that our quality assurance (QA) approach for older people's care services is not the same as our QA approach as for Disability and mental health care providers services, and we are designing a new integrated quality assurance function for older people with the ICB (Integrated Care Board – NHS Gloucestershire).
4. Waiting time for a service
The number of people waiting for a service following assessment has increased. We are developing a detailed performance report to allow us greater analysis of the changes to the numbers.
5. Safeguarding outcomes (NHS England Digital, 2023)
We benchmark lower than comparator groups in measuring safeguarding outcomes. We recognise our approach to Making Safeguarding Personal is underdeveloped and this features in our improvement plan.
The indicator "Safeguarding enquiries open for 26 weeks or more" is variable, but we are seeing a slight increasing trend in length of safeguarding enquiries. We have reviewed the make-up of the central safeguarding team under our improvement plan to increase the role our safeguarding practitioners can play in oversight of the full safeguarding pathway and we think this will help reduce the time it takes to resolve a safeguarding enquiry.
6. Sickness Absence
We benchmark highest in the Council for sickness absence, which relates to stress and muscular skeletal problems. We have undertaken a deep dive into our sickness rates overseen by our Performance Board and are undertaking a series of planned actions with our Employee Voice Group and management team. The impact of our actions is kept under review by our Performance Board.

Strengths

1. Finding information about support (NHS England Digital, 2023)
We benchmark well for the indicator "finding information about support," but feedback from individuals suggests we can do more. We have employed a Customer Experience manager to support us in developing our customer journey which includes information and advice.
2. Time to complete a Care Act Assessment
The average number of days to complete an assessment has been decreasing for the last 12 months, through our robust waiting list management.
3. Quality (NHS England Digital, 2023)

We benchmark well on social care related quality of life and have a high number of providers rated good and outstanding. However, as stated above we recognise we can do more in the quality assurance of older people's services.
 We benchmark well for care users who feel safe and say their services make them feel safe. This is consistent with the picture on overall care standards shown by the previous two indicators.

4. Safeguarding decisions (NHS England Digital, 2023)

Our time to make a safeguarding decision has reduced significantly since last year. This indicator was affected by the introduction of our single point of contact for safeguarding last August, which resulted in a huge increase in safeguarding referrals. We have now stabilised this position and the positive impact of this new way of working is now showing in this indicator.

5. Support for staff

We benchmark the highest in the Council for Performance Development Reviews (appraisals) completed and have recently introduced a guidance tool to help managers and teams incorporate our vision, mission and priorities into their PDR discussions. PDRs are an important tool to help us manage stress which is the leading cause of sickness absence.

Resources

Our staff

We have continued to increase the PDR completion rates reaching a high of 91% completion rate. We have introduced a robust organisational development plan for our senior managers this 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 our first cohort of three Social Work Apprentices and an additional ten ASYEs becoming Social Workers in October 2024. As a tool to manage our finances we are exploring options of how we utilise vacancy management in the coming year.

Summary – budget headlines

Net Revenue Budget 2025/26 £

Adults: £224.264 million

See Annex 2 for details

Capital Budget 2025/26 £

Adults: £15.598 million

See Annex 8a for details

Cost Reductions and Income Targets 2025/26 £

Adults: £2.199 million

See Annex 2 for details

Priorities for the year

Title/description

Key Dates 2025-26

Priority Ensure the way we assess individual need and deliver care and support are fit for the future

Key Projects

- In House services review - phase 2
- Review our Make the Difference model of assessment
- Fairer Charging policy implementation
- Financial Assessment improvement

March 26

Outcome

Process and practice are more efficient and effective, reducing waiting times and improving overall customer experience

Priorities for the year	
<i>Title/description</i>	<i>Key Dates 2025-26</i>
<p>Priority Develop our approach to co-production with people with lived experience of disability and long term conditions</p> <p>Key Projects</p> <ul style="list-style-type: none"> • Ensure the structure and resources for the partnership boards is fair and equitable • Set out our strategic plan for developing our approach to co-production, this includes evaluation of the ARF projects on co-production with unpaid carers. <p>Outcome Increased visibility and evidence of coproduction being used with individuals and across service development</p>	March 26
<p>Priority Digitise, connect and transform services safely and securely</p> <p>Key Projects</p> <ul style="list-style-type: none"> • Implement new Technology Enabled Care service • Deliver Carers accelerating reform project focused on information, advice and guidance and digital self-assessment <p>Outcome 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</p>	March 26
<p>Priority Develop our approach to our statutory obligation to prevent reduce and delay needs for care and support</p> <p>Key Projects</p> <ul style="list-style-type: none"> • Start implementation of our prevention strategy for older people • Co-produce our Unpaid Carers Strategy and start implementation • Develop our prevention strategy for working age adults • Undertake the scoping for potential long term transformation in the 4 key areas identified through the MTFS • Progress our work with people experiencing multiple disadvantage through our participation in the Making Every Adult Matter programme <p>Outcome 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</p>	March 26
<p>Priority Develop our internal and external workforce strategies focusing on recruitment and retention, learning and development, and digital skills and capability</p> <p>Key Projects</p> <ul style="list-style-type: none"> • Raising awareness of careers in care with young people • Aligning with the CYP social work Academy • Develop digital and data competency pathway & training • Develop our external workforce strategy <p>Outcome Increased number of people in the ASC workforce through recruitment and retention activity and increased workforce capacity and capability through skills development</p>	March 26

Priorities for the year	
<i>Title/description</i>	<i>Key Dates 2025-26</i>
<p>Priority Develop our strategic commissioning priorities, supporting providers and supporting innovation</p> <p>Key Projects</p> <ul style="list-style-type: none"> • Contract Management Process Design • Quality Assurance Process Design • Care Home Capital Project <p>Outcome 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 26
<p>Priority Deliver our Data and Intelligence and Quality Strategies, to improve oversight and decision making</p> <p>Key Projects</p> <ul style="list-style-type: none"> • Develop the ways we hear from people with lived experience through the mechanisms established under our Quality Strategy • Deliver full pathway systems, process and data improvement to deliver on our ambitions established under our Data and Intelligence Strategy through a dedicated transformation programme <p>Outcome</p> <ul style="list-style-type: none"> • 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 26

Context and Strategic Direction

The strategic **vision** for Children's Services in Gloucestershire is:

A great place to grow up where children and young people thrive and live lives of choice and opportunity.

Our **theory of change**: delivering better value and improved outcomes by getting it right for children and families from the earliest point.

To become a directorate offering consistently good services able to meet need from the earliest point of identification, our focus is on:

- Consistently delivering excellent outcomes through the standards set out in our practice framework:
 - Timely, skilled interventions;
 - Effective management oversight;
 - Sustainable outcomes;
 - Value for money.
- Ensuring the conditions for practice (structure, skills, strategy, systems and sites, staff, shared values, and inclusive culture) are embedded.
- Reducing demand for specialist services through earlier, proportionate intervention, co-producing solutions with children and families, supporting communities and developing the partnership.
- Improving sufficiency and commissioning practice to support delivery of our vision for children and young people.

We will work with partners to achieve our vision and theory of change, through the 'One Plan' ([Gloucestershire One Plan](#))

Consultation

Underpinning this, we have brought together the views of parents, children and young people through a range of listening events and have summarised these key messages here which inform the One Plan referenced above.

Legislation and key guidance

The children's sector is governed by a detailed and complex range of legislative and guidance arrangements (statutory and non-statutory). Prominent in these are:

- The Children Act, 1989
- The Children Act, 2004
- Adoption and Children Act, 2002
- **Children and Families Act 2014**
- **Children (Leaving Care) Act 2000**
- **Children and Social Work Act 2017**
- Care Standards Act 2000
- Education Act, 1996
- Education Act, 2002
- Education Act, 2011
- Children and Families Act, 2014
- School Standards and Framework Act, 1998
- Academies Act, 2010
- Apprenticeship, Skills Children and Learning Act, 2009
- Education (pupil Registration) Regulations, 2006

- Education and Inspections Act 2006
- Crime and Disorder Act 1998
- Youth Justice and Criminal Evidence Act 1999
- Legal Aid, Sentencing and Punishment of Offenders Act 2012
- Working Together to Safeguard Children, 2023
- Stable Homes Built on Love, 2022
- SEND Code of Practice, 2015
- Special Educational Needs and Disability Regulations, 2014
- Equality Act, 2010
- Independent review of children’s social care 2022

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 arrangements for children and young people with special educational needs and/or disabilities (SEND).
- 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 (February 2022), Local Area SEND (December 2023) and JTAI (June 2023), Children’s Services anticipate further regulatory activity in the coming 18 months relating to children’s social care, and youth justice.

Finance

The significant financial challenges facing Local Authorities resulting from pressure on Children’s Services have been highlighted over recent years by various organisations and local authority representatives. These have focused on “The spiralling cost of services such as **children’s social care, home-to-school transport and SEND**” (Society of County Treasures, letter to Angela Rayner MP, July 2024), which summarised:

- **Children’s Social Care Market**
Budget pressures in Children’s Social Care (CSC) could lead to service or council failures if nothing is done to stem demand and cost increases. This includes LGA recently published research showing that the number of CSC placements costing £10,000 or more a week has risen over 1000% or over £75 million a year (from 2018-19 to 2022-23) mainly to providers managed by wealth funds.
- **SEN & High Needs Block Deficits**
The impact of SEND reforms is outstripping resource allocation leading to substantial High Needs Block overspends, with the sector holding cumulative deficits now estimated to exceed £3.2bn.
- **Home-to-school transport**
The demand for home-to-school transport has risen exponentially in recent years. Recent research estimated that costs are set to almost triple over the ten-years leading up to 2027-28, as the number of children eligible for free school transport increases 122% over the same period. The problem is particularly acute in county areas; in 29 out of the 41 SCT member authorities, the cost of home-to-school transport already exceeds the net spending on Sure Start, Family and Youth Services combined.

In Gloucestershire, the [2024/25 County Council Budget](#) invested an additional £26.5m into the children’s budget, broken down by:

- External placement (homes for children in and leaving care) costs:

- Disabled children's costs:
- Unaccompanied Asylum-Seeking Children's Costs:
- SEND Statutory Services:
- Review of Home to School Transport arrangements:

The directorate's focus on achieving its strategic aims as set out above, demonstrates sustained controls and improvement in the following areas:

- Reducing number and rate of children in care (from 858 at end of Quarter 1 2023 to 816 at end Quarter 1 2024). NB Unaccompanied Asylum Seeking Children (UASC) remains below government's target of 0.1% of the county's children population.
- Reducing care costs through improved commissioning practice
- Reducing reliance on independent children's home and non-maintained residential special schools to 97(end Quarter 1 2024), 14 fewer than at the same point last year.
- Average unit cost for children in care has reduced to £1,248 per week at the end of August 2024 compared with £1,421 at the end of July 2023.
- The numbers of agency social workers continue to reduce with 91 at the end of Quarter 1 2024 compared with 133 at the end of Quarter 1 2023.

Areas subject to ongoing financial pressures and challenges including:

- Capacity in the statutory EHCP Service to meet statutory timeliness on the issue of EHCPs
- Capital funding to meet the demand in the school system for specialist place sufficiency, including alternative provision
- School funding pressures working against the drive for improved inclusion practice in the mainstream local education system
- Meeting the Early Years statutory extended entitlements and wraparound care
- Revenue funding for disabled children community care and short breaks

Additionally, the directorate is wholly committed to the Council's MTFS programme with an emphasis on the following:

Growth

- Increasing the capacity (volume and resilience) of our in-house fostering provision, and family and friends acting as Special Guardians.
- Securing and strengthening our Early Help provision.
- Equitable funding for children in care allowances and care leavers' setting up home grants.
- Investment in our support for children with SEND, including specialist sufficiency.
- Accommodating UASC in line with our DfE target (127)
- The use of information technology for improved accessibility to service information by the public, and to support a single view of the child for statutory partners.
- Accommodating greater demand in Home To School Transport (HTST) requirements.
- Growing our Educational Psychology Service capacity to meet the unabated increase in demand for Education, Health and Care Needs Assessments.
- Support local education sector sufficiency for post-16 learners with SEND.
- Continued focus on meeting our statutory safeguarding assurance for all education settings
- Ensuring Early Years education and childcare sufficiency meets the demands of the extended entitlements and wraparound care requirements
- Supporting relevant inflationary uplifts.

Efficiencies

- Reducing our numbers of agency social work staff through greater workforce stability and development of the permanent workforce.
- Increased value for money in commissioned placements for residential children's homes and supported accommodation (under and over 18).
- Increasing specialist sufficiency in the maintained sector to reduce reliance on high-cost independent sector specialist placements
- Utilising E-auctions and routing software as part of the Home to School Transport review.

Outcomes to date:

- Reduction in rate of children entering care/number in care
- Improved use of local provision, reducing reliance on costly out of area independent residential
- Improved support for timely reunification
- Reduction in court proceedings and CP
- Improved workforce stability and reducing spend on agency staff.
- Expansion of the EHCP statutory team to respond to unabated demand
- Equitable delivery of named educational psychologist in-school support for all schools in the county
- Review of Educational Psychologist pay scales and workplace offer to improve recruitment and retention
- Improved timescales for EHCP Annual Reviews from 43% to 87%
- New special school funding agreed and at planning committee stage; feasibility studies in train for a second special school site
- Decreased the daily cost run rate for home to school transport despite increasing demand and challenges in the marketplace.

Evidence Base *(previously needs analysis)*

Gloucestershire has approximately 129,325 children aged 0 -17, and a further 45,264 young people aged 18 - 24. Our quantitative and qualitative information from a range of sources (including the voices of our children, young people, families, and communities) shows us that our headline data is often good when compared with national data and sometimes our peer local authorities. It does not, however, tell the same story for those who face the greatest disadvantage and barriers, protected characteristics, isolation, and the intersection of these.

The proportion of Gloucestershire's children living in child poverty generally falls below England averages, however rates have been increasing over time in line with the national trend, with a sharp increase observed in 2022.

Gloucestershire's population is becoming more ethnically diverse, although it is less diverse than England as a whole. All ethnic groups excluding 'White British' make up 13% in Gloucestershire in contrast to 28.6% Nationally. It is notable therefore that we find children from Black and particularly Mixed heritage children significantly over-represented in our youth justice, and care populations; and they are currently achieving below the average educational level for Key stage 2. There is further diversity to be found between our rural and urban populations, accompanied by more limited access to services and amenities for those in more rural parts.

Children that go to school in Gloucestershire generally perform similar or better than England overall in their assessments at the end of their Reception year, Key Stage 2, and Key Stage 4. However, inequalities exist, with the gap in performance between those eligible for Free School Meals and those not being consistently greater for Gloucestershire than England as a whole.

In recent years Gloucestershire has benefited from a range of grant-funded welfare support initiatives including the Household Support Fund (HSF), the Holiday and Activities and Food fund (HAF), Homes4Ukraine, and the Afghan Resettlement Fund. Additionally, the Council continues to provide the Gloucestershire Welfare Support Scheme (GWSS) for those presenting as in need. However, the future of ongoing funding supports (e.g. HSF and HAF) remains uncertain. Work is underway to shift this welfare support onto a sustainable footing with increasing reference to the GWSS, the emerging countywide Family Hubs model, and assets in the voluntary, community, faith, and social enterprise (VCFSE) sector.

Education

Since the pandemic, levels of pupils being persistently absent has risen from 10% to 14.5% which is a pattern similar to that seen nationally. Rates of Electively Home Educated (EHE) children have been rising in Gloucestershire and have doubled from 13 per 1,000 CYP aged 5-15 in 2017/18 to 25.6 per 1,000 in 2022/23. The rate of EHE in Gloucestershire in 2021/22 was significantly higher than the statistical neighbour, regional and England average.

Families do not always provide a reason for choosing Elective Home Education, however the most cited reasons were Mental Health (19%), Philosophical/Preference (19%), and 10% stated Dissatisfaction with School. These proportions are similar to those in our statistical neighbours and the Southwest region.

Permanent exclusions across all school phases were historically high in Gloucestershire but started to decline in 2015/16 and fell into line with national proportions. A sharp increase was then observed nationally following the pandemic. Exclusion rates in primary age pupils, though low (0.05 in 21/22) are currently above England (0.02) and Statistical Neighbour averages (0.01) and require monitoring.

School suspensions in Gloucestershire have followed a similar trend to England and our Statistical Neighbours, with the most recent data putting us below the national and neighbour rate (6% compared to 7%). Proportion of young people aged 16 to 24 not in education, employment or training (NEET) is lower for Gloucestershire than the England average (2.4% vs. 2.8% in 2023).

SEND

The number of children and young people in Gloucestershire identified with a Special Educational Need or Disability (SEND) has been increasing since 2015 in line with national trends. This has been driven by a combination of increased need, awareness and training, funding policy and potentially over-assessment where there is limited evidence of SEN. Whole year figures for academic year 2023-24 were:

- 14,848 children with SEN need supported in schools
- 6,234 children with an Education Health & Care Plan (EHCP)

There were 609 children supported in the Disabled Children's services in October 24.

This rise has coincided with a rise in Education Health and Care Needs Assessment applications, appeals to the needs assessment outcome and a rise in demand for special school places. Overall Special Educational Needs are more common in children living in more deprived areas, a pattern seen locally and nationally, though there is variation depending on primary need. Children and young people with a primary need of Moderate Learning Disability; Social, Emotional and Mental Health; and Speech, Language & Communication Needs are significantly more likely to live in areas of deprivation (quintiles 1 and 2) than children without Special Educational Needs.

Children's Social Care

The number of children open to children's social care in Gloucestershire has been higher than peers but in the last year, following work with teams around proportionate intervention, has started to reduce and align with our peer comparators. At the end of May 2024, we had 3,837 children open to Social Care which compares with 4,150 as a full year monthly average from the previous year. The full year monthly averages show reductions in children in need (11%), children in need of protection (16%), and children in care (5%). Numbers of young people becoming care leavers demonstrates a gradually increasing trend over recent years which aligns with the growth in child in care numbers in previous years.

Admissions to care are reducing steadily, whilst the numbers of those exiting care is relatively consistent. In the last year, the number of Unaccompanied Asylum-Seeking Children has increased slightly from 54 to 58. GCC remains committed to raising this number to 127 (or 0.1 % of the total population of the County's children) in line with national targets. More therefore remains

needed to reduce the total number of children in care to 726, or 57 per 10,000 as per statistical neighbours by the target date of March 2026.

We are working to increase the number of children in care within foster families. This includes greater utilisation of in-house fostering provision, and of commissioned foster placements within the County. Simultaneously we need to gain the greatest value-for-money for each placement and package of support in a region where the market prices are inflated, in a national market with pre-existing cost and quality demands which are widely regarded as detrimental to children's care and the financial stability of Local Authorities.

Through intensive programme of work, the numbers of children in residential children's homes has, in the last year, reduced from 111 to 98. This work identifies those children that have made sufficient progress and reduction in levels of complexity and need to be able to step down from this intensive level of accommodation and support. This work is principally outcomes-focused for the children though it will simultaneously represent considerable financial savings to GCC. Year-on-year reductions aim to deliver 80 residential homes placements by 2028.

The numbers of children placed out of county has reduced in the last year from 27% to 21% and this reduction needs to continue so that we are maximising the number of commissioned placements already available within the County. There are already sufficient numbers of commissioned residential children's homes and supported accommodation settings in Gloucestershire to largely meet the needs of Gloucestershire children; though many of these are currently utilised by children from other areas. The benefit of regaining this market for local children is that we can activate local services to attend to their needs in keeping with our joint strategic and operational commitments. Conversely, these children from other areas place a strain on local services as we together strive to ensure that they enjoy positive outcomes as children living in Gloucestershire.

There remain a relatively small number of children with very high-cost placements and packages of support. Whilst the number of these children remains relatively stable, the costs of these packages is rising in relation to market pressures. A number of these packages require joint funding between health, education and/or care. Arrangements to support these joint funded packages have improved in the last year but more remains needed in this respect.

In October 2023 new Ofsted regulations came into effect for providers to children of supported accommodation. Gloucestershire, and the providers we utilise, navigated these changes well ensuring that all children were placed with registered providers and those in train of registration (as is permissible). We recognise though that the use by Gloucestershire of supported accommodation is too high and we need to reduce the number of under 18-year olds living in supported accommodation to 54 by March 2028. Due to the market growth in this area we will need to work closely with local providers as this intended reduction will impact considerably on them. We need to grow capacity in available fostering provision so that our first option is always a fostering one unless contra-indicated by the child's needs, risks, and circumstances.

In recent years, we have seen a growth in the number of non-UASC, non-Staying Put care leavers requiring ongoing post-18 accommodation supports and funded packages from GCC children's services. Much of this growth is a combination of the gradually rising numbers of care leavers and national pressures in the housing market and capacity demands within the housing pathway for our young people. Ongoing work is needed to rationalise commissioning activities to extract greatest value-for-money for this cohort whilst also attending to the support for former asylum-seeking care leavers.

Improvement work within our Disabled Children's Teams is supporting ongoing improvements in relation to quality, performance, and financial stability. Within this we have prioritised continued work to support the commissioning of floating support, short breaks and respite options. This is

based on our self-evaluation, the findings of the SEND inspection, and known areas of financial pressure.

Youth Justice

Whilst Gloucestershire's Youth Justice System (YJS) is generally performing comparatively well on a regional and national level, there have been increases in the number of children sentenced to custody and a small cohort of children, with complex needs, have continued to re-offend.

Following from our youth justice needs assessment and annual planning we have prioritised the need to enhance the engagement and voice of young people, address issues of disproportionality, and enhance our offer for the cohort of children most entrenched in their offending. Within this we need to pay particular attention to the criminogenic factors impacting on their situation and associated need for a more intensive offer from key partners. We are also committed to furthering the Child First principles to ensure that these are always adhered to and do not lessen as risk/vulnerability increases.

Within Gloucestershire we have continued to see the overrepresentation of black and mixed heritage children within the YJS, as well as high levels of children experiencing education disruption, SEND, involvement with social care, and poverty. We also recognise the importance of improving the health and wellbeing of children within the youth justice system; and attending closely to the rise over the last decade in increased levels of serious youth violence and exploitation.

Health

Overall Gloucestershire tends to perform well against England averages for indicators such as levels of immunisation, breastfeeding rates and oral health, however these mask disparities that exist based on deprivation.

Mental wellbeing in school-age children is declining and the Pupil Wellbeing Survey responses demonstrate that those in minority ethnic groups and those in areas of deprivation report finding it harder to access mental health support. In addition, referrals to Child and Adolescent Mental Health Services (CAMHS) are disproportionately higher for the White British ethnic group.

Despite the numbers reporting smoking cigarettes declining over recent years, 2022 saw a huge rise in young people vaping, meaning overall exposure to nicotine rose by 42% between 2020 and 2022.

Regulatory findings

The Inspection of Gloucestershire local authority Children's Services in February 2022 highlighted:

- Significant progress since the Ofsted inspection in 2017 with services more effective in meeting children's needs.
- Services were more effective in meeting children's needs.
- No widespread or serious failures in service provision.
- Further improvement was needed to achieve consistently good service delivery.
- Early help services are comprehensive, but subsequent plans often lack clear management direction.
- Initial contact responses via the Children's Front Door are generally timely, but further consistency is needed.
- Care plans and support for care leavers required further development to ensure better transitions into adulthood.

The Joint Targeted Area Inspection (JTAI) of Gloucestershire Local Safeguarding Partnership in June 2023 reflected:

- A robust and effective multi-agency approach to safeguarding children in Gloucestershire, with strong leadership and governance ensuring appropriate and timely responses to children's needs.
- Most children in Gloucestershire identified as needing help and protection receive a swift and appropriate multi-agency response from the "front door" services.
- Senior leaders exhibit a strong strategic partnership supported by effective governance within the Gloucestershire Safeguarding Children Partnership (GSCP).
- Senior leaders on the executive board have a good understanding and oversight of the effectiveness of multi-agency safeguarding arrangements.
- Information about children's current circumstances is shared effectively among agencies, supporting holistic and well-informed safeguarding decisions. However, the efficiency of partner recording systems to better support multi-agency information-sharing about children's needs must improve.

The Local Area SEND inspection of Gloucestershire Local Area Partnership in December 2023 found the arrangements for children and young people with SEND in Gloucestershire lead to inconsistent experiences and outcomes, necessitating joint efforts to improve and made the following recommendations:

- Leaders in the ICB and the LA should strengthen multi agency working across the partnership, between education, health, and social care providers.
- Leaders in education, health and social care should work together to strengthen and embed the quality assurance framework around all existing and newly issued EHC plans.
- Leaders in education should continue to review the breadth and offer of specialist places for children with SEND, in order to inform commissioning and investment in specialist provision to improve the experiences and outcomes of children and young people and their families.
- The partnership should further develop their strategic plans to include families in partnership projects, to embed their voice and create a model of true co-production. The monitoring of projects and interventions should be more inclusive and effectively communicated with stakeholders, to create a shared culture of driving improvements for children, young people with SEND and their families.

National policy direction:

Through Gloucestershire's One Plan we are aligning with national policy drivers with an emphasis on:

- Greater access to early education childcare, particularly for working families
- Providing a universal offer to all families that supports parents and carers to nurture the health and development of their babies and children from conception, throughout the early years, and into the start of adulthood through a Family Hubs approach
- Earlier intervention and support for children with Special Educational Needs and Disabilities to enable them to access mainstream provision where possible and improving transitions to adulthood by strengthening Post 16 advice, guidance and provision
- Putting lifelong loving relationships at the heart of the care system by recognising that families are the experts in their own lives and the system needs to collaborate and coproduce plans in true partnership with parents and carers, whilst providing intensive help to families in crisis
- Safer, more equitable and more personalised maternity and neonatal care for women and babies.

Resources		
<p>The overall growth position reflects both the vulnerable children and other children's services included in the MTFS annexes. The totals are set out below to support the Directorate plan.</p>		
<p>Net Revenue Budget 2025/26 £ Vulnerable Children: £150.194 million (after reserves net off of £59k) Other Children's Services: £41.3 million Total: £191.494 million See Annex 2 for details</p>	<p>Capital Budget 2025/26 £ Schools: £25.217 million Non-Schools: £1.725 million Total: £26.942 million See Annex 8a for details</p>	<p>Cost Reductions and Income Targets 2025/26 £ Vulnerable Children: £3.321 million Other Children's Services: £646k Total: £3.967 million See Annex 2 for details</p>

Priorities for the year
<p>Children's Social Care:</p> <ul style="list-style-type: none"> • Improving the quality of practice - via the Ambitions board, we will continue to drive forward plans to improve the quality of social care practice, from our early help services, through our children and family teams, and into our children in care and care leaver teams. • Early help - we will review the county council early help offer, ensuring that our structures and support offer maximise the resource available including revising the front door triage structures, launch of the early help strategy, review of the level of intervention document and launch of the One Plan. • Workforce - we will complete and embed the remodel of children's social care, with a focus in the disabled children teams and the care leavers services. We will continue to focus on growing our own workforce, reviewing and revising our routes into social work training, and reviewing the role of the social work academy in supporting our workforce. • Fostering – via the fostering action plan, we will ensure that we maximise our recruitment of foster carers, and ensure that we build on the good work to retain our foster carers, and support improving placement stability for children in our care. • Family Hubs – we will continue to develop our family hubs, aligning our locality based community teams with universal and early help services. • UASC – we will work towards increasing our UASC numbers to meet government expectations that we support a number equivalent 0.1% of our children's population. We will build our expertise and confidence in working with this marginalised group. • PAUSE – our newly commissioned Pause model will support vulnerable Mothers to avoid the need for repeated removals of children via care proceedings. • Youth Support – we will stabilise and embed those services coming back into GCC and work to identify efficiencies and practice improvement alongside existing statutory teams. • Sufficiency Capital Home projects - As part of the Council Sufficiency Strategy Home@theHeart 2022 – 2026, Children's services have started to repurpose some building as children's homes and supported accommodations, thereby reducing its reliance on risk averse, out of county provision. The first of the new sites will mobilise in 2025, with work well advanced to ensure that the children and young people placed receive the wider network of educational, health and personal support to enable them to flourish. <p>Commissioning:</p> <ul style="list-style-type: none"> • Improving Sufficiency of homes – our in-house fostering and commissioning teams will work closely together to develop our joint working and fostering capacity for children in care. We will further engage with our local supported accommodation and residential children's homes providers to support greater awareness of our market position and to build improving

partnerships with providers. We will focus particularly on growing our sufficiency in Gloucestershire

Outcomes for children and young people: Maximise children's opportunities to live close to their family home, enjoy stable home lives, and consistency of Education, Training and Employment.

- **Post 18 provision** – Through investment in the Community Accommodation and Accommodation Based Support (CABS), and developing adult-sector accommodation providers' offer to young people leaving our care we will increase the quality, quantity and value for money of this provision.

Outcomes for children and young people: Young people leaving our care will enjoy an improved transition to independent adulthood in better quality homes.

- **Short breaks provision** – Through a range of contract extensions and innovative partnership work with the Barnwood Trust we will be consolidating and growing our short breaks offer for children with SEND. Not only will this see a growth in the capacity and range of our offer, it also provides instrumental learning to inform our needs assessment in pursuit of the necessary re-contracting of our short-breaks provision in 2 years' time.

Outcomes for children and young people: Children across Gloucestershire will enjoy a more equitable range of services that offer improved opportunities and the development of their resilience.

- **Joint commissioning** – considerable strides have been made in relation to joint Education, Health and Care commissioning arrangements. We will shortly receive the PeopleToo consultative reports on integrated commissioning and commissioning for complex children. From these we will develop a coherent integrated commissioning strategy and continue to progress our joint commissioning processes and practices – most manifest through the Personal Budgets and Exceptional Needs Group (PBENG) and Children and Young People's Multi-Agency Resource Panel (CYPMARP).

Outcomes for children and young people: Children, young people and families experience an accessible and coherent system of support that empowers them with personal budgets (where eligible), choice, and high-quality packages of support and care.

- **Commissioning Needs Assessments** – We are embedding the commissioning cycle across all contracts towards maturer assessments of need and value for money delivery. These needs assessments will individually and collectively inform improved strategic awareness and planning of services.

Outcomes for children and young people: Children, young people and families benefit from continuous service improvement, and the effective allocation of resource to the services most needed. This will support earlier intervention before needs escalate; and where needs are more pronounced that the best possible, evidence informed interventions are available to support them towards growing resilience.

Education Priorities:

- **Continued roll out of the Local Area SEND and Inclusion Improvement Plan**

The improvement plan has targeted objectives and workstreams linked to the Ofsted –CQC inspection recommendations and the Delivering Better Value and DfE Change Partnership Programme improvement priorities, foremost amongst which are specialist and alternative provision placement sufficiency, the five-year Designated Schools Grant modelling and deficit reduction programme and the roll out and embedding of the multiagency SEND Quality Assurance Framework.

- **Review of the Education Directorate Operating Model** - The structure and shape of the Education Directorate has not been fully reviewed since 2017/18. Since then, there has been significant national and local change in education and the need for piecemeal adjustments to the 2018 arrangements, where elements of those changes were found not 'fit for purpose' in the interim period. Those significant changes include: the demand for support from our services has risen significantly since 2017. The number of children and young people, families and education providers seeking and accessing support from Inclusion, EHCP service, Education Psychology, Advisory Teaching, the Early Years service,

Transport, In-year admissions have all risen significantly; Covid-19: The global pandemic has exacerbated the demand for services, but it has also shifted the way in which we operate. Our working environment has changed to a more flexible and agile model, which has many strengths, but also some weaknesses, particularly in how we build relationships, work as a team and manage performance; Changes to statutory and regulatory guidance: We are used to changes in statutory and regulatory guidance, but since the last review of the directorate, we have had major White and Green papers, which, despite being set aside, elements of which have nonetheless initiated changes in a range of areas including school improvement funding; inclusion; SEND and most recently the major Early Years and Childcare reforms.

- **Responding to falling rolls in primary Schools** – As we see the changing demographics around birth rates feeding through into the primary sector, we are working strategically with schools in the identified planning areas to manage school place reductions across the planning area.
- **Lead Music Hub Organisation** – The new Music Hub consortium, led by GCC will continue to roll out and adjust its operations from the transition year to full Year 2 Lead Music Hub for Gloucestershire, Swindon and Wiltshire and the necessary changes to grant and procurement arrangements.

Further Outcomes we will measure

Proportionate responses:

- CSC - number/rate of contact at front door
- CSC - number/rate progressing to social care referral (and of that, rate of re-referral within 12 months)
- CSC – number/rate at each level of intervention (EH, CiN, CP, CiC, CL)
- SEND – number/rate of requests for EHCNA
- SEND – number/rate progressing to EHCNA
- SEND – number/rate progressing to EHCP

Timeliness:

- CSC - children seen within timescales (CiN; CP; CiC; CLs)
- CSC - completion of single assessments
- SEND - 20-week completion of EHCP
- SEND - Timeframe/progress completing those outside of 20 weeks
- SEND - Annual Reviews tracking backlog completion
- SEND – LGSCO cases – number and outcome

Corporate parenting inc sufficiency:

- CSC – balance of placements – split by in/out of area more than 20 miles from home
- CSC – utilisation of in-house foster carers
- CSC – stability of home (short and long-term measure – long-term is the more significant outcome measure if we can only have one)
- CSC/education – school place and attendance cic
- CSC – care leavers in EET
- CSC - care leavers in suitable accommodation

Reducing Risk

- CSC - children missing/found/length/repeat/return interviewed
- CP Plans – rate and number of repeat plans within two years of last
- CSC – timeliness of pre and care proceedings
- Education – number of children missing education
- Education - School days missed between referral and closure
- Education – Increasing specialist school place capacity

Title/description	Key Dates 2025-26
Sufficiency of children in care accommodation: <ul style="list-style-type: none"> - Capital projects - Post 18 Accommodation - Growing sufficiency in Gloucestershire - Fostering improvement plan 	April 25: opening Barnwood and London Rd Oct 25: opening Southfield support accommodation Oct 25: 18+ Accommodation project
Family & youth hub	April 25 Digital offer development June 25 Branding
Workforce transformation: <ul style="list-style-type: none"> • Early Help • Front Door • Education Operating Model Review • EHCP Casework • Educational Psychology Pipeline development 	Review of LOI April 25 Review Front Door April 25 Education Operating Model June 25
Short break	Increased capacity and diversity of provision in 25/26
Practice improvement (Social Care and SEND)	Update of QA framework April 25 Review and update of Ambitions Plan (March 25)
Specialist Sufficiency Strategy and Action Plan – Development of independent non-maintained placement pipeline; <ul style="list-style-type: none"> • 200 Place Special School Build, Gloucester; • Special School 200 place feasibility study and planning, Cheltenham; • SEND Resource Base and satellite primary Alternative Provision development with primary phase. 	Increased capacity and diversity of provision

Public Health and Communities

Context and Strategic Direction

Public Health and Communities continue to deliver against the Council strategy 'Building Back Better,' which provides the strategic context for our work to support local people to recover following the pandemic and thrive within their communities. We delivered the Levelling Up Together Grant Scheme and by March 2025, will have administered the Build Back Better councillor grant scheme which invests in local community initiatives, with the objective of building on strengths and meeting the needs and aspirations of residents.

The development of the county's One Gloucestershire Integrated Care System (ICS) (under the Health and Social Care Act 2022) placed a renewed focus on collaborative working across agencies in the wider health and social care system. Public Health is a core member of the One Gloucestershire Health and Wellbeing Partnership which brings together NHS, social care, and other public, voluntary and community sector partners to support delivery of the partnership's 5-year strategy. This focus on closer collaboration with system partners around shared health and care objectives will remain a key driver of our work in 2025/26, alongside the ongoing delivery of the seven strategic priorities set out in the Gloucestershire Joint Health and Wellbeing Strategy (2020-2030).

Health inequalities exacerbated through the pandemic continue to persist and cost of living continues to have an impact on individuals and families. Tackling inequalities underpins our strategic direction and we will continue to prioritise work to reduce disparities in health outcomes, aiming to ensure that all residents have the same opportunities to enjoy good health and wellbeing. The implementation of a new system-wide Health Inequalities Framework will understand the collective action we are taking to tackle health inequalities across the county.

While smoking rates have fallen, it remains a leading cause of ill-health and premature mortality. Nationally, the government has placed a renewed focus on reducing smoking rates, and the allocation of the Local Stop Smoking Services and Support Grant (LSSSG) will be used to enhance our stop smoking service provision across the county, focusing on communities that need the most support to address smoking-related health inequalities.

Our work with partners to support the health and wellbeing of refugee and asylum-seeking communities in the county remains a strategic priority over the next 12-months. The Government have committed to funding the Homes for Ukraine programme until at least March 2025, and the team will continue to support new arrivals to the county for its duration, alongside the administration of the United Kingdom Resettlement Scheme (UKRS).

The team continue to deliver against the Council's statutory responsibilities for health protection, working with system partners to protect people from and respond to the threat of infectious diseases and environmental hazards.

Evidence Base *(previously needs analysis)*

Our understanding of need in the local community is set out in our [Joint Strategic Needs Assessment \(JSNA\)](#) which is a strategic planning tool that 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 are above the national average. During 2020-2022, deaths from causes considered preventable were below the national average, although it is worth noting the rate was significantly higher than pre-pandemic levels (2017-2019), which reflects the trend seen at a

national level¹. The under 75 mortality rates for circulatory disease and respiratory disease were also below the national average, however the under 75 mortality rate for cancer was similar to the national average, whereas in 2017-2019 it had been significantly better. Interestingly, the under 75 mortality rate for cancer has fallen slightly in Gloucestershire since 2017-2019, but not as quickly as it has fallen at a national level².

There are areas of the county where residents' outcomes fall well below national averages and where, as a result, local people are more likely to depend on the services we provide. 21,056 people (3.2% of the county's population) live in areas amongst the most deprived 10% in England³. We also have an ageing population. The proportion of people in Gloucestershire aged over 65 has increased from 20.2% of the population in 2014 to 22.1% in 2023⁴. The proportion of people over 65 is set to increase by over 50% from the 2018 baseline by 2043⁵, highlighting the ongoing need for effective preventative interventions across the life course that will help people to age well.

Life expectancy at birth and at 65 years of age is better in Gloucestershire compared to England overall⁶. Although less pronounced than the England average, there is a gap in life expectancy between our most and least deprived areas. In Gloucestershire (2018-2020), inequality in life expectancy at birth is 7.6 years for males in the most deprived areas of the county when compared to the least deprived, and 5.8 years for females⁷. Data around the onset of significant conditions also suggest Gloucestershire residents experience poor health later than the national average. On average, a Gloucestershire male could expect to live around 24.8 years or 30.9% of their life with a significant health condition, while a Gloucestershire female could expect to live around 30.8 years or 36.2% of their life with a significant health condition, both lower than the equivalent figures for England⁸. However, despite this relative advantage to the national average, it is important to highlight that males and females in Gloucestershire are likely to live a significant proportion of their life in poor health and significant inequalities exist between different areas of the county.

Evidence tells us that some individuals may be 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, LGBTQ+ individuals, people facing socio-economic disadvantage and people with mental ill-health. Understanding and addressing these inequalities remains a priority.

When we compare Gloucestershire to local authorities with similar demographics (statistical neighbours), there are some key areas that stand out as needing additional focus. For example, we perform worse than many of our statistical neighbours in terms of late diagnosis of HIV, rates of smoking at time of delivery in pregnant women, and hospital admissions caused by unintentional and deliberate injuries in children aged 0-14. We have lower rates of children achieving a good level of development at two to two and a half years; drug users successfully completing drug treatment; and a lower proportion of the eligible 40–74-year-old population offered a NHS Health Check⁹ (though take up of the Health Check is significantly above the national average).

The most recent National Child Measurement Programme data (2022/23) shows that our prevalence of childhood obesity among year 6 children (20.3%) has decreased compared to the previous year (20.7%) and remains significantly better than the national average (22.7%). However, obesity levels among Year 6 children remain higher than before the pandemic (18.6% in 2018/19)¹⁰.

Our annual Service User Diversity Report highlighted that many of our commissioned services have several gaps in their data collection for some key protected characteristics, including gender, disability, religion, pregnancy, marriage and civil partnership status. We will work to improve this

¹ PHOF, OHID

² PHOF, OHID

³ Indices of Multiple Deprivation 2019, and Mid 2022 Population Estimates, ONS

⁴ Mid 2014 and Mid 2023 Population Estimates, ONS.

⁵ 2018 based subnational population projections, ONS.

⁶ Life expectancy for local areas between 2001 to 2003 and 2020 to 2022, ONS

⁷ PHOF, OHID.

⁸ Healthspan, Outcomes Based Healthcare

⁹ PHOF, OHID

¹⁰ PHOF, OHID

and ensure we have a better understanding of the communities accessing our services. The report also highlights an under-representation of men accessing Healthy Lifestyle Services (62% females vs 38% males). We are committed to ensuring equity of access and will seek to understand how we can address the under-representation of any protected groups in our commissioned services. 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 are only part of the story, and we will continue to listen to our communities and build local insight into our commissioning decisions.

Resources

The Public Health and Communities budget for 2024/25 is £37.1m. The budget comprises the ring-fenced Public Health Grant (£26.67m); 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 currently in receipt of several national government grants, specifically a grant to support victims of domestic abuse (in line with the council's statutory duties under the Domestic Abuse Act 2021); the Supplemental Drug and Alcohol Treatment and Recovery Grant (SSMTRG) (2023-2025) to support the local implementation of the recommendations from the National Drugs Strategy, and the Local Stop Smoking Services and Support Grant (2024-2029). The domestic abuse grant and the substance misuse grant are currently only confirmed until 2024/25, pending further national guidance.

The team is currently administering funds received by the council for delivery of the Homes for Ukraine (HFU) programme and the UK resettlement scheme (UKRS).

The value of the Public Health grant for 25/26 and the potential for any inflationary increase is not yet confirmed, which impacts on future planning. In recent years, the grant has seen below inflation uplifts which creates a risk of cost pressures.

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 as appropriate to help manage any cost pressures in the grant. A contingency will be retained to deal with unexpected cost pressures or events.

The total Full Time Equivalent (FTE) of the Public Health and Communities Hub (as of October 2024) is 35.5 permanent FTE. This is currently supplemented by a number of fixed term appointments: 13.0 FTE grant funded staff supporting the HFU and UKRS programme, 1.0 FT NHS apprentice, and 1.0 FTE member of staff funded via the stop smoking grant.

<p>Net Revenue Budget 2025/26 £ Public Health: £37.280 million (after reserves net off of £796k)</p> <p>See Annex 2 for details</p>	<p>Capital Budget 2025/26 £ Public Health: No capital requirements</p> <p>See Annex 8a for details</p>	<p>Cost Reductions and Income Targets 2025/26 £ Public Health: £244k</p> <p>See Annex 2 for details</p>
--	---	--

Priorities for the year

<i>Title/description</i>	<i>Key Dates 2025-26</i>
<p>Commissioning/recommissioning of services across a range of programme areas, including:</p> <p>a) Commissioning of additional stop smoking support services. b) Recommissioning of the Community and Accommodation Based Support Services (CABS) framework.</p>	<p>Provisional dates: a) Spring 2025 b) Summer 2025 c) Summer 2025 d) Summer 2025</p>

c) Recommissioning of Gloucestershire's Domestic Abuse Support Service (GDASS). d) Commissioning of services to prevent poor sexual health outcomes. e) Commissioning of support services for refugees and asylum seekers.	e) Spring 2025
Investment of the Local Stop Smoking Services and Support Grant (LSSSG) to enhance our stop smoking support across the county.	Ongoing
Ongoing implementation of the recommendations from the 2023 Director of Public Health Annual Report (Just Another Drop – the Ripple Effect of Alcohol) to prevent and reduce alcohol-related harm.	Ongoing
Promotion of the 2024 Director of Public Health Annual Report on the health and wellbeing of refugees and asylum seekers and implementation of the recommendations.	Ongoing
Supporting the work of the Combatting Drugs Partnership and delivery of the partnership's action plan to achieve the ambitions of the National Drug Strategy.	Ongoing
Continuing to develop and promote our range of weight management support options, working to increase uptake among under-represented groups and accommodate new pharmacotherapies within pathways.	Ongoing
Development of the action plan (with partners) to support delivery of the county's new 5-year suicide prevention strategy (published in 2024).	Ongoing
Update the Gloucestershire Domestic Abuse strategy and domestic abuse needs assessment.	Spring 2025
Publication of the midpoint review of the Gloucestershire Health and Wellbeing Strategy reporting on progress against the seven strategic priorities.	Spring 2025
Working with partners on the delivery of the new Gloucestershire One Plan for Children and Young People (2024-2030), and the roll out of Family Hubs across the county.	Ongoing
Embedding with partners the Making Every Adult Matter Approach (MEAM) in Gloucestershire to improve outcomes for individuals experiencing multiple disadvantage and promote integration across local services.	Ongoing
Working with system partners on the development of Women's Health Hubs (commissioned by Gloucestershire Integrated Care Board).	Ongoing
Development of the Infection Prevention Control and Antimicrobial Stewardship action plan for Gloucestershire in line with our health protection responsibilities.	February 2025
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 district councils on the healthy-places agenda- considering the impact of the built and natural environment on health.	Ongoing

Context and Strategic Direction

EE&I's mission - 'Creating a Sustainable Economic Future for Gloucestershire'

As a directorate EE&I makes a considerable contribution to GCC's cross cutting Council Strategy – Building Back Better in Gloucestershire. We have:

- Developed a new [Gloucestershire Economic Strategy](#) to set out a clear plan for a decade of sustainable economic growth
- Secured investment for Gloucestershire with over £1bn government funding for major schemes - M5 Junction 10, Junction 9 and the A417 which will allow for the delivery of new sustainable growth in Cheltenham and Tewkesbury with over 20,000 houses and about the same number of jobs; and with the corresponding economic flow down through the local supply chain and SME's.
- Contributing 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
- Completed the Arle Court transport Hub on time and within budget
- Secured external funding of over £50m to date to construct more sections of the award winning 26-mile cycle spine.
- Secured government funding to deliver 58 new electric buses and expand our bookable bus – [The Robin](#) to improve sustainable transport options across the County.
- Continued to deliver an ambitious Highways Transformation programme, delivering productivity improvements, launching Fix my Street and improving both the customer journey and service offered to the public.
- Leading on Climate Change- [Greener Gloucestershire](#) - have installed over 250 electric vehicle charging points across the county and planted over 138,000 trees in 2023/24 bringing our total to 398,000 since 2019.
- The integration our local enterprise partnership functions to support a new approach to business and the economy
- The creation of the Employment and Skills Hub, has supported over 2000 of the most vulnerable people in our community on the road back into work since being created in October 2021
- The Gloucestershire Skills for Life Multiply programme, which is designed to aid people aged 19 plus, who do not already hold a Level 2 or above qualification Maths. Now in its third year has so far helped 2315 people.

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

- 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 3,600 marriages/civil partnerships.
- Provision of transport so that 1,700 children with Special Educational Needs can get to school every day, and a further 6,000 children moved on Home to School transport through over 600 contracts.
- Traffic and transport teams also provide cycling proficiency training, school crossing patrols and issue nearly 100,000 concessionary travel passes.

- 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

Strategic Pressures which are affecting our service delivery:

- Contractual and Pay inflation increases, with construction related inflation running particularly high
- Ability to attract and retain technical staff in several service areas
- New legislation -
 - Procurement Act 2023, EE&I has over 1400 contracts
 - Flood & Water Management Act
- An ageing infrastructure including our roads, bridges, culverts, and traffic signals
- 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, increasing the need for more road maintenance and increased number of flooding incidents affecting more properties
- Decreasing numbers of business survival rates

Evidence Base (*previously needs analysis*)

Gloucestershire has a prosperous and resilient economy set within a highly attractive natural environment, which offers a high standard of living for the majority of residents. The population of Gloucestershire was estimated to be around 659,276 in 2023^[i]. ONS projections suggest that the population in Gloucestershire will reach 683,849 by 2028 and 738,482 by 2043^[ii]. As the population continues to grow it brings with it an increased demand for services, jobs, homes, with opportunities for increased productivity and investment.

The dominating feature of population projections for 2018 to 2043 is the sharp increase in population in the age group 65 or over, which is projected to increase from 134,973 in 2018 to 205,865 in 2043 (an increase of 52.5%), increasing the demand for concessionary fares with subsequent increasing costs for GCC.

The working age population (aged 16-64) however, is projected to rise at a much slower rate, only 6.9% over the same period. This will have implications for the economy as the dependency ratio is projected to increase. By 2043 for every 100 people of working age, there will be 80 people reliant on them. This compares to 65 in 2018, placing greater pressure on the working age population. In addition, by 2035 the number of jobs in the county are projected to exceed the number of working age people posing a challenge for delivering future growth. It is also worth noting this does not take into account increases to the retirement age or the potential impact of automation and AI.

There are around 29,420 enterprises in the county supporting a workforce of approximately 348,000 jobs. The majority of the businesses in the county are small, with 88.4% employing less than 9 people; this reflects the picture at national level. Gloucestershire has a diverse local economy, not overly reliant on any one large company or sector for employment. However, there are signs that business survival rates are falling in the county, in opposition with the picture seen at a national level. In addition, in 2021 business deaths outnumbered business births in Gloucestershire this was the first time this had happened since 2010 and contrasted with the picture at national level, where there were more business births than deaths^[iii]. Levels of self-employment have historically been higher than the national average, however, in recent years there has been a decline in self-employment in line with national trends.

The employment rate (the proportion of residents aged 16-64 years who were in work) stood at 76.4% during the peak of the pandemic and has recovered to 80.7%, higher than the national average (75.7%). The corresponding unemployment rates have consequently reduced. However, in line with the national and regional picture there are concerns about an increasing proportion of the working age population becoming economically inactive, with 17.3% of the 16-64-year-old population falling into this group, up from 15.3% pre pandemic. Gloucestershire has a well-qualified population with those holding Level 4+ qualifications accounting for 38.3% of the 16-64-year-old population, At the other end of the scale 9.6% of 16-64-year-olds in the county have no qualifications, and although this is lower than the national average it is still significant. Essential services are those necessary to ensure the full social inclusion of people in society. Gloucestershire has around 3,300 miles of roads^[iv] and over a quarter of a million households. Over 40,000 households (16%) are without a car or van to enable them to access essential services.

Climate change predictions suggest incidences of flooding will become more frequent and pressure to provide more housing could mean new housing developments being built on land vulnerable to flooding. In addition to increasing the frequency of flood events, predictions also suggest climate change will mean the UK will experience hotter, drier summers and warmer, wetter winters alongside more extreme weather events with floods, storms and heat waves of greater severity and frequency. These changes will have an impact on the resilience of our transport network and how we manage the maintenance of the highway. Our operations are likely to need to become more able to deal with extreme events and emergency response. The county's natural environment is a valuable resource. The rural nature of the county is what attracts many residents to the area and facilitates access to open space improving health and wellbeing; however, it can also create problems of accessibility and isolation. This can affect all parts of the population – particularly the elderly and for people who rely on public transport. Managing bus service provision and ensuring internet access is essential to keep communities joined up to local essential services.

In 2022 Gloucestershire's greenhouse gas emissions (GHG) stood at 5.4 tonnes per capita, this was slightly higher than the regional total of 5.2 and national average of 5.1 tonnes per capita^[v]. Considerable work has been undertaken in recent years to reduce emissions to mitigate the impact of climate change, which has seen emissions in Gloucestershire fall from 9.8 tonnes per capita in 2005.

The disposal of waste is an important environmental issue due to the pressures created by the use of transport and landfill sites, which includes the emission of methane, carbon dioxide and other greenhouse gases. Around 268,847 tonnes of household waste was produced in 2022/23 in Gloucestershire, this was the lowest amount since at least 2014/15 when data began being collected in this way.

It is worth noting the projected increase in population and continued growth means this figure is likely to increase over the coming years. The Gloucestershire Energy from Waste facility at Javelin Park has significantly reduced the county's dependence on landfilling (with 99.5% of local authority collected waste now diverted from landfill, up from 97% in 2021/22), whilst recovering value from waste in the form of electricity, recyclable metals, and aggregate. Despite progress on waste recovery, waste reduction, reuse and recycling remain the best waste management outcomes for the environment. Our countywide recycling, reuse and composting rate of 51.5% remains above the national average of 41.7% but has plateaued in recent years^[vi]. Further work is needed with district

council partners and with local communities to reduce waste and associated carbon dioxide emissions.

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 and these are set below.

Highways & Infrastructure

The Highways Transformation Programme has resulted in improved communications including [Fix My Street](#). It has a focus on road safety issues and has improved the speed at which defects are fixed. We are committed to providing services for all users of the highway network and fulfilling our remit to maintain a safe and usable network. Our repair and maintenance work, including our response during adverse weather, is prioritised on the basis of the road hierarchy which takes into account the variety of users, as well as the location of schools, health facilities, employment sites and residential areas.

- When adverse weather occurs, we work closely with community groups, town and parish councils to provide an appropriate response to keep the network open, prioritising the most vulnerable.
- Investing in providing new cycling and walking routes to enable active travel choices.
- Major projects such as M5 Junction 10 take the approach of designing for accessibility
- Our street lighting service provides a safety benefit for all highway users including vulnerable groups

Traffic and Transport

- Bus service provision is key to supporting equality issues across a number of groups. We ensure some 1,700 children with Special Educational Needs can get to school every day, 6,000 children moved on Home to School transport through over 600 contracts and nearly 100,000 concessionary passes are issued including passes for veterans seeking work.
- We continue to prioritise investment in supported services to enable access to employment, education and training and to support rural accessibility and reduce rural isolation, an example of this is the Demand Responsive Transport trial – 'The Robin' now running in 5 key rural areas of the County. Our road safety programme and investment is tailored to tackle specific issues affecting key user groups and prioritised to also reflect problems that can occur with more vulnerable users and in areas of deprivation.
- Parking enforcement supports safety and accessibility across our highway network and to ensure that access and provision is maintained particularly for users who are mobility impaired, which includes the provision of disabled parking bays. School Crossing Patrols and Bikeability trainers support hundreds of school pupils with valuable road safety and life skills. Bikeability also support people with disabilities and families with the use of adapted bikes. We work closely with developers and local planning authorities - District councils - to ensure new infrastructure is inclusive and accessible for the most vulnerable in society, safe to use and supports as many users as possible to make sustainable transport choices.

Libraries and Registration Services

Library services

- Across the county there are 32 libraries run by GCC plus 8 run by communities, providing access through a physical visit and also e-stock a virtual reference library and online activities.

- Each library has computers and free internet access
- There is a core collection of eBooks in alternative languages
- Provision of activities promote inclusion and have hosted Baby Bounce and Rhyme using sign language and in foreign languages
- Libraries are participating in the Warm Places' initiative to support those impacted by the cost-of-living crisis.
- Socio-economic disadvantaged are helped with the Library of Things which loans equipment for one-off DIY projects or events

Registration

- There are 7 registration offices across the County, 2 of which are based in local communities which allows greater access without the need to travel and are accessible for anyone with a physical disability.
- We enable customers to have an interpreter to assist in appointments and will arrange one for them if they are unable to provide their own. Interpreters are particularly required in Notice of Marriage for Foreign National appointments and the subsequent ceremony to ensure a successful outcome.
- We can arrange a British sign language interpreter for those who may need this assistance at appointments.
- We support anyone with special needs or learning difficulties by encouraging them to be accompanied at any appointment to support those less able and ensure the appointment is successful.
- We arrange Registrar General Licenced Ceremonies. These are short notice marriages, usually one party is deemed by a medical declaration to be terminally ill. We will arrange for our Registrars to attend and conduct the marriage either at home or in the medical establishment they reside, to ensure the wishes of the couple are met.

Employment and Skills

- We specifically recruit brokers from diverse backgrounds who have experienced the barriers to work, which enables them to assist people into employment who come similar diverse communities including carers, LGBTQ+, BAME, a wide age-range, and disabilities
- Multiply numeracy programme helping people aged 19 plus, who do not already hold a Level 2 or above qualification Maths
- External monitoring and reporting of our equality and diversity work - (the Awarding Bodies, Ofsted, annual ESFA subcontractor audit, Matrix accreditation for careers support, the Supported Employment Quality Framework (SEQF)) include self and external analysis of our customer and learner data as well as reviews of our systems and processes for supporting customers across all the protected characteristics.
- Use of equalities data helps to inform and improve our service offer
- Our teams are experienced in delivering a wide range of programmes for communities who face a range of barriers to accessing education, employment and training.
- We will continue to deliver inclusive innovative courses that develop learner confidence and skills, and reflect on, develop and refine the provision through an ongoing dialogue with learners, tutors and partner organisations.

Environment & Waste

- Climate change has the potential for significant negative implications for people’s health, wellbeing and safety, its impact is expected to be greater for those on low incomes, vulnerable people especially the young and the elderly, and people with additional learning, physical and mental needs. Planned actions to improve outcomes for these protected characteristics include:
 - Further integration of climate change into the Council’s decision-making process, with a focus on services for protected characteristics more at risk of disproportionate impact.
 - Continued engagement with young people to ensure their views on climate change and climate action are considered.
 - Monitoring and improving engagement with staff and residents.
 - Championing improved outcomes for all protected characteristics through the work of Climate Leadership Gloucestershire.
- Assistance is given to visitors at Household Recycle Centres to those needing help with lifting
- Our Energy from Waste facility supports schools and local communities enabling to learn about sustainable waste management and resource use, with access to a working facility.

Planning and Economic Development

- All plans and strategies will be subject to public consultation and public engagement.
- Paper copies of consultation / engagement documents are made available in libraries or on request
- The design and language used within consultation / engagement documents are designed to reduce the risk of excluding anyone and maximise engagement from all members of the public, businesses, partners and stakeholders.
- All views provided will be considered.
- Equality Impact Assessments (EIAs) will be drafted for all relevant projects and strategies. For example, an EIA was produced for the Gloucestershire Economic Strategy.
- Digital Connectivity in Gloucestershire seeks to reduce digital exclusion especially in rural areas and increase confidence in using digital services.
- Seek developer contributions for community benefit to support place making this includes facilities such schools and libraries.

Resources

The resource challenges are:

- Contractual and Pay inflation increases, with construction related inflation running particularly 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 legislation - Procurement Act 2023, EE&I has over 1400 contracts.
- Community expectation is far higher than most other services leading to high levels of political demand above funding levels.
- 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 2025/26 £ EE&I: £88.744 million See Annex 2 for details	Capital Budget 2025/26 £ EE&I: £131.109 million See Annex 8a for details	Cost Reductions and Income Targets 2025/26 £ EE&I: £12.167 million See Annex 2 for details
---	--	--

Priorities for the year 2025-26	
<i>Title/description</i>	<i>Key Dates 2025-26</i>
Develop and deliver the Digital Connectivity in Gloucestershire strategy intended to maximise investment in fixed and wireless networks, reduce digital exclusion and increase confidence in using digital services. <ul style="list-style-type: none"> • Closedown Fastershire Project • Approve Gloucestershire Digital Connectivity strategy & commence delivery 	Spring 2025 Autumn 2025
Seek to resource the implementation of the Gloucestershire Economic Strategy Action Plan.	Ongoing
Continue to deliver our National Portfolio Organisation work through our Libraries service We will be entering year 3 of NPO in 2025-2026. We will be formulating a new plan for a further 3 years funding. We aim to make a diverse plan that serves all groups but have a focus on Age Related, Family Focus activities.	March 25 begin process for new bid for next 3 years.
Deliver Gloucester Library in collaboration with the University of Gloucestershire-Scheduled for opening Autumn 2025	
Complete the Salix funded solar photovoltaics (PV) installations to assist with decarbonisation and energy costs. Seek new funding opportunities to further decarbonise our estate throughout 2025/2026.	Spring 2025.
During the next planting season, November 2024 – March 2025, a minimum of 102,000 trees will be planted reaching a total 500,000 trees planted by end March 2025. During 2025/26 we will continue to maintain the trees already planted and will look for new opportunities for continued planting.	
During 2025/26 improve our processes to collect, measure, manage and report on Scope 3 GHG emissions from purchased goods and services	
Develop and embed the Local Nature Recovery Strategy.	
Develop a local growth plan in line with government recommendations	
Progress the J10 major scheme work through the Development Consent Order (DCO) process with the aim of issuing contracts in late 2025. Continue with the delivery of associated works such as Coombe Hill junction.	
Progress the delivery of the active travel scheme portfolio towards completing the Gloucestershire cycle spine.	
The emerging, revised National Planning Policy Framework (NPPF) is considering spatial planning above the district level. This is being monitored to enable the production of a countywide spatial strategy.	
Continue to progress a devolution deal with national government ensuring that local partners are supportive of the approach taken and the engaged in development of the plan.	
Continue to deliver Adult Education courses and learning programmes that meet local community and employer needs and take account of	

<p>emerging/increasing demand (e.g. ESOL provision for refugees, cost of living support for residents). This will be achieved through:</p> <ul style="list-style-type: none"> • Deliver a comprehensive and targeted programme of skills to learners studying English as a second language, employability and life skills. • Deliver ICT courses to improve basic knowledge, progressing to Entry Level 3 to Level 3 Qualifications in Advanced ICT. • Expand and deliver training for those working in and seeking jobs in Health & Social Care through Awards and Certificates in adult social care Level 1-Level 3 and specialisms (e.g. principles of care planning, falls prevention). • Deliver the Early Years Certificate in introducing caring for children and young people L2 and specialisms (e.g. bullying awareness, understanding autism) to those seeking to enter or upskill within local early years settings. • Deliver the Award and Certificate in Education and Training L3 & L4 	
Plan, implement, manage, deliver and report on the new Connect to Work DWP-funded service that will support economically inactive residents and others from key target audiences across the County.	
Ensure the smooth mobilisation of the Council's professional services Highways contracts from April 2025 and embed any changes to approach / personnel or provider.	
Highways Transformation continue with the identified programme and delivery of highway, operational, customer and comms improvements	
Ensure that transitional arrangements are in place for the Term Maintenance Contract that expires in March 2026.	
Mobilise our new EV ChargePoint concession contract to deliver phase 2 of our £3.2m LEVI government funding. This is expected to take the total number of on street charge points from over 500 to over 1000. Rollout details will be clearer after the contract is awarded.	
Working with Bus operators ensure that the provision of 58 electric buses is progressed and in place by December 2025	
Continue with Road Safety initiatives with the delivery of 4 average speed camera sites, within the County creating proof of operational concept.	
Subject to funding deliver the Road safety capital programme focusing on high priority accident sites and delivery of additional moving traffic enforcement	
The progression of the Mass Rapid Transit Strategic Outline Case leading to the Outline Business Case	
Deliver the approved improvements to household recycling centres and develop a full business case to complete the upgrade of all five sites	
Continue to develop the case for major improvements at junction 9 of the M5 motorway and the A46	
Deliver flood alleviation schemes as approved through the MTFs process	
Following the Government's Budget Statement, review and revise all services to businesses and growth hubs in line with the available funding envelope.	

[i] Mid 2023 Population Estimates, ONS

[ii] 2018 based Subnational Population Projections, ONS

[iii] Business Demography, ONS

[iv] LTP, 2020-2041

[v] UK local authority and regional carbon dioxide emissions national statistics: 2005-2021, BEIS

[vi] Local Authority Collected Waste Statistics, DEFRA

[vii] UK local authority and regional carbon dioxide emissions national statistics: 2005-2021, BEIS

Context and Strategic Direction

Gloucestershire Fire and Rescue Service (GFRS)

The [Community Risk Management Plan 2022-26](#) (CRMP) is a legislative requirement of all Fire and Rescue Services, established in the [Fire and Rescue National Framework for England 2018](#). The CRMP sets out how GFRS will allocate resources and implement strategies to mitigate identified risks effectively. It is driven by a comprehensive risk assessment (the [Community Risk Profile](#)) that identifies and evaluates the various risks the community may be exposed to. This profile enables GFRS to understand current and potential future risks that could impact the people living, working, and visiting the area, and position itself accordingly.

We manage the delivery of this four-year strategy alongside the recommendations that are identified by His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS). These are arrived at following each HMIFCRS inspection and are vital areas to action to ensure GFRS continues its improvement journey and can improve its assessment by the HMICFRS.

Deliverables

All the above is managed within the broader framework of the [Council Strategy 2022-26](#), and GFRS has made consistent progress [across the four areas of focus underpinning the ambition](#) set out in that Strategy. A limited number of examples are set out below.

1. *Deliver our Service Improvement Plan supported by additional investment and resources where they are most needed*

During 2023-24 we continued to work successfully through the identified cause of concern, areas for improvement, and the wider recommendations highlighted by His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) following the previous Round 2 inspection in 2021.

GFRS was re-inspected during 2023-24 by the HMICFRS as part of the third cycle of inspections. HMICFRS recognised that progress had been made in several areas but that more must be done to improve its arrangements for inspecting buildings and taking action to make sure staff and the people in the buildings are safe. The inspectorate also said the service should improve how it promotes its values, a positive workplace culture, and the importance of equality, diversity and inclusion.

The final Round 3 report was received in late Spring 2024, and we have already produced an Improvement Plan that is carefully planned out and prioritised for delivery over the coming years as part of our continual improvement journey. This Plan has been provided to Improvement Board and the HMICFRS for scrutiny and challenge and has been well received. It has also received input and guidance from the National Fire Chiefs Council (NFCC). The delivery of this will be co-ordinated and supported by a dedicated team of programme and project managers and overseen by GFRS SLT, the Improvement Board, and further Gloucestershire County Council (GCC) governance structures.

2. *Improve the culture of the service*

Phase 1 of our 'Positive Action Education Programme' was successfully launched in early 2024, this was carried out with the Asian Fire Service Association (AFSA) and delivered 16 workshops to staff members. Of those responding after the training 91% said they had a better understanding of Positive Action and the role they play, and 93% said they had a better understanding of how to apply positive action. This is one example of a wider suite of initiatives driving us towards our objective of creating a diverse workforce at all levels within GFRS and ensure our culture is inclusive for all. During the year we successfully relocated GFRS Headquarters to a new, more modern, office. This has provided a better working environment, improving the welfare and efficiency of staff, enhancing our ability to work effectively with our key partner GCC, and increasing the visibility of senior leaders.

3. *Ensure the safety and wellbeing of our staff and the communities we serve by embedding the Fire Professional Standards*

All 16 of the Fire Standards published before and during 2023-24 were distributed to, reviewed and assessed by relevant teams across the service. We made excellent use of SharePoint functionality to co-ordinate this and enable an oversight of the progress made towards alignment with these sector guidance documents. Another three standards were approved in the first six months of 2024-25, and a process for ongoing review, assessment, scrutiny and challenge through GFRS and into Improvement Board has been developed, ready for bedding in over the year. Although there is no legislative requirement for compliance these are critical documents to ensure GFRS is inspection ready for the round four inspection likely due in late 2025/early 2026.

4. *Deliver our comprehensive Community Risk Management Plan (CRMP) to reduce the risk of fire and other emergencies in the county*

During 2023-24 we began a significant review of existing response arrangements to ensure that we have the required number of resources, with the right people and equipment, at the right time, in the right location for the most efficient delivery of our services. This included successfully completing in-depth analysis and modelling of data to arrive at a set of options aimed at evolving our Response provision, and have consulted widely with residents, GFRS staff, and key stakeholders to help shape the final outcome, with a Cabinet report due to be presented in December 2024.

We have also completed the scoping and started the procurement of ten fire appliances, and consulted on and delivered new uniform with high levels of staff involvement. Progress continued on our long-term project to assess and understand the need for a new training centre in advance of the closure of our shared centre, based Avonmouth, in April 2028.

The effective use of high quality of data and information remains vital for GFRS. We have been continuing to unlock the potential of our Microsoft Office 365 software suite, through development and use of a suite of reporting dashboards using the PowerBI software package for both core reporting and analysis, and more specific and operational monitoring and analysis. This is increasing quality, control, and accessibility for vital data and information.

Operating environment

GFRS has delivered the above within a volatile operating environment that continues to be subject to change from national and local drivers. Pressures and priorities are regularly discussed to identify risks and opportunities and ensure that we are well positioned to address either. GFRS is faced with a number of current and future challenges to which we must respond to ensure continued delivery of high-quality statutory response, prevention, and protection services. These include, but are not limited to:

- *pressure on public sector finances*
 - the need to do more with less and not allow this to impact on our ability to deliver statutory services that the public need is becoming increasingly difficult and requires innovative and courageous responses.
- *socio-economic change:*
 - recruitment and retention of the right people with the right skills in a competitive operating environment remains a challenge across the sector nationally.
 - impact of the cost of living on people and businesses can affect spending on equipment that will prevent fires and reduce the likelihood of death or injury.
 - changes in residents' behaviours post-pandemic, making prevention and protection aims harder to achieve
 - The increasing numbers of electric vehicles and associated risks in terms of charging and in dealing with fires associated with batteries
- *climate change:*
 - the effects of climate change are being realised, seen through increased incidences of extreme weather events. This is changing the types and frequencies of incidents the service must prepare for and respond to. This is likely to require different skills, equipment and fleet.
- *legislative/regulatory change:*

- the HIMCFRS regulatory inspection process – delivery against previous recommendations and preparation for future inspections
- the roll out of new fire standards to be assessed against
- responding to the recommendations of the Grenfell Tower Fire Inquiry Phase 2 Report relevant to the service
- enhanced health and safety compliance, for example relating to ‘decontaminants’ which will require investment
- *people and systems:*
 - ensuring appropriate diversity across the service and inclusivity for all in a supportive and transparent culture
 - respond to anticipated closure of Severn Pak joint training facility and ensure future operational training facilities are modern, accessible and efficient
 - recruitment and retention of on-call firefighters is an increasing area of challenge
- changing trends across incidents
 - while the number of fires and false alarms can be seen to have fallen over the past 10 years, number of special service incidents is increasing.

Trading Standards

The role of the Trading Standards Service is to protect businesses and consumers in Gloucestershire from unfair competition, unfair trading practices or unacceptable levels of risk whether that be in relation to product safety, food safety or spread of disease amongst livestock. In line with other law enforcement agencies, we use the Management of Risk in Law Enforcement (MoRiLE) method, local intelligence matched against GCC priorities to set areas of work for the Service.

Deliverables

For the year 25/26 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 most complained about traders and areas of greatest consumer detriment*- Making Gloucestershire a Healthy County, Making Gloucestershire a Resilient County, Making Gloucestershire an Innovative County, Making Gloucestershire an Inclusive County.
- *Supporting the rural population*- Making Gloucestershire a Healthy County, Making Gloucestershire a Resilient County, Making Gloucestershire an Inclusive County.
- *Animal Health and Disease Control* – Making Gloucestershire a Healthy County, Making Gloucestershire a Sustainable County.

Therefore, the work streams for 2025/2026 will be.

Animal health – Proactive inspections and reactive investigations into welfare of animals and disease control measures & Illegal landings (the illegal importation of dogs etc which supports the UK's prevention of rabies).

Doorstep Crime – This is an area where poor business practice and high value illegal business practices overlap. We will be advising businesses regarding statutory responsibilities. The Service also has an important role in target hardening – advice and publicity to residents identified as vulnerable to fraudulent activity.

Financial Fraud – National scam team referrals, reassurance visits to identified vulnerable scams victims, installation of call blockers, upskill of partners, partnership working (including Police and

Multi Agency Approach to Fraud group and Serious Organised Crime Partnership), public engagement in banking and hospital settings.

Safety – Enforcement regarding the supply of Illegal tobacco and vapes, including under-age sales. Respond to complaints regarding unsafe items including product recall support. Proactive market surveillance in areas identified as either a high or emerging risk. Undertaking survey to ensure age restricted goods not sold to minors, vapes and bladed articles. Information sharing and more joined up communication messaging with GFRS regarding causes of fires. Explosives/Fireworks/Petrol etc licencing and inspection regime.

Food – Conduct all high-risk food inspections due as per the Food Standards Agency Risk Scoring Scheme, provide allergen advice to businesses and carry out enforcement. Substitution of products including meat/alcohol etc. Provide general business advice to new and established businesses. Joint visits with Environmental Health in District Councils.

Operating environment

Staffing

Trading Standards is a small team in which officers are generalist in that they are authorised to respond to anything but also have specialisms to lead in core areas. There is little resilience across the Service but there is no single point of failure. However, one major incident or complex matter could easily exhaust the Service's capacity for work in an area (food, animal health, product safety) affecting the ability to respond to additional demand in that area or to provide paid for business support.

The Trading Standards workforce is ageing, with 45% of staff aged 50 or over. Staff turnover is very low, with no officers expected to leave or retire in the coming year. The Service has five apprentices of which two will be fully qualified in the next year. It is intended that the Service will recruit a new apprentice for the years 25/26 & 26/27.

Systems and IT

The Service is currently purchasing a replacement Management Information System.

New Legislation

Trading Standards expect that we will be empowered to enforce certain requirements under the following proposed legislation.

- Digital Markets, Competition and Consumers Act 2024
- Tobacco and Vapes Bill
- The Environmental Protection (Single-Use Vapes) (England) Regulations 2024
- Product Regulation and Metrology Bill
- Renters Reform Bill 2024

In addition to the above there is a new code of practice coming into force regarding food safety risk assessments.

Coroners

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. Coroners are independent judicial office holders. Like all judges, they hold office under the Crown. Approximately c.40% of all deaths are referred to the Coroner. Once jurisdiction 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 deliver
- 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.

<https://assets.publishing.service.gov.uk/media/5e258ec240f0b62c52248094/guide-to-corer-services-bereaved-people-jan-2020.pdf>

Operating environment

We recently commissioned, following a successful investment bid for more body storage. We now currently have a total of 91 refrigeration units, including 10-units for freezing. Included within that total are 12 bariatric fridges and 4 more bariatric freezers. Recent years had seen increasing pressure on mortuary capacity. This additional body storage capacity now alleviates some of those physical stresses with the movement and handling of the deceased

The acute national shortage of Pathologists, which can cause significant delays for families before they receive post-mortem results remains one of the highest current risks to the service. This is a national problem, and the new Chief Coroner for England & Wales is actively engaged with the Royal College of Pathologists to identify solutions. The Mortuary Manager continues to work with the Coroner's Operations Officer to ensure her team are flexible to the needs and availability of pathologists. There is currently a national consultation review that is due to report on the National shortage of trained pathologists still conducting post-mortems. Remuneration recommendations are likely to be one of the factors that will influence the Coroner's Service budget going forward as the proposal is to raise the fee paid for a post-mortem from £250 per examination to somewhere between £400 - £600 per examination. The Gloucestershire Coroner's Service currently undertakers about c.800 post-mortems per annum.

The Death Certification Reforms – The Statutory Medical Examiner Scheme Regs 2024

The implementation of the statutory medical examiner system, and the related rationalisation and reform of the death certification system, took effect on 9 September 2024. Those reforms affected coroners' responsibilities and ways of working. The principle underlying the reformed system is that where a death is natural and did not occur in custody or state detention, scrutiny should be provided by the medical examiner, and where s1 Coroners and Justice Act 2009 (CJA 2009) is engaged, scrutiny should be provided by the coroner. There is therefore a clear delineation between medical and judicial certification of death.

It is early days since the change in legislation took effect but there is already a notable increase in uncertified deaths resulting from the reluctance of many medical practitioners to undertake death certification, and this is causing more Coronial referrals and default post-mortem examinations. The main determinant factor is the due to the fact that GPs are not seeing their patients as often as they once did and as a result, they are regularly advising that the death is therefore 'unknown, not expected or, that they haven't seen the patient' within a legally acceptable period of time necessitating referral to the Coroner's office.

This is all in the context of a potentially larger cohort of excess deaths in 2022/3, more than in any of the pandemic years. Emerging Office of National Statistics figures suggest that registered deaths may have jumped to around 650,000, which would be the highest ever number of recorded deaths in England and Wales. This is higher than during the pandemic, but without any extra funding, resources (such as additional postmortem legislative easements and central government command and control that was available during the period of emergency). This trend is thought set to rise. Approximately c.40% of all deaths are currently being referred to coroners and Gloucestershire is no exception.

The above exposes the Service to the following ongoing risks:

- A lack of duty pathologists available to undertake Coronial post-mortem work remains the highest current risk to the service. (see above)
- Coroner's officers and Anatomical Pathology Technicians working to full capacity and at levels not seen before.
- Any significant Human Tissue Act reportable incident leading to suspension of service, reputational damage, closure of complex authority to conduct post-mortems removed.
- Injury to mortuary staff (increased manual handling) and reduced ability to move deceased around complex due to full capacity.
- Lack of mortuary staff if injury, or prolonged sickness occurs. Handling c.2500 deceased p.a.
- Ongoing risk to GCC of incurring significant legal costs if, or when the Senior or Area Coroner's judicial decisions are ever challenged. (To date no successful challenge made)
- Risk of a mass fatalities incident occurring in the County. Whilst all costs would fall outside the Coronial budget, there would inevitably be a significant knock-on effect on Coronial resourcing. (presentation to CLT 16.10.24 outlining the risks)

Evidence Base *(previously needs analysis)*

GFRS

The Community Risk Profile (CRP) is essential for developing a Community Risk Management Plan (CRMP), which outlines how the FRS will allocate resources and implement strategies to mitigate identified risks effectively. The CRMP is a legislative requirement of FRS.

GFRS uses incident data and firefighters' knowledge to assess risks by station area using clear and consistent methodology. These risk areas will support more effective working at a station area and are aggregated to provide a county-wide picture of fire and rescue risks.

It is vital that the CRP is shaped by the experiences and perceptions of those people living within the communities each FRS serves so that it is as holistic a view as possible and resources can be allocated to mitigate and respond to risk effectively and efficiently. For this reason, we will be carrying out community engagement in late 2024.

We are using functionality within Microsoft's Power BI data analysis and reporting software to provide this information in a 'dashboard' format that integrates new mapping capability so that risks and supporting information can be visually interrogated together. This will be available to the service in the near future and the public after that.

This information is fundamental to our ability to ensure we have the right people in the right place with the right skills and equipment.

There is evidence to show that there is a link between social deprivation and the occurrence of fire, and certain demographics are more at risk than others; those communities and people are targeted as part of our Prevention work ([An in-depth review of fire-related fatalities and severe casualties in England, 2010/11 to 2018/19](#), Home Office, updated May 2023). There is ongoing work to make

even better use of data to better understand the demographic makeup of the communities we serve and identify the areas where we can make the most impact and monitor this. Updated management software will make it easier to manage and monitor this area of work and we are exploring the analysis and mapping functionality within Microsoft 365 to improve quality, consistency, and accessibility to this information.

GFRS delivers fire and rescue services to the whole of the county and across the county border with neighbouring FRSs as required. We also support local partners to deliver services: for example, the South West Ambulance Trust (SWAST) which sees fire and rescue assets mobilised to deliver medical interventions if they are closer than the nearest ambulance. This is of huge benefit to the communities of Gloucestershire given the rural nature of the county, but the right balance must be sought in terms of maintaining the availability of fire and rescue resources to achieve its statutory duties.

Although the number of dwelling fires is not increasing, the number of road traffic collisions is, along with our co-responding activities. Alongside this, the population in Gloucestershire continues to grow and many large-scale housing developments are not only increasing the numbers of homes but putting pressure on the local infrastructure. The 'cost of living' crisis continues, placing economic pressures on families and staff, and the ability to recruit and retain staff remains challenging. The average age of our population is higher than the national average and is predicted to increase further. Many fire risk factors are influenced by the population age, increasing the demand for prevention activity. All are factors that can impact GFRS at a time when public finances are under pressure and legislative change and scrutiny remains ongoing.

Trading Standards

Trading Standards delivery in Gloucestershire is informed by County Council ambitions, identified demand from local consumers and businesses, emerging issues, and regional/national priorities. In this way, the work of the service is tailored to the needs of Gloucestershire but has value added from working alongside neighbouring authorities, enjoying benefits of scale.

Overall demand on the Service is measured through levels of consumer complaints, business enquiries and partner agency reports. During the last full financial year (2023-24) 6,799 reports of this type were received and a further 950 service demands in addition to these were made, which included feed and food inspections. On average each of these visits requires approximately 7 hours of officer time in preparation and follow up work.

Priorities are set and work is allocated using an intelligence led model. A recognised, unbiased, tool (Management of Risk in Law Enforcement or MoRiLE) is applied to areas of work assessing risk, likelihood, and organisational capability to identify areas of work which pose the greatest risk and should therefore be considered as priority areas. Combining the MoRiLE scoring with the external influences has enabled the prioritisation of work for 2025/26.

Coroner's Service

c.2500 deceased brought to the Coroner's Mortuary per annum

c.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 is increasing but alongside that so is the death rate. ONS figures demonstrate a rise in death rates

c.800 post-mortems per annum

c.450 inquest hearings per annum

c.500 investigations per annum

Inquests and investigations per annum. Each Coroner's officer currently carrying a revolving workload of between 40-50 cases. This is twice the National average in other similar sized Coronial Areas with more officers per head of population

Treasure Trove – these inquests are also conducted to determine whether the ‘find’ is Treasure Trove

MTFS - 4 yr strategy submitted for consideration of additional staff to meet the growing demand for the County’s Coroner services.

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 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.

Resources		
Net Revenue Budget 2025/26 £ GFRS: £24.726 million Trading Standards: £1.102 million Coroner’s Service: £1.531 million CSD Total: £27.359 million See Annex 2 for details	Capital Budget 2025/26 £ CSD (GFRS) Total: £5.995 million See Annex 8a for details	Cost Reductions & Income Targets £ GFRS: £204k Trading Standards: £12k Coroner’s Service: £9k CSD Total: £225k See Annex 2 for details

Priorities for the year	
<i>Title/description</i>	<i>Key Dates 2025-26</i>
GFRS	
Completion of a revised Community Risk Profile	June 2025
Development of draft Community Risk Management Plan (CRMP) 2026 for Cabinet approval	February 2026
Delivery of year two of our Improvement Plan following the Round Three HMICFRS inspection of GFRS; in particular: completion of high priority activities delivering against Causes of Concern	March 2026
Forward planning and preparation for Round Four inspection	March 2026
Post fire decontamination project covering PPE/appliances/incident scene	March 2026
Delivery of year four of the current CRMP; in particular:	March 2026

Actioning the outcome from the 'Response Review Consultation'	
Continued delivery of our People Plan (Cultural Improvement)	
Implement National Operational Guidance	
Replacement of the Integrated Communications Control System (ICCS)	
Response system hardware replacement project – changeout of MDT hardware	
Progressing the Severn Park Training Centre review	
Trading Standards	
Therefore, the work streams for 2025/2026 will be. Animal health – Proactive inspections and reactive investigations into welfare of animals and disease control measures & Illegal landings (the illegal importation of dogs etc which supports the UK's prevention of rabies).	March 2026
Doorstep Crime – This is an area where poor business practice and high value illegal business practices overlap. We will be advising businesses regarding statutory responsibilities. The Service also has an important role in target hardening – advice and publicity to residents identified as vulnerable to fraudulent activity.	March 2026
Financial Fraud – National scam team referrals (including visits to Category A and written advice to Category B victims), reassurance visits to identified vulnerable scams victims, installation of call blockers, upskill of partners, partnership working (including Police and Multi Agency Approach to Fraud group and Serious Organised Crime Partnership), public engagement in banking and hospital settings.	March 2026
Safety – Enforcement regarding the supply of Illegal tobacco and vapes, including under-age sales. Respond to complaints regarding unsafe items including product recall support. This also crosses over with Primary Authority Business Partnerships. Proactive market surveillance in areas identified as either a high or emerging risk. Undertaking survey to ensure age restricted goods not sold to minors, vapes and bladed articles. Information sharing and more joined up communication messaging with GFRS regarding causes of fires. Explosives/Fireworks/Petrol etc licencing and inspection regime.	March 2026
Food – Conduct all high-risk food inspections due as per the Food Standards Agency Risk Scoring Scheme, provide allergen advice to businesses and carry out enforcement. Substitution of products including meat/alcohol etc. Provide general business advice to new and established businesses. Joint visits with Environmental Health in District Councils.	March 2026
Coroner's	
<u>The Mortuary Service</u> This service was transferred from the NHS to the County Council in 2012 and funding for it became the responsibility of the GCC. Most other Coronial areas do not fund public mortuary arrangements and only fund the Coronial aspects. We do both within our existing budget. The Coroner's Service at Barnwood is the only licenced Coroner's and Public mortuary in the County	March 2026

<p><u>Independent Pathologists</u> Pathologists are requested by the Coroner to carry out Coroner's autopsy examinations in order to try to determine the cause of death. Autopsy reports are produced for the Coroner and these, along with any forensic and toxicology reports assist in determining a medical cause of death.</p>	March 2026
<p><u>Viewings of the deceased</u> Also undertaken within the complex. The deceased are maintained in refrigerated conditions until collected by the receiving Funeral Director. The Mortuary is also used as a facility for organ donations e.g. eye, skin, heart valves, most of these being carried out by our trained APT staff.</p>	March 2026
<p><u>Daily decision making:</u> In 2023, the service received over 2500 referrals. These are cascaded to HMC through her team and a decision on each case is determined on its own unique set of circumstances.</p>	March 2026
<p><u>Jurisdiction</u> The Gloucestershire jurisdiction is a complex one, including multiple hospitals, mental health hospitals, community hospitals, military bases, GCHQ, transport hubs, airfields and multiple large-scale public events.</p>	March 2026
<p><u>Court work:</u> HMC presides over a minimum of 400-450 Court Cases per year. Some in front of a jury. As an approximate guide, one day of Court time requires at least double that for preparation. The Coroner's Officers prepare the inquest files for submission to HMC.</p>	March 2026
<p><u>Out of hours duties:</u> HMC, Coroner's Ops Officer and Senior C/O are on duty 24/7. Out of hours duties are often time critical and need to be expedited. They include organ donation, forensic post-mortems, faith deaths and child deaths.</p>	March 2026
<p><u>Issuing reports to prevent future deaths (PFD):</u> Following an investigation, if HMC considers there is a risk of future deaths arising in similar circumstances, HMC has a statutory duty to issue a report to the relevant stakeholders flagging up any areas of concern.</p>	March 2026
<p><u>Mass fatality response:</u> HMC will chair the Mass Fatality Coordinating Group (MFCG). This would include all major mass fatality incidents; Disaster Victim Identification (DVI) Chemical, Biological, Radiological and Nuclear (CBRN) Terrorist attacks etc. In the recent past the Coroner and team had to co-ordinate the removal and disposal of a cyanide infected body from a hospital environment.</p>	March 2026
<p><u>Developing links with multiple agencies:</u> To include inter alia, South-Western Ambulance Service, NHS Foundation Trust, Police, GCC, drugs & alcohol services, mental health trusts, GPs, medical examiners, Charitable non-profit organisations and all hospital trusts. These links are often critical.</p>	March 2026
<p><u>Assisting with policy drafting:</u> For example, the mass fatalities plan, the suicide prevention strategy, child death protocol and stillbirth legislation.</p>	March 2026
<p><u>Declarations of all Treasure items</u> To investigate all Treasure Trove considered treasure under the Treasure Act 1996 as amended by the 2023 Act.</p>	March 2026

Context and Strategic Direction

Corporate Resources exists to support the smooth running and good governance of the Council as a whole, and the delivery of its strategic objectives. Although some of our teams interact with and provide services direct to local residents and communities (e.g. Archives, Request Management, Complaints), our customers are mainly internal, but also include other local public sector partners including schools, Health and Police.

The financial and strategic context in which the Council and its partners operate means that we are constantly looking for ways to meet the needs of a growing population and to improve service performance and outcomes against a backdrop of constrained resources. Although the Council's overall budget is growing, the demands placed upon it means that we constantly have to look for opportunities to develop, improve and streamline the way we work. Corporate Resources are at the heart of co-ordinating and enabling that activity, as well as having a role in helping the Council's leadership to develop, set and oversee our strategic direction whilst ensuring that the council has the tools in place to know it is delivering the basics effectively.

Significant progress has been made during 2024/25 against the council strategy including:

- Delivery of the customer experience activities and moving the programme to business as usual.
- Developing our Digital Strategy and implementing a road map of improvement to achieve a reliable, modern ICT infrastructure which is well positioned to enable future innovation.
- Finalising our Data and Intelligence Strategy and developing an implementation plan
- Establishing a new Women's Network and developing the contributions from our existing staff networks and programme of safe space events in the running of the council.
- Progressing the Procurement Act implementation whilst recognising the 5 month government delay.
- Implementing the One Programme with SAP due to go live in Spring 2025.
- Improved financial management resulting in reduced in year variances and strengthened reserves with particular focus on financial recovery within Children's Services.

The main factors driving our strategic direction are:

- The changing needs and expectations of residents and communities. Corporate Resources plays an important role both in helping services to understand and analyse the impact of those changes on the needs of local communities, and to develop plans that respond to the changing needs.
- Delivering Sustainable Economic Growth. The Council plays an important role in planning strategic infrastructure and delivering major schemes and projects that enable and support the growth of housing and jobs across the county. Our teams support this activity in many ways – through financial planning, providing data and analysis to predict and plan for the effect of that growth, providing legal support to facilitate infrastructure projects and creating opportunities through use of our own estate.
- The opportunities presented by the rapid development of digital technologies. This considers how we can use those technologies to drive better outcomes, greater efficiency, easier interaction and more resilience for residents and services. It also introduces the Council to new and everchanging risks in relation to cyber-security that need to be understood, mitigated, and managed taking a prevent and respond approach.
- Climate change, particularly in relation to the Council's estate and the way we use it to reduce our carbon footprint.

- Increasing regulation and oversight of Councils and specific services. During September 2024, the council was inspected by CQC for Adult Social Care for the first time, in addition to the various frameworks that already exist for Children's Services and Fire and Rescue. We are also seeing the development of OFLOG's role in monitoring local government. A significant part of Corporate Resources' role is in supporting improvement and transformation across Council services, much of it in preparation for or in response to regulatory frameworks.
- An increasingly challenging and uncertain financial context. Although GCC's finances continue to be robust and well managed, the overall financial context in which local government operates is likely to change dramatically in the coming years as changes to business rate and funding formulas are introduced with the new Government committed to multi-year settlements and revising historic funding formulas. The council must ensure we are planning in a timely manner to secure the Council's longer term financial sustainability.
- An increasing focus on addressing the Dedicated Schools Grant deficit working with officers across the council, within government and the Gloucestershire schools' system given the growing financial pressure and its impact on the council's financial viability should the current statutory override end in March 2026, as currently planned.
- New legislation affecting local government. The Public Procurement Act 2023 is introducing significant changes to the way the Council procures goods and services, including additional requirements around transparency and reporting, albeit now delayed until February 2025. We are continuing to work with partners to raise awareness of Modern Slavery and to improve the way we meet our responsibilities under the Modern Slavery Act. Having relaunched the Gloucestershire Anti-Slavery Partnership the current focus is on improving data capture and reporting around modern slavery, developing referral pathways across the partnership and strengthening our response to the risk of exploitation in the Adult Social Care provider market. The Terrorism (Protection of Premises) Bill (Martyn's Law) will have implications for the Council's estate that will need to be incorporated into our plans. There is also significant new employment legislation and planning reform being progressed by the new government which will have impacts upon the council.
- Learning from public inquiries into major incidents such as Grenfell and C-19 inquiry and subsequent recommendations to improve organisational resilience and preparedness.
- Using data and intelligence to develop insights to create efficiencies and embed continuous improvements into how services are operating, and risks are managed.
- The results of the staff survey are informing our action plans for improving the council operates and staff are supported. Key themes around effective prioritisation and managing change came through and are driving the improvements required. This also picks up changing ways in how our staff are using our office accommodation through our Agile programme.
- In addition to our commitment to the council's overarching Equality Action Plan, we recognise the importance of fostering an environment that is not only diverse and inclusive but also actively anti-racist. Our renewed commitment to anti-racism reflects our dedication to creating a workplace where every individual, regardless of race or ethnicity, feels valued, respected, and empowered to contribute to our collective success.

Evidence Base *(previously needs analysis)*

The key trends affecting need and demand for Council Services increasingly impact the support services require from Corporate Resources. The key trends are identified as:

Growing numbers of vulnerable children and children with SEND needing the Council's support

Impacts for Corporate Resource teams include:

- Assisting to attract, train and retain social workers and Educational Psychologists
- Supporting the procurement of packages of care and helping the Council to secure the placements needed at an affordable price
- Providing data and analysis to predict and model demand and support performance improvement
- Supporting an increasing number of children going through legal proceedings and pre-proceedings, EHCP tribunals, deprivation and court of protection proceedings for young people and adults
- Increased demand on complaints and request management processes
- Predicting the need for school places, in particular, children with Special Educational and Mental Health needs, and working with partners to provide an adequate supply, including a number of significant school building projects in the pipeline

An ageing population with increasingly complex care needs

This means a bigger role for Corporate Resources support services in:

- Predicting and modelling the impact of population growth on demand for local services and infrastructure
- Assisting to secure sufficient funding to meet the future needs of the population
- Reshaping the provider markets for both domiciliary and residential care and supporting the sustainability of those markets whilst, at the same time, ensuring that the Council can secure care at an affordable price
- Making better use of data to improve population health and target preventative services
- Developing the Council's estate to better respond to those changing needs and making sure that, where we provide direct care to vulnerable adults, we do so from properties that are able to meet their needs

Challenges in recruiting to key posts

Corporate Resources has the lead role in Workforce Planning for the Council. One of the major challenges facing GCC, like many councils, is the ability to recruit and retain skilled staff, particularly in certain key roles and/or professional qualifications. Given the nature of Corporate Resources role, the main equalities issues for which we are responsible are in relation to the Council's workforce.

Our annual Workforce Equalities, Diversity & Inclusion report, published on the council website, provides an in-depth insight into our workforce demographic. Notable challenges remain data completeness and quality with varying levels of disclosure across different characteristics and inconsistent collection of data. The One SAP programme due to launch this year should support the council to address this issue both for new starters and also current staff. It is encouraging to note that:

- More Black, Asian or Minority Ethnic colleagues have chosen to work for the council this year, representing 7.5% of the council workforce, up from 6.6% last year.
- Voluntary turnover fell from 11.2% last year to 10.5%, which compares well with industry standards
- There has been a small shift in age profile this year with fewer people who are 46 or older and a comparable increase in younger workers. An older workforce is in line with other council demographics and the national workforce trend, but the need to attract new talent for the future is an ongoing area for focus.

Resources		
<p>The council is operating in an increasingly challenging and uncertain financial context. Although GCC's finances continue to be robust and well managed, the overall financial context for local government is likely to change dramatically in the coming years as changes to business rate and funding formulas are introduced with the new Government committed to multi-year settlements and revising historic funding formulas. The council must ensure we are planning in a timely manner to secure the Council's longer term financial sustainability.</p> <p>Corporate Resources has a leading role in developing our four-year approach to financial planning and has worked with Directorates and Cabinet to develop robust plans. Cost and demand for many of our key services is increasing, as they are for all councils, but we have identified efficiencies to balance our pressures, as set out in the main MTFS document. The headline financial figures for Corporate Resources are below, with the detail available in the financial tables of the MTFS</p>		
<p>Net Revenue Budget 2025/26 £</p> <p>Corporate Resources: £51.266 million</p> <p>Technical & Countywide: £29.182 million</p> <p>See Annex 2 for details</p>	<p>Capital Budget 2025/26 £</p> <p>Corporate Resources: £33.033 million</p> <p>See Annex 8a for details</p>	<p>Cost Reductions and Income Targets 2025/26 £</p> <p>Corporate Resources: £1.289 million, includes 3% income target of £147k</p> <p>Technical & Countywide: £4.4 million plus £2 million accelerated delivery of the 2026/27 LGPS savings</p> <p>See Annex 2 for details</p>

Priorities for the year	
<i>Title/description</i>	<i>Key Dates 2025-26</i>
<p>Equalities, diversity and inclusion</p> <p>We will lead delivery of the next stage of the Council's Equality Action Plan, built around the following Equality Objectives:</p> <ul style="list-style-type: none"> • Improve the quality and consistency of the data we collect on service user and workforce equality characteristics • Strengthen leadership, oversight and governance of Equalities, Diversity and Inclusion across the Council to address peer review feedback that EDI is not yet lived and breathed by all senior leaders • Embed equality, diversity and inclusion within GCC's culture and ways of working • Develop an infrastructure that enables GCC to hear communities and engage effectively with them. • Develop an anti-racism policy and associated programme of work. • We will also continue leading 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 commitment to White Ribbon UK. 	<p>Spring 25</p> <p>Ongoing throughout 25 / 26</p>
<p>Leadership & Culture</p>	<p>During 2025/26</p> <p>During 2025/26</p>

<p>We will continue our actions to improve how we manage and communicate change in the council, in response to our staff survey feedback through:</p> <ul style="list-style-type: none"> • A programme of development activity with Corporate Leadership team • A wider programme of development to embed value-led, inclusive leadership styles across all managers in the council • Development and embedding of the Transformation team and our approach to change. 	
<p>Continuing to get the most out of the Council's Estate We will continue to review and refresh of the Corporate Asset Management Plan and to have a new plan in place by the summer 2025. 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 • generating capital receipts where appropriate to fund our capital programme • reducing the council's carbon footprint • ensuring a compliant, well-maintained estate that is fit for purpose 	<p>Summer 2025</p>
<p>One Programme implementation We will complete the implementation and adoption of the Council's new Enterprise Resource Planning (ERP) system across all areas of the Council to ensure it:</p> <ul style="list-style-type: none"> • Provides one source of real-time Council data, across Payroll, HR, Finance, Procurement and Purchasing. • Makes it easy and fast to report by giving access to a range of dashboards • Supports effective decision making • Improves the user experience • Simplifies processes and adopts a standard way of operating – reducing cost and improving efficiency • Provides convenient system access at any time, via any device, to support agile working • Strengthens financial controls 	<p>Spring 2025</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"> • Completing the roll-out of Sharepoint to all teams and functions across the Council and continue the migration of historic data into the M365 environment. • Continuing to use the Microsoft 365 suite of technology to drive efficiency and support collaboration between teams. • Continuing to develop the digital skills of our workforce • Continuing to improve our security posture and the resilience of our estate against cyber attack • Increasing our use of software as a service and reduce our reliance upon on premise data centres by migrating more of our core software to the cloud 	

<ul style="list-style-type: none"> Implementing the digital strategy roadmap including progressing opportunities around automation and exploring the use of AI to deliver efficiencies 	
<p>Emergency response and corporate resilience and preparedness Having recently strengthened the Emergency Planning team and our focus on business continuity and preparedness, we will focus on:</p> <ul style="list-style-type: none"> Learning from internal debriefs as well as public inquiries such as Grenfell and C-19 inquiry and implementing the relevant recommendations to improve organisational preparedness and resilience. Engaging the whole organisation to participate in the emergency planning / business continuity training and exercise annual programme Continuing to engage the whole organisation on the business continuity programme to continue the culture of preparedness from service delivery level up to tactical and strategic level. 	During 2025/26
<p>Devolution We will consider and advise on any potential impact on governance arrangements and funding resources as proposals develop.</p>	During 2025/26
<p>Data and Intelligence Having launched our Data and Intelligence strategy in September 2024, we will develop and deliver a roadmap for its delivery, focussing on launching and expanding a range of analytical products, as well as building a strong foundation of good data quality and governance and a culture which values and uses data to inform decisions and drive improvement. Current priorities for data development include:</p> <ul style="list-style-type: none"> A comprehensive range of dashboards to support Adult Social Care Developing ‘a single view of the child’ to support decision-making in children’s services Developing a set of strategic dashboards to help senior leaders to drive continuous improvement across priority service areas. <p>Our key milestones will be:</p> <ul style="list-style-type: none"> Review outcomes from the data apprenticeship pilot and agree way forward Develop the business case for investment Develop a detailed roadmap of improvements 	<p>March 2025 April 2025 May 2025</p>
<p>Financial Sustainability Building a previous years strong financial management, we will:</p> <ul style="list-style-type: none"> Continue to support the Financial Recovery work in Childrens’ Services Work with Education to develop an action plan to address the increasing DSG deficit and ending of statutory override in March 2026 Ensure General Reserves are maintained at a minimum level of 5% of net expenditure alongside a regularly reviewed reserves strategy Develop and maintain a robust 4 year Medium Term Financial Strategy 	All throughout 2025/26
<p>Workforce Recruitment, Retention and Wellbeing Whilst significant focus on recruitment over the last year has resulted in some success, the wider recruitment market continues to be a challenge across the sector, particularly attracting some of our hard to fill, professional roles.</p>	

<p>Commitments for the next year include:</p> <ul style="list-style-type: none"> Continuing to develop the Council's employer brand to build a profile and reputation that is proven to attract and influence candidates with a particular focus on incorporating representation from under-represented employee groups within the council, Encouraging higher staff retention rates, there will continue to be an increased focus on developing the workforce, including growing our own professionals, building on the successes of previous years and use of apprenticeships at all levels for career development. Introducing a new Learning Management System to further support employee development, engagement and retention. Embedding a new annual workforce planning model and process to enable a more planned and strategic approach to our workforce. Continue to develop our support for employee wellbeing, delivering on the action plan under the new Health and Wellbeing Strategy. <p>Our plans will be informed by the results of our annual staff survey and engagement with Employee Networks and Employee Voice Groups.</p>	<p>Throughout 2025-26</p> <p>Throughout 2025-26</p> <p>By Autumn 2025</p> <p>Ongoing across 2025-2026</p> <p>Throughout 2025-26</p>
<p>Transformation of Procurement and Contract Management</p> <p>We will continue to improve our management and oversight of external spend, capitalising on the functionality of the new SAP Ariba system to link all purchase orders to a contract register. This will enable us to identify and drive down off-contract spend, gain oversight of compliance with Contract Procedure Rules and identify opportunities to improve value for money through category management and contract consolidation.</p> <p>Alongside this, we will continue to strengthen the Council's approach to contract management, ensuring a more consistent approach to professional development for contract management, procurement and commissioning staff.</p> <p>The new Procurement Act will have come into force in February 2025, so we will continue to train and develop those staff who will be procuring new contracts during the course of the year, to ensure they are familiar with the act and its requirements. We will also continue to publish and develop the Council's Procurement Pipeline and to meet the new transparency requirements of the Act.</p>	<p>Phased From Spring 2025</p> <p>Throughout 2025-26</p> <p>24th February 2025</p>
<p>Preparation for the 2025 County Council elections and the induction of a new Council</p> <p>With full council elections in May 2025, a significant area of focus will be supporting the new Council and, in particular, those members who are new to the Council. This will include:</p> <ul style="list-style-type: none"> Ensuring political groups are supported with suitable accommodation and ICT equipment Supporting the Council in making appointments to key positions, including Leader, Cabinet, Scrutiny and other Committees Providing a comprehensive and effective induction and training programme to Councillors Developing a new Council Strategy that sets out the priorities of the incoming administration 	<p>May 2025</p> <p>May 2025</p> <p>Summer 2025</p> <p>Autumn / Winter 2025</p>

Annex 2 – Budget Movements by Service Area

Medium Term Financial Strategy – 2025/26 Budget – Overall Summary

Budget Area	Approved 2024/25 Budget	Removal of 2024/25 One Off Budget Adjustments	Agreed Budget Transfers between Service Areas	MTFS 2024/25 Base Budget	Pay Inflation Costs	Investments	Efficiencies and Additional Income	Use of Reserves	Proposed 2025/26 Budget	Percentage Increase / Decrease (Excluding Reserves)
	£'000	£000	£000	£'000	£000	£000	£000	£000	£'000	%
Programme Budget Areas										
Adults	206,610	0	150	206,760	2,012	17,691	-2,199	0	224,264	8.54%
Vulnerable Children	146,428	35	-1,289	145,174	2,110	6,290	-3,321	-59	150,194	2.61%
Other Children Services	34,835	0	1,359	36,194	640	5,112	-646	0	41,300	18.56%
Economy, Environment and Infrastructure	82,840	12,092	0	94,932	1,032	6,510	-12,167	-1,563	88,744	9.01%
Community Safety	25,734	-736	0	24,998	1,198	1,428	-225	-40	27,359	6.47%
Public Health & Communities	37,109	157	-150	37,116	98	1,106	-244	-796	37,280	2.61%
Corporate Resources	51,140	-1,182	50	50,008	1,488	1,290	-1,289	-231	51,266	0.70%
Technical & Countywide	32,175	0	-120	32,055	845	4,182	-4,400	-3,500	29,182	*1.58%
Total Budget	616,871	10,366	-	627,237	9,423	43,609	-24,491	-6,189	649,589	6.31%

*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.

2025/26 Adults Budget

	Investments	Efficiencies and Additional Income	£000
	£000	£000	£000
Approved MTFS 2024/25 Budget			206,610
Removal of 2024/25 One Off Budget Increases			
Agreed Service Budget Transfers			150
Starting Budget (2024/25 Revised Budget)			<u>206,760</u>

Budget Changes:

Investments

Pay Inflation	2,012
In-House Services Demographic Growth	1,281
Disabilities Associated Discharges	292
Funding for Transforming Care Programme	139
Bed Based & Community Based Inflationary pressure	8,255
Demographic Growth - Older People	2,217
Demographic Growth - Learning Disabilities	1,221
Demographic Growth - Mental Health	429
Demographic Growth - Physical Disabilities	135
£5 increase in the Minimum Income Guarantee – to support the new Fairer Contributions Policy, if approved by Cabinet	1,152
Personal Independence Payment Disregard – to support the new Fairer Contributions Policy, if approved by Cabinet	2,570

Efficiencies

Fee reviews to support efficiency in the market	-1,251
---	--------

Income Targets

3% Income Target	-948
------------------	------

PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME

19,703	-2,199	17,504
---------------	---------------	---------------

Use of Reserves

2025/26 Adults Budget

224,264

2025/26 Children and Families Budget - Vulnerable Children

	Investments	Efficiencies and Additional Income	£000
	£000	£000	£000
Approved MTFS 2024/25 Budget			146,428
Removal of 2024/25 One Off Budget Increase			35
Agreed Service Budget Transfers			-1,289
Starting Budget (2024/25 Revised Budget)			145,174

Investments

Pay Inflation	2,110
Fostering/Adoption/SGO & Child Arrangement Allowances - inflationary uplift to maintain competitive foster care fees	882
Cost of living increase to keep allowances for Children in Care living in supported living in line with Universal Credit rates	52
Contract inflation uplifts for external placement providers	2,474
Unaccompanied Asylum Seeking Children - costs of transitioning towards meeting equivalent of at least 0.1% of 0-17 child population (Govt target)	500
Contractual uplifts to 15 strategic contracts	385
Leaving care grant increase in financial support to provide equivalent to cohort not supported by Government grant	213
Demand pressure for high cost packages for Children & Young People with a disability	1,200
Special Guardianship Orders - Funding to support increased numbers	33
PAUSE - mainstreaming existing scheme to support parents to care for their children reducing the number of Children in Care	214
Cost of living uplift in Direct Payments to support Personal Assistants etc for Disabled Children and Young People	52
Increasing the Support to Foster Carers through the Mocking Bird Model - additional constellation proposed	73
Family Hubs AI Project to establish a digital offer (matched with reserve funding)	59

One Off Investments

Capacity for change management	153
--------------------------------	-----

Efficiencies

Reduced demand for external placements through Sufficiency Strategy and effective commissioning of placements	-2,836
Agency Staff reduction as increase in levels of permanent staff	-250
Early Help Efficiencies from staffing structure review	-231

Income Targets

3% Income Target	-4
------------------	----

PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME

8,400	-3,321	5,079
--------------	---------------	--------------

Use of Reserves

Funding Family Hubs AI Project from Children's Reserve	-59
--	-----

0	-59	-59
----------	------------	------------

Children & Families - Vulnerable Children Budget 2025/26

150,194

2025/26 Children and Families Budget - Other Children Services

	Investments £000	Efficiencies and Additional Income £000	£000
Approved MTFS 2024/25 Budget			34,835
Removal of 2024/25 One Off Budget Increase			
Agreed Service Budget Transfers			1,359
Starting Budget (2024/25 Revised Budget)			36,194

Budget Changes:

Investments

Pay Inflation	640
Home to School Transport - Contractual Inflation	1,060
Post16 statutory obligations and tackling NEET: retain 3 Post 16 staff currently funded by grant to continue to provide support for post 16 learners with SEND, enable transition to adulthood and independent living and reduce costs against High Needs Budget	162
Home to School Transport - Demographic Growth to cover expected increase	1,761
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	2,076
Education safeguarding: additional post to address high and increasing workflows to fulfil statutory duties in all education settings	53

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	-439

Income Targets

3% Income Target	-7
------------------	----

PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME

5,752	-646	5,106
--------------	-------------	--------------

Use of Reserves

Children & Families - Other Services Budget 2025/26	41,300
--	---------------

* This budget excludes the ringfenced Dedicated Schools Grant (DSG).

2025/26 Economy, Environment and Infrastructure Budget

	Investments	Efficiencies and Additional Income	£000
	£000	£000	£000
Approved MTFS 2024/25 Budget			82,840
Removal of 2024/25 One Off Budget Increase			12,092
Agreed Service Budget Transfers			0
Starting Budget (2024/25 Revised Budget)			94,932

Budget Changes:

Investments

Pay Inflation 25/26	1,032
Contract Inflation	2,794
Investment in Find and Fix Road approach to Highways Maintenance	450
Additional investment in Contract Management Resources	180
Corporate Fleet Unit - additional inflationary cost pressure on fuel	146
Corporate Fleet Unit - additional Project Manager post to support enhanced work programme	62
Replacement of end of life Road Safety Data Management System	55
Make permanent Road Safety & Traffic Officer	70
Additional funding for Definitive Map Modification Orders (Highway Records) - Staff	38
Additional funding for Highways Development - Staff	70
Funding to cover Community Libraries Grant Annual Uplift	16
Contribution to Climate Leadership Gloucestershire - staff	50
Funding for Social Value Portal to monitor activity	30
Funding to Deliver Economic Strategy Action Plan	150
Devon & Severn IFCA statutory contribution increase	13
Funding to cover Food Waste Hooklift Skip Repair & Maintenance	32
Funding to support Tree Establishment & Maintenance	450
Match funding for Employment and Skills Hub	100

One Off Investments

Investment in addressing Ash Die Back	1,000
Funding to support Highways & Transport Transformation Programme	200
Funding to support Community Speedwatch	100
Pump priming funding to cover initial Arle Court Transport Hub - Rates & Maintenance	100
Moving Traffic Enforcement Investment	46
Funding for Part Time Fleet Admin for 2 years	25
Additional capacity to discharge planning conditions on M5 J10 scheme	60
Funding to Extend Open+ Access in Libraries	23
Funding for Mass Rapid Transit Business case development	250

2025/26 Economy, Environment and Infrastructure Budget Continued	Investments	Efficiencies and Additional Income	£000
	£000	£000	£000
<u>Efficiencies</u>			
Increase in fees and charges for Street Works licence applications & Highways income based on benchmarking		-332	
Increase S38/S278 checking fees to 9.5% to align with other LA charging schedules		-66	
Capital related - Moving Traffic Enforcement Income arising for additional activity		-80	
Capital related - Street Work Inspector savings on lease vehicles		-44	
Savings from extending Open+ access in libraries		-10	
Energy from Waste Contractual Change		-4,868	
Energy from Waste Additional income - One Off		-6,198	
Vacancy Management Target 1%		-270	
<u>Income Targets</u>			
3% Income Target		-299	
PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	7,542	-12,167	-4,625
<u>Use of Reserves</u>			
Use of Reserve - £953k Ash Die Back, £200k Highways & Transport Transformation Programme, £100k Community Speedwatch, £60k Additional capacity to discharge planning conditions on M5 J10 scheme and £250k Mass Rapid Transit - Business case development.		-1,563	
	0	-1,563	-1,563
Economy, Environment and Infrastructure Budget 2025/26			88,744

2025/26 Community Safety

	Investments £000	Efficiencies and Additional Income £000	£000
Approved MTFS 2024/25 Budget			25,734
Removal of 2024/25 One Off Budget Increase			-736
Agreed Service Budget Transfers			0
Starting Budget (2024/25 Revised Budget)			24,998

Budget Changes:

Investments

Pay Inflation	1,198
Contract Inflation	131
Community Risk Management Plan recommendation: Additional operational day crewing at one station in FOD area	436
On-Call Training budget - make existing temporary budget permanent	250
Emergency Services radio scheme costs (Airwave) - critical communication service no longer supported by government grant	90
Coroner Service Staffing to manage demand growth	43
Risk critical operational training - making existing temporary budget permanent	165
Business Planning & Improvement staffing - building existing staffing into base establishment to continue to support transformation journey	102
MDT software response systems upgrade - linked to Emergency Services radio scheme above	35
PPE Decontamination/Laundry - linked to capital investment to improve offer and manage health and safety risk from smoke to firefighters	53
Upgrade business critical software Trading Services in line with GCC ICT policy to ensure software is supported by provider	33
Permanent funding for a Standards Co-ordinator Post	50

One Off Investments

Additional Authorised Enforcement Assistant	40
---	----

Efficiencies

Vacancy Management Target 1%	-220
------------------------------	------

Income Targets

3% Income Target	-5
------------------	----

PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME

2,626	-225	2,401
--------------	-------------	--------------

Use of Reserves

Use of Reserves to cover additional Authorised Enforcement Assistant	-40
--	-----

0	-40	-40
----------	------------	------------

Community Safety Budget 2025/26

27,359

2025/26 Public Health & Communities

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
Approved MTFS 2024/25 Budget			37,109
Removal of 2024/25 One Off Budget Increase			157
Agreed Service Budget Transfers			-150
Starting Budget (2024/25 Revised Budget)			37,116

Budget Changes:

Investments

Pay Inflation	98
Cost pressure contractual Agenda for Change costs (Gloucestershire Health and Care and Gloucestershire Hospitals Trust)	397
Contract Inflation - Community Based Support & Domestic Abuse	146
Contract Inflation - Public Health grant funded services - Mental Health/Sexual Health/Health Improvement	21
Cost pressure in Public Health grant funded demand led contracts	262
Domestic abuse services - cost pressure from rising demand	280

Efficiencies

Release of non-contractual funding	-129
Supporting people - release of unallocated funds	-70
Release of funds where alternative funding is available	-20
Vacancy Management Target 1%	-25

PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME

1,204	-244	960
--------------	-------------	------------

Use of Reserves

Use of Reserves	-796
-----------------	------

0	-796	-796
----------	-------------	-------------

Public Health & Communities Budget 2025/26

37,280

2025/26 Corporate Resources Budget

	Investments	Efficiencies and Additional Income	
	£000	£000	£000
Approved MTFS 2024/25 Budget			51,140
Removal of 2024/25 One Off Budget Increase			-1,182
Agreed Service Budget Transfers			50
Starting Budget (2024/25 Revised Budget)			<u>50,008</u>

Budget Changes:

Investments

Corporate Resources Pay Inflation 3%	1,209
Back Pay Pressure (24/25)	279
Inflationary increases in water rates	24
Providing permanent funding for 2 existing Finance graduates	50
Contractual increases - Grounds, Cleaning and Waste	325
Inflationary increases in council tax and business rates	177
Growth in SAP Licence fees	400
Legal Services Childrens Team Restructure Costs (Invest to Save)	68
Revenue implications of capital scheme - EE&I Bamfurlong Depot	5
Cloud-based storage for preservation of digital archives	10

One Off Investments

Continuation of Programme Management support to progress Data & Intelligence Strategy	140
Continuation of Data Analysts to support transformation of GFRS, Development of Economic Strategy & Joint Strategic Needs Assessment (JSNA)	91

2025/26 Corporate Resources Budget Continued	Investments	Efficiencies and Additional Income	
	£000	£000	£000
<u>Efficiencies</u>			
Growth in SAP License Fees to be funded by efficiencies driven by future Target Operating Model		-112	
Removal of legacy software arising from shift to cloud based Microsoft products		-150	
Restructure of Children's Legal Team to increase capacity for in-house advocacy		-128	
Maximising use of Employee Assistance Programme contract and reducing reliance on external counselling costs		-50	
Recovery of finance team costs against external grants		-50	
Provision of additional Internal Audit (ARA) services and staffing efficiencies		-19	
Review of Whistleblowing arrangements		-13	
Benefit Realisation from reshaping of Corporate Estate		-250	
Vacancy Management target 1%		-370	
<u>Income Targets</u>			
3% Income Target		-147	
PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	2,778	-1,289	1,489
<u>Use of Reserves</u>			
Use of Reserves to fund one-off pressures		-231	
	0	-231	-231
Corporate Resources Budget 2025/26			51,266

2025/26 Technical and Countywide Budget

	Investments	Efficiencies and Additional Income	£000
	£000	£000	£000
Approved MTFS 2024/25 Budget			32,175
Removal of 2024/25 One Off Budget Increase			
Agreed Service Budget Transfers			-120
Starting Budget (2024/25 Revised Budget)			32,055
<u>Budget Changes:</u>			
<u>Investments</u>			
Pay Inflation (3%) 25/26	124		
Back Pay Pressure 24/25	14		
Release of Pay Contingency to fund 24/25 pay award	-2,065		
Central Pay and Prices Contingency for 25/26	2,325		
Local Government Pension Scheme (LGPS) Secondary Rate costs	447		
Minimum Revenue Provision - on existing capital programme	2,152		
Reduction in Investment Income	242		
Increase in external Borrowing Costs	214		
Increase in annual contribution to County Elections Budget	50		
New Councillor Expenses (x2) following boundary review	24		
<u>One Off Investments</u>			
Data and Intelligence Strategy - estimated investment to progress	500		
Education System Transformation - estimated investment to replace end of life system	500		
Transformation Resources for programme delivery	500		
<u>Efficiencies</u>			
Release of Technical & Countywide surplus budget		-4,400	
PROPOSED REVENUE INVESTMENTS, EFFICIENCIES, AND INCOME	5,027	-4,400	627
<u>Use of Reserves</u>			
Use of Reserves - Accelerated release of 2026/27 LGPS savings		-2,000	
Use of Reserves - To fund Transformation Programmes		-1,500	
	0	-3,500	-3,500
Technical and Countywide Budget 2025/26			29,182

Annex 2a Summary of 4-year Proposals

4-Year Investments Plan - Net Growth By Directorate	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
<u>Adults</u>					
Adults total investments	19,703	16,783	17,573	18,430	72,489
Adults total savings and efficiencies	(2,199)	(2,952)	(4,192)	(4,768)	(14,111)
ADULTS GRAND TOTAL	17,504	13,831	13,381	13,662	58,378
<u>C&F Vulnerable Children</u>					
C&F Vulnerable Children total investments	8,400	6,062	5,477	5,858	25,797
C&F Vulnerable Children total savings and efficiencies	(3,321)	(2,872)	(1,741)	(410)	(8,344)
C&F VULNERABLE CHILDREN GRAND TOTAL	5,079	3,190	3,736	5,448	17,453
<u>C&F Other Services</u>					
C&F Other Services total investments	5,752	3,740	3,313	3,275	16,080
C&F Other Services total savings and efficiencies	(646)	(599)	(208)	(208)	(1,661)
C&F OTHER SERVICES GRAND TOTAL	5,106	3,141	3,105	3,067	14,419
<u>Economy, Environment, & Infrastructure</u>					
EE&I total investments	7,542	2,971	3,333	3,847	17,693
EE&I total savings and efficiencies less EFW	(5,969)	(1,221)	(714)	(379)	(8,283)
EE&I GRAND TOTAL	1,573	1,750	2,619	3,468	9,410
EFW additional income	(6,198)	6,198	0	0	0
<u>Community Safety</u>					
Community Safety total investments	2,626	1,397	811	913	5,747
Community Safety total total savings and efficiencies	(225)	(5)	(306)	(837)	(1,373)
COMMUNITY SAFETY GRAND TOTAL	2,401	1,392	505	76	4,374
<u>Public Health & Communities</u>					
Public Health & Communities total investments	1,204	704	702	496	3,106
Public Health & Communities total savings and efficiencies	(244)	(100)	0	0	(344)
PH&W GRAND TOTAL	960	604	702	496	2,762
<u>Corporate Resources</u>					
Corporate Resources total investments	2,778	1,832	2,001	2,060	8,671
Corporate Resources total savings and efficiencies	(1,289)	(1,301)	(415)	(419)	(3,424)
CORPORATE RESOURCES GRAND TOTAL	1,489	531	1,586	1,641	5,247
<u>Technical & Countywide</u>					
Technical & Countywide total investments	5,027	7,530	6,068	7,840	26,465
Technical & Countywide total savings and efficiencies	(4,400)	(8,530)	(1,070)	(1,110)	(15,110)
TECHNICAL & COUNTYWIDE GRAND TOTAL	627	(1,000)	4,998	6,730	11,355
4-Year Total Net Growth (without use of reserves)	28,541	29,637	30,632	34,588	123,398

4-Year Savings and Efficiency Plan - Summary of Proposals

Proposed Saving / Efficiency Title	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
Adults					
Fee reviews to support efficiency in the market	(1,251)	(1,589)	(1,629)	(1,672)	(6,141)
Capital - Adults Care homes	0	(386)	(1,557)	(2,059)	(4,002)
3% Income Target	(948)	(977)	(1,006)	(1,037)	(3,968)
ADULTS GRAND TOTAL	(2,199)	(2,952)	(4,192)	(4,768)	(14,111)
C&F Vulnerable Children					
Reduced demand for external placements through Sufficiency Strategy and effective commissioning of placements	(2,836)	(2,360)	(1,612)	(281)	(7,089)
Agency Staff Reduction as increase levels of permanent staff	(250)	(250)	(125)	(125)	(750)
Early Help Efficiencies from staffing structure review	(231)	(131)	0	0	(362)
Social Work Academy structure review inc. opportunity to align with education & ASC learning and development functions	0	(68)	0	0	(68)
Saving to replace the use of reserves after Y1 Family Hub	0	(59)	0	0	(59)
3% Income Target	(4)	(4)	(4)	(4)	(16)
C&F VULNERABLE CHILDREN GRAND TOTAL	(3,321)	(2,872)	(1,741)	(410)	(8,344)
C&F Other Services					
Education Pensions: reduce budget based on an assessment of reduction in number of pensions and spouses based on age and trends	(200)	(200)	(200)	(200)	(800)
Home to School Transport - further savings from EDGE review regarding e-auctions	(439)	(391)	0	0	(830)
3% Income Target	(7)	(8)	(8)	(8)	(31)
C&F OTHER SERVICES GRAND TOTAL	(646)	(599)	(208)	(208)	(1,661)
Economy, Environment, & Infrastructure					
Savings from extending Open+ access in libraries	(10)	(17)	(35)	0	(62)
Income from General Registration Service fee increases	0	(147)	0	0	(147)
Increase in fees and charges for Street Works licence applications & Highways income based on benchmarking	(332)	0	(11)	0	(343)
Increase S38/S278 checking fees to 9.5% to align with other LA charging schedules	(66)	0	0	0	(66)
Capital related - Moving Traffic Enforcement Income arising for additional activity	(80)	0	0	0	(80)
Capital related - Street Work Inspector savings on lease vehicles	(44)	0	0	0	(44)
Vacancy Management target 1%	(270)	0	0	0	(270)
Energy from Waste Contractual Adjustment	(4,868)	0	0	0	(4,868)
Energy from Waste Additional income - One Off	(6,198)	6,198	0	0	0
Benefits Realisation from moving to a Preventative Highways Delivery Model	0	(700)	(300)	0	(1,000)
3% Income Target	(299)	(357)	(368)	(379)	(1,403)
EE&I GRAND TOTAL	(12,167)	4,977	(714)	(379)	(8,283)

4-Year Savings and Efficiency Plan - Summary of Proposals Continued					
Proposed Saving / Efficiency Title	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
<u>Community Safety</u>					
Vacancy Management target 1%	(220)	0	0	0	(220)
Efficiencies as a result of the relocation of the fire training facility and the end of the PFI training centre contract	0	0	0	(681)	(681)
Benefits Realisation - Fire Service investment	0	0	(300)	(150)	(450)
3% Income Target	(5)	(5)	(6)	(6)	(22)
COMMUNITY SAFETY GRAND TOTAL	(225)	(5)	(306)	(837)	(1,373)
<u>Public Health & Communities</u>					
Release of non-contractual funding	(129)	0	0	0	(129)
Review of public health budgets to achieve further efficiencies	0	(100)	0	0	(100)
Supporting people - release of unallocated funds	(70)	0	0	0	(70)
Release of funds where alternative funding is available	(20)	0	0	0	(20)
Vacancy Management target 1%	(25)	0	0	0	(25)
PH&W GRAND TOTAL	(244)	(100)	0	0	(344)
<u>Corporate Resources</u>					
Growth in SAP License Fees to be funded by efficiencies driven by future Target Operating Model	(112)	(391)	0	0	(503)
Removal of legacy software arising from shift to cloud based Microsoft products	(150)	(100)	0	0	(250)
Restructure of Children's Legal Team to increase capacity for in-house advocacy	(128)	0	0	0	(128)
Maximising Employee Assistance Programme contract and reducing reliance on external counselling costs	(50)	0	0	0	(50)
Recovery of finance team costs against grants	(50)	0	0	0	(50)
Creation of in-house employment lawyer to provide employment advice and reduce costs of external legal advice advising on Employment Tribunals and employment issues	0	(149)	0	0	(149)
Provision of additional Internal Audit (ARA) services and staffing efficiencies	(19)	(10)	(10)	(10)	(49)
Review of Whistleblowing arrangements	(13)	0	0	0	(13)
Benefit Realisation from reshaping of Corporate Estate	(250)	(500)	(250)	(250)	(1,250)
Vacancy Management target 1%	(370)	0	0	0	(370)
3% Income Target	(147)	(151)	(155)	(159)	(612)
CORPORATE RESOURCES GRAND TOTAL	(1,289)	(1,301)	(415)	(419)	(3,424)
<u>Technical & Countywide</u>					
Reduction in LGPS contributions	0	(7,500)	0	0	(7,500)
Release of Technical & Countywide surplus budget	(4,400)	0	0	0	(4,400)
Initial target for Digital & Automation Savings	0	(30)	(70)	(110)	(210)
Benefits Realisation Strategy from optimising income opportunities	0	(750)	(750)	(750)	(2,250)
Benefits Realisation Strategy from data and digital investment	0	(250)	(250)	(250)	(750)
TECHNICAL & COUNTYWIDE GRAND TOTAL	(4,400)	(8,530)	(1,070)	(1,110)	(15,110)
4-Year Total Savings & Efficiency Plan	(24,491)	(11,382)	(8,646)	(8,131)	(52,650)

4-Year Investments Plan - Summary of Proposals

Proposed Investment Title	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
Adults					
Pay Inflation	2,012	1,667	1,717	1,769	7,165
In-House Services Demographic Growth	1,281	1,451	1,492	1,537	5,761
Disabilities Associated Discharges	292	503	503	503	1,801
Funding for Transforming Care Programme	139	137	0	0	276
Bed Based & Community Based Inflationary pressure	8,255	8,634	9,075	9,499	35,463
Demographic Growth - Older People	2,217	2,505	2,794	3,083	10,599
Demographic Growth - Learning Disabilities	1,221	1,308	1,399	1,430	5,358
Demographic Growth - Mental Health	429	443	457	472	1,801
Demographic Growth - Physical Disabilities	135	135	136	137	543
£5 increase in the Minimum Income Guarantee - to support the new Fairer Contributions Policy, if approved by Cabinet	1,152	0	0	0	1,152
Personal Independence Payment Disregard - to support the new Fairer Contributions Policy, if approved by Cabinet	2,570	0	0	0	2,570
ADULTS GRAND TOTAL	19,703	16,783	17,573	18,430	72,489
C&F Vulnerable Children					
Pay Inflation	2,110	1,766	1,819	1,874	7,569
Fostering/Adoption/SGO & Child Arrangement Allowances - inflationary uplift to maintain competitive foster care fees	882	740	769	800	3,191
Cost of living increase to keep allowances for children in care living in supported living in line with Universal Credit rates	52	26	26	26	130
Contract inflation uplifts for external placement providers	2,474	2,474	2,508	2,618	10,074
Unaccompanied Asylum Seeking Children - costs of transitioning towards meeting equivalent of at least 0.1% of 0-17 child population (govt target)	500	500	0	0	1,000
Contractual uplifts to 15 Strategic Contracts	385	364	431	440	1,620
Leaving care grant increase in financial support to provide equivalent to cohort not supported by Government grant	213	0	0	(83)	130
Demand pressure for high cost packages for Children & Young People with a disability	1,200	0	0	0	1,200
Special Guardianship Orders - Funding to support increased numbers	33	129	44	150	356
PAUSE - mainstreaming existing scheme to support parents to care for their children reducing the number of children in care	214	0	0	0	214
Cost of living uplift in Direct Payments to support Personal Assistants etc for Disabled Children and Young People	52	33	33	33	151
Increasing the Support to Foster Carers through the Mocking Bird Model - additional constellation proposed	73	30	0	0	103
Family Hubs AI Project to establish a digital offer (matched with reserve funding)	59	0	0	0	59
Capacity for change management	153	0	(153)	0	0
C&F VULNERABLE CHILDREN GRAND TOTAL	8,400	6,062	5,477	5,858	25,797
C&F Other Services					
Pay Inflation	640	555	571	588	2,354
Home to School Transport - Contractual Inflation	1,060	445	454	450	2,409
Post16 statutory obligations and tackling NEET: retain 3 Post 16 staff currently funded by grant to continue to provide support for post 16 learners with SEND, enable transition to adulthood and independent living and reduce costs against High Needs Budget	162	0	0	0	162
Home to School Transport - Demographic Growth to cover expected increase	1,761	1,544	1,605	1,667	6,577
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	2,076	1,196	683	570	4,525
Education safeguarding: additional post to address high and increasing workflows to fulfil statutory duties in all education settings	53	0	0	0	53
C&F OTHER SERVICES GRAND TOTAL	5,752	3,740	3,313	3,275	16,080

4-Year Investments Plan - Summary of Proposals Continued

Proposed Investment Title	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
<u>Economy, Environment, & Infrastructure</u>					
Pay Inflation	1,032	865	891	918	3,706
Contract Inflation	2,794	2,949	2,980	2,895	11,618
Devon & Severn IFCA statutory contribution increase	13	15	0	0	28
Funding to cover Community Libraries Grant Annual Uplift	16	0	0	0	16
Additional capacity to discharge planning conditions on M5 J10 scheme	60	0	(60)	0	0
Funding to cover Food Waste Hooklift Skip Repair & Maintenance	32	10	2	3	47
Funding to support Tree Establishment & Maintenance	450	134	81	61	726
Funding to Deliver Economic Strategy Action Plan	150	0	0	0	150
Make 2x fixed term Senior Planning Officers permanent	0	115	0	0	115
Funding for Mass Rapid Transit Business case development	250	0	(250)	0	0
Funding for Social Value Portal to monitor activity	30	22	0	0	52
Contribution to Climate Leadership Gloucestershire - staff	50	0	0	0	50
Match funding for Employment and Skills Hub	100	30	(30)	(30)	70
Funding to Extend Open+ Access in Libraries	23	(23)	0	0	0
Pump priming funding to cover initial Arle Court Transport Hub - Rates & Maintenance	100	0	(100)	0	0
Corporate Fleet Unit - additional Project Manager post to support enhanced work programme	62	0	0	0	62
Corporate Fleet Unit - additional inflationary cost pressure on fuel	146	0	0	0	146
Fundng for Part Time Fleet Admin for 2 years	25	0	(25)	0	0
Investment in addressing Ash Die Back	1,000	(1,000)	0	0	0
Replacement of end of life Road Safety Data Management System	55	(10)	0	0	45
Additional investment in Contract Management Resources	180	0	0	0	180
Investment in Find and Fix Road approach to Highways Maintenance	450	0	0	0	450
Funding to support Highways & Transport Transformation Programme	200	0	(200)	0	0
Additional funding for Definitive Map Modification Orders (Highway Records) - Staff	38	10	44	0	92
Funding to support Community Speedwatch	100	(100)	0	0	0
Additional funding for Highways Development - Staff	70	0	0	0	70
Make permanent Road Safety & Traffic Officer	70	0	0	0	70
Moving Traffic Enforcement Investment	46	(46)	0	0	0
EE&I GRAND TOTAL	7,542	2,971	3,333	3,847	17,693
<u>Community Safety</u>					
Pay Inflation	1,198	683	704	725	3,310
Contract Inflation	131	88	95	40	354
Risk critical operational training - making existing temporary budget permanent	165	0	0	0	165
Emergency Services radio scheme costs (Airwave) - critical communication service no longer supported by government grant	90	92	28	30	240
MDT software response systems upgrade - linked to Emergency Services radio scheme above	35	35	0	0	70
Business Planning & Improvement staffing - building existing staffing into base establishment to continue to support transformation journey	102	0	0	0	102
On-Call Training budget - make existing temporary budget permanent	250	0	0	0	250
PPE Decontamination/Laundry - linked to capital investment to improve offer and manage health and safety risk from smoke to firefighters	53	0	0	0	53
Community Risk Management Plan recommendation: Additional operational day crewing at one station in FOD area	436	418	(27)	0	827
Staffing for new Fire training facility	0	0	0	85	85
Equipment for new Fire training facility	0	0	0	33	33
Permanent funding for a Standards Co-ordinator Post	50	0	0	0	50
Additional Authorised Enforcement Assistant	40	0	(40)	0	0
Coroner Service Staffing to manage demand growth	43	81	51	0	175
Upgrade business critical software Trading Services in line with GCC ICT policy to ensure software is supported by provider	33	0	0	0	33
COMMUNITY SAFETY GRAND TOTAL	2,626	1,397	811	913	5,747

4-Year Investments Plan - Summary of Proposals Continued

Proposed Investment Title	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
Public Health & Communities					
Pay Inflation	98	81	83	86	348
Cost pressure contractual Agenda for Change costs (Gloucestershire Health and Care and Gloucestershire Hospitals Trust)	397	341	352	362	1,452
Contract Inflation - Community Based Support & Domestic Abuse	146	0	143	20	309
Contract Inflation - Public Health grant funded services - Mental Health/Sexual Health/Health Improvement	21	7	12	28	68
Cost pressure in public health grant funded demand led contracts	262	275	112	0	649
Domestic abuse services - cost pressure from rising demand	280	0	0	0	280
PH&W GRAND TOTAL	1,204	704	702	496	3,106
Corporate Resources					
Pay Inflation	1,488	1,246	1,283	1,322	5,339
Increased Utility Costs	0	0	224	212	436
Inflationary increases in water rates	24	25	27	30	106
Contractual increases - Grounds, Cleaning and Waste	325	229	255	284	1,093
Inflationary increases in council tax and business rates	177	54	54	56	341
Growth in SAP Licence fees	400	0	0	0	400
Cloud-based storage for preservation of digital archives	10	0	0	0	10
Maintain additional capacity to provide the emergency planning service to meet its legal duties.	0	171	0	0	171
Continuation of Programme Management support to progress Data & Intelligence Strategy	140	0	(140)	0	0
Providing permanent funding for 2 existing Finance graduates	50	0	0	0	50
Continuation of Data Analysts to support transformation of GFRS, Development of Economic Strategy & Joint Strategic Needs Assessment (JSNA)	91	0	0	(91)	0
Legal Services Childrens Team Restructure Costs (Invest to Save)	68	0	0	0	68
Legal Services Employment Lawyer (Invest to Save)	0	107	0	0	107
Revenue implications of capital scheme - Shire Hall Heating	0	0	160	5	165
Revenue implications of capital scheme - GFRS Training Centre - AMPS costs	0	0	0	242	242
Revenue implications of capital scheme - EE&I Bamfurlong Depot	5	0	138	0	143
CORPORATE RESOURCES GRAND TOTAL	2,778	1,832	2,001	2,060	8,671
Technical & Countywide					
Pay Inflation	845	2,522	2,596	2,676	8,639
Minimum Revenue Provision - on existing capital programme	2,152	1,733	312	(60)	4,137
Minimum Revenue Provision - on new schemes	0	609	1,248	2,496	4,353
Reduction in Investment Income	242	1,450	750	200	2,642
Increase in external Borrowing Costs	214	279	145	0	638
External Borrowing Costs - on new schemes	0	687	2,767	2,528	5,982
Increase in annual contribution to County Elections Budget	50	0	0	0	50
New Councillor Expenses (x2) following boundary review	24	0	0	0	24
Data and Intelligence Strategy - estimated investment to progress	500	0	(500)	0	0
Education System Transformation - estimated investment to replace end of life system	500	500	(1,000)	0	0
Transformation Resources for programme delivery	500	(250)	(250)	0	0
TECHNICAL & COUNTYWIDE GRAND TOTAL	5,027	7,530	6,068	7,840	26,465
4-Year Total Investments Plan	53,032	41,019	39,278	42,719	176,048

Annex 2b Categorisation by Cabinet Priorities

The following table summarises the proposed efficiencies and income generation, categorised by the priorities:

Priority	Directorate	Efficiency	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
Infrastructure	Economy, Environment & Infrastructure	Capital related - Moving Traffic Enforcement Income arising for additional activity	(80)	0	0	0	(80)
Infrastructure	Economy, Environment & Infrastructure	Capital related - Street Work Inspector savings on lease vehicles	(44)	0	0	0	(44)
Infrastructure	Economy, Environment & Infrastructure	Benefits Realisation from moving to a Preventative Highways Delivery Model	0	(700)	(300)	0	(1,000)
Infrastructure Total			(124)	(700)	(300)	0	(1,124)
Communities	Children & Families	Reduced demand for external placements through Sufficiency Strategy and effective commissioning of placements	(2,836)	(2,360)	(1,612)	(281)	(7,089)
Communities	Children & Families	Early Help Efficiencies from staffing structure review	(231)	(131)	0	0	(362)
Communities	Children & Families	Home to School Transport - further savings from EDGE review regarding e-auctions	(439)	(391)	0	0	(830)
Communities	Community Safety	Benefits Realisation - Fire Service investment	0	0	(300)	(150)	(450)
Communities	Economy, Environment & Infrastructure	Savings from extending Open+ access in libraries	(10)	(17)	(35)	0	(62)
Communities Total			(3,516)	(2,899)	(1,947)	(431)	(8,793)
Solvency	All	Benefits Realisation Strategy from optimising income opportunities	0	(750)	(750)	(750)	(2,250)
Solvency	All	Reduction in LGPS contributions	0	(7,500)	0	0	(7,500)
Solvency	All	Income (3% annual increase)	(1,410)	(1,502)	(1,547)	(1,593)	(6,052)
Solvency	Children & Families	Saving to replace the use of reserves after Y1 Family Hub	0	(59)	0	0	(59)
Solvency	Children & Families	Education Pensions: reduce budget based on an assessment of reduction in number of pensions and spouses based on age and trends	(200)	(200)	(200)	(200)	(800)
Solvency	Corporate Resources	Recovery of finance team costs against grants	(50)	0	0	0	(50)
Solvency	Corporate Resources	Benefit Realisation from reshaping of Corporate Estate	(250)	(500)	(250)	(250)	(1,250)
Solvency	Economy, Environment & Infrastructure	Income from General Registration Service fee increases	0	(147)	0	0	(147)
Solvency	Economy, Environment & Infrastructure	Increase in fees and charges for Street Works licence applications & Highways income based on benchmarking	(332)	0	(11)	0	(343)
Solvency	Economy, Environment & Infrastructure	Increase S38/S278 checking fees to 9.5% to align with other LA charging schedules	(66)	0	0	0	(66)
Solvency	Technical & Countywide	Release of Technical & Countywide surplus budget	(4,400)	0	0	0	(4,400)
Solvency Total			(6,708)	(10,658)	(2,758)	(2,793)	(22,917)

Priority	Directorate	Efficiency	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
Adults	Adults	Fee reviews to support efficiency in the market	(1,251)	(1,589)	(1,629)	(1,672)	(6,141)
Adults	Adults	Capital - Adults Care homes	0	(386)	(1,557)	(2,059)	(4,002)
Adults	Public Health & Communities	Release of non-contractual funding	(129)	0	0	0	(129)
Adults	Public Health & Communities	Review of public health budgets to achieve further efficiencies	0	(100)	0	0	(100)
Adults	Public Health & Communities	Supporting people - release of unallocated funds	(70)	0	0	0	(70)
Adults	Public Health & Communities	Release of funds where alternative funding is available	(20)	0	0	0	(20)
Adults Total			(1,470)	(2,075)	(3,186)	(3,731)	(10,462)
Continuous Improvement	All	Benefits Realisation Strategy from data and digital investment	0	(250)	(250)	(250)	(750)
Continuous Improvement	All	Initial target for Digital & Automation Savings	0	(30)	(70)	(110)	(210)
Continuous Improvement	Children & Families	Agency Staff Reduction as increase levels of permanent staff	(250)	(250)	(125)	(125)	(750)
Continuous Improvement	Children & Families	Social Work Academy structure review inc. opportunity to align with education & ASC learning and development functions	0	(68)	0	0	(68)
Continuous Improvement	Community Safety	Vacancy Management target 1%	(220)	0	0	0	(220)
Continuous Improvement	Community Safety	Efficiencies as a result of the relocation of the fire training facility and the end of the PFI training centre contract	0	0	0	(681)	(681)
Continuous Improvement	Corporate Resources	Growth in SAP License Fees to be funded by efficiencies driven by future Target Operating Model	(112)	(391)	0	0	(503)
Continuous Improvement	Corporate Resources	Removal of legacy software arising from shift to cloud based Microsoft products	(150)	(100)	0	0	(250)
Continuous Improvement	Corporate Resources	Restructure of Children's Legal Team to increase capacity for in-house advocacy	(128)	0	0	0	(128)
Continuous Improvement	Corporate Resources	Maximising Employee Assistance Programme contract and reducing reliance on external counselling costs	(50)	0	0	0	(50)
Continuous Improvement	Corporate Resources	Creation of in-house employment lawyer to provide employment advice and reduce costs of external legal advice advising on Employment Tribunals and employment issues	0	(149)	0	0	(149)
Continuous Improvement	Corporate Resources	Provision of additional Internal Audit (ARA) services and staffing efficiencies	(19)	(10)	(10)	(10)	(49)
Continuous Improvement	Corporate Resources	Review of Whistleblowing arrangements	(13)	0	0	0	(13)
Continuous Improvement	Corporate Resources	Vacancy Management target 1%	(370)	0	0	0	(370)
Continuous Improvement	Economy, Environment & Infrastructure	Vacancy Management target 1%	(270)	0	0	0	(270)
Continuous Improvement	Public Health & Communities	Vacancy Management target 1%	(25)	0	0	0	(25)
Continuous Improvement Total			(1,607)	(1,248)	(455)	(1,176)	(4,486)
Climate	Economy, Environment & Infrastructure	Energy from Waste Contractual Adjustment	(4,868)	0	0	0	(4,868)
Climate	Economy, Environment & Infrastructure	Energy from Waste Additional income - One Off	(6,198)	6,198	0	0	0
Climate Total			(11,066)	6,198	0	0	(4,868)
Efficiencies and Income Total			(24,491)	(11,382)	(8,646)	(8,131)	(52,650)

The following table summarises the proposed investments, categorised by the priorities:

Priority	Directorate	Investment Heading	2025/26	2026/27	2027/28	2028/29	Total
			£000	£000	£000	£000	£000
Infrastructure	Economy, Environment & Infrastructure	Pump priming funding to cover initial Arle Court Transport Hub - Rates & Maintenance	100	0	(100)	0	0
Infrastructure	Economy, Environment & Infrastructure	Contract Inflation - Transport & Highways	1,766	1,879	2,006	1,898	7,549
Infrastructure	Economy, Environment & Infrastructure	Funding to support Highways & Transport Transformation Programme	200	0	(200)	0	0
Infrastructure	Economy, Environment & Infrastructure	Moving Traffic Enforcement Investment	46	(46)	0	0	0
Infrastructure	Economy, Environment & Infrastructure	Additional capacity to discharge planning conditions on M5 J10 scheme	60	0	(60)	0	0
Infrastructure	Economy, Environment & Infrastructure	Funding for Mass Rapid Transit Business case development	250	0	(250)	0	0
Infrastructure	Economy, Environment & Infrastructure	Investment in Find and Fix Road approach to Highways Maintenance	450	0	0	0	450
Infrastructure	Economy, Environment & Infrastructure	Additional funding for Definitive Map Modification Orders (Highway Records) - Staff	38	10	44	0	92
Infrastructure	Economy, Environment & Infrastructure	Additional funding for Highways Development - Staff	70	0	0	0	70
Infrastructure Total			2,980	1,843	1,440	1,898	8,161
Communities	Children & Families	Demographic Growth & Contract Inflation	7,489	6,093	5,793	5,918	25,293
Communities	Children & Families	Demand pressure for high cost packages for Children & Young People with a disability	1,200	0	0	0	1,200
Communities	Children & Families	Special Guardianship Orders - Funding to support increased numbers	33	129	44	150	356
Communities	Children & Families	PAUSE - mainstreaming existing scheme to support parents to care for their children reducing the number of children in care	214	0	0	0	214
Communities	Children & Families	Cost of living uplift in Direct Payments to support Personal Assistants etc for Disabled Children and Young People	52	33	33	33	151
Communities	Children & Families	Increasing the Support to Foster Carers through the Mocking Bird Model - additional constellation proposed	73	30	0	0	103
Communities	Children & Families	Family Hubs AI Project to establish a digital offer (matched with reserve funding)	59	0	0	0	59
Communities	Children & Families	Capacity for change management	153	0	(153)	0	0
Communities	Children & Families	Education safeguarding: additional post to address high and increasing workflows to fulfil statutory duties in all education settings	53	0	0	0	53
Communities	Community Safety	Contract Inflation	131	88	95	40	354
Communities	Community Safety	Community Risk Management Plan recommendation: Additional operational day crewing at one station in FOD area	436	418	(27)	0	827
Communities	Community Safety	On-Call Training budget - make existing temporary budget permanent	250	0	0	0	250
Communities	Community Safety	Emergency Services radio scheme costs (Airwave) - critical communication service no longer supported by government grant	90	92	28	30	240
Communities	Community Safety	Coroner Service Staffing to manage demand growth	43	81	51	0	175
Communities	Community Safety	Risk critical operational training - making existing temporary budget permanent	165	0	0	0	165
Communities	Community Safety	Additional Authorised Enforcement Assistant	40	0	(40)	0	0
Communities	Community Safety	PPE Decontamination/Laundry - linked to capital investment to improve offer and manage health and safety risk from smoke to firefighters	53	0	0	0	53
Communities	Economy, Environment & Infrastructure	Funding to cover Community Libraries Grant Annual Uplift	16	0	0	0	16
Communities	Economy, Environment & Infrastructure	Funding for Social Value Portal to monitor activity	30	22	0	0	52
Communities	Economy, Environment & Infrastructure	Funding to Deliver Economic Strategy Action Plan	150	0	0	0	150
Communities	Economy, Environment & Infrastructure	Make 2x fixed term Senior Planning Officers permanent	0	115	0	0	115
Communities	Economy, Environment & Infrastructure	Funding to support Community Speedwatch	100	(100)	0	0	0
Communities	Economy, Environment & Infrastructure	Funding to Extend Open+ Access in Libraries	23	(23)	0	0	0
Communities	Economy, Environment & Infrastructure	Make permanent Road Safety & Traffic Officer	70	0	0	0	70
Communities	Economy, Environment & Infrastructure	Replacement of end of life Road Safety Data Management System	55	(10)	0	0	45
Communities	Technical & Countywide	Increase in annual contribution to County Elections Budget	50	0	0	0	50
Communities	Technical & Countywide	New Councillor Expenses (x2) following boundary review	24	0	0	0	24
Communities Total			11,052	6,968	5,824	6,171	30,015

Priority	Directorate	Investment Heading	2025/26	2026/27	2027/28	2028/29	Total
			£000	£000	£000	£000	£000
Solvency	Corporate Resources	Revenue implications of capital scheme - Shire Hall Heating	0	0	160	5	165
Solvency	Technical & Countywide	Minimum Revenue Provision - on existing capital programme	2,152	1,733	312	(60)	4,137
Solvency	Technical & Countywide	Minimum Revenue Provision - on new schemes	0	609	1,248	2,496	4,353
Solvency	Technical & Countywide	Reduction in Investment Income	242	1,450	750	200	2,642
Solvency	Technical & Countywide	Increase in external Borrowing Costs	214	279	145	0	638
Solvency	Technical & Countywide	External Borrowing Costs - on new schemes	0	687	2,767	2,528	5,982
Solvency Total			2,608	4,758	5,382	5,169	17,917
SEND	Children & Families	SEND - Service Improvement: provide sufficient education Psychology capacity, reduce EHCP caseloads, provide commissioning capacity to plan effective for specific school place needs, develop independent provider market and time education provision for children with SEND	2,076	1,196	683	570	4,525
SEND Total			2,076	1,196	683	570	4,525
Adults	Adults	Demographic Growth & Contract Inflation	13,969	15,116	15,856	16,661	61,602
Adults	Adults	£5 increase in the Minimum Income Guarantee - to support the new Fairer Contributions Policy, if approved by Cabinet	1,152	0	0	0	1,152
Adults	Adults	Personal Independence Payment Disregard - to support the new Fairer Contributions Policy, if approved by Cabinet	2,570	0	0	0	2,570
Adults	Economy, Environment & Infrastructure	Match funding for Employment and Skills Hub	100	30	(30)	(30)	70
Adults	Public Health & Communities	Contract Inflation	564	348	507	410	1,829
Adults	Public Health & Communities	Cost pressure in public health grant funded demand led contracts	262	275	112	0	649
Adults	Public Health & Communities	Domestic abuse services - cost pressure from rising demand	280	0	0	0	280
Adults Total			18,897	15,769	16,445	17,041	68,152

Priority	Directorate	Investment Heading	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
Continuous Improvement	Community Safety	Staffing for new Fire training facility	0	0	0	85	85
Continuous Improvement	Community Safety	Equipment for new Fire training facility	0	0	0	33	33
Continuous Improvement	Community Safety	Business Planning & Improvement staffing - building existing staffing into base establishment to continue to support transformation journey	102	0	0	0	102
Continuous Improvement	Community Safety	MDT software response systems upgrade - linked to Emergency Services radio scheme above	35	35	0	0	70
Continuous Improvement	Community Safety	Upgrade business critical software Trading Services in line with GCC ICT policy to ensure software is supported by provider	33	0	0	0	33
Continuous Improvement	Community Safety	Permanent funding for a Standards Co-ordinator Post	50	0	0	0	50
Continuous Improvement	Corporate Resources	Providing permanent funding for 2 existing Finance graduates	50	0	0	0	50
Continuous Improvement	Corporate Resources	Growth in SAP Licence fees	400	0	0	0	400
Continuous Improvement	Corporate Resources	Legal Services Childrens Team Restructure Costs (Invest to Save)	68	0	0	0	68
Continuous Improvement	Corporate Resources	Maintain additional capacity to provide the emergency planning service to meet its legal duties.	0	171	0	0	171
Continuous Improvement	Corporate Resources	Revenue implications of capital scheme - EE&I Bamfurlong Depot	5	0	138	0	143
Continuous Improvement	Corporate Resources	Cloud-based storage for preservation of digital archives	10	0	0	0	10
Continuous Improvement	Corporate Resources	Continuation of Programme Management support to progress Data & Intelligence Strategy	140	0	(140)	0	0
Continuous Improvement	Corporate Resources	Continuation of Data Analysts to support transformation of GFRS, Development of Economic Strategy & Joint Strategic Needs Assessment (JSNA)	91	0	0	(91)	0
Continuous Improvement	Corporate Resources	Legal Services Employment Lawyer (Invest to Save)	0	107	0	0	107
Continuous Improvement	Corporate Resources	Revenue implications of capital scheme - GFRS Training Centre - AMPS costs	0	0	0	242	242
Continuous Improvement	Economy, Environment & Infrastructure	Fundng for Part Time Fleet Admin for 2 years	25	0	(25)	0	0
Continuous Improvement	Economy, Environment & Infrastructure	Additional investment in Contract Management Resources	180	0	0	0	180
Continuous Improvement	Economy, Environment & Infrastructure	Corporate Fleet Unit - additional inflationary cost pressure on fuel	146	0	0	0	146
Continuous Improvement	Economy, Environment & Infrastructure	Corporate Fleet Unit - additional Project Manager post to support enhanced work programme	62	0	0	0	62
Continuous Improvement	Technical & Countywide	Data and Intelligence Strategy - estimated investment to progress	500	0	(500)	0	0
Continuous Improvement	Technical & Countywide	Education System Transformation - estimated investment to replace end of life system	500	500	(1,000)	0	0
Continuous Improvement	Technical & Countywide	Transformation Resources for programme delivery	500	(250)	(250)	0	0
Continuous Improvement Total			2,897	563	(1,777)	269	1,952
Climate	Economy, Environment & Infrastructure	Contract Inflation - Economy & Environment	1,028	1,070	974	997	4,069
Climate	Economy, Environment & Infrastructure	Contribution to Climate Leadership Gloucestershire - staff	50	0	0	0	50
Climate	Economy, Environment & Infrastructure	Devon & Severn IFCA statutory contribution increase	13	15	0	0	28
Climate	Economy, Environment & Infrastructure	Funding to cover Food Waste Hooklift Skip Repair & Maintenance	32	10	2	3	47
Climate	Economy, Environment & Infrastructure	Funding to support Tree Establishment & Maintenance	450	134	81	61	726
Climate	Economy, Environment & Infrastructure	Investment in addressing Ash Die Back	1,000	(1,000)	0	0	0
Climate Total			2,573	229	1,057	1,061	4,920
Uncategorised	All	Pay Related Growth	9,423	9,385	9,664	9,958	38,430
Uncategorised	Corporate Resources	Contractual and Utility Inflation	526	308	560	582	1,976
Uncategorised Total			9,949	9,693	10,224	10,540	40,406
Investments Total			53,032	41,019	39,278	42,719	176,048

Annex 3 – Budget Summary by Service Area

Medium Term Financial Strategy – 2025/26 Budget – Overall Summary

Budget Area	2024/25	2024/25	2024/25	2024/25	2024/25	Pay Inflation Costs	Investments	Efficiencies and Additional Income	Use of Reserves	Proposed 2025/26 Budget	2025/26	2025/26	2025/26	2025/26	2025/26 Use	Proposed MTF5 Budget 2025/26
	Employee Related Budgets	Other Operating Expenditure Budgets	Gross Expenditure Budgets	Income	Base Budget Uploaded						Proposed Employee Related Budget	Proposed Non - Employee Expenditure Budget	Proposed Gross Expenditure Budget	Proposed Income Budget	of Reserves	
	£000	£000	£000	£000	£'000	£'000s	£'000s	£'000s	£'000s	£'000s	£000	£000	£000	£000	£000	£'000
Adults	53,938	243,006	296,944	-90,184	206,760	2,012	17,691	-2,199	0	224,264	55,947	255,727	311,674	-87,410	0	224,264
Vulnerable Children	56,352	89,554	145,906	-732	145,174	2,110	6,290	-3,321	-59	150,194	58,134	92,855	150,989	-736	-59	150,194
Other Children Services	18,260	19,452	37,712	-1,518	36,194	640	5,112	-646	0	41,300	20,930	21,895	42,825	-1,525	0	41,300
Economy, Environment and Infrastructure	28,055	108,626	136,681	-41,749	94,932	1,032	6,510	-12,167	-1,563	88,744	29,652	109,299	138,951	-48,644	-1,563	88,744
Community Safety	21,541	3,632	25,173	-175	24,998	1,198	1,428	-225	-40	27,359	23,440	4,139	27,579	-180	-40	27,359
Public Health & Communities	2,600	34,806	37,406	-290	37,116	98	1,106	-244	-796	37,280	2,673	35,693	38,366	-290	-796	37,280
Corporate Resources	39,359	22,126	61,485	-11,477	50,008	1,488	1,290	-1,289	-231	51,266	40,717	22,464	63,181	-11,684	-231	51,266
Technical and Countywide	10,450	27,736	38,186	-6,131	32,055	845	4,182	-4,400	-3,500	29,182	12,819	25,994	38,813	-6,131	-3,500	29,182
Total Budget	230,555	548,938	779,493	-152,256	627,237	9,423	43,609	-24,491	-6,189	649,589	244,312	568,066	812,378	-156,600	-6,189	649,589

- The split of the 2025/26 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 2025/26

Budget Area	2024/25 Employee Related Budget	2024/25 Non - Employee Expenditure Budget	2024/25 Gross Expenditure Budget	2024/25 Income	2024/25 Revised MTFS Base Budget	Pay Inflation Costs	Investments	Efficiencies and Additional Income	Use of Reserves	Proposed 2025/26 Budget	2025/26 Proposed Employee Related Budget	2025/26 Proposed Non - Employee Expenditure Budget	2025/26 Proposed Gross Expenditure Budget	2025/26 Proposed Income Budget	2025/26 Use of Reserves	Proposed 2025/26 MTFS Budget
	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£000	£'000
Services for Older People	19,858	105,519	125,377	- 47,640	77,737	764	9,194	-1,153		86,542	20,622	112,213	132,835	-46,293		86,542
Services for People with Physical Disability	2,314	18,616	20,930	- 2,923	18,007	89	931	-149		18,878	2,403	19,087	21,490	-2,612		18,878
Services for People with a Learning Disability	8,152	89,079	97,231	- 32,792	64,439	313	6,131	-763		70,120	8,465	93,331	101,796	-31,676		70,120
Services for People with Mental Health Issues	0	15,063	15,063	- 153	14,910		1,314	-134		16,090	-	16,243	16,243	-153		16,090
Community Equipment/Telecare	4,673	4,487	9,160	- 5,268	3,892	179	44			4,115	4,852	4,531	9,383	- 5,268		4,115
Adults Safeguarding	1,766	253	2,019	- 59	1,960	68	10			2,038	1,834	263	2,097	-59		2,038
Carers Services	0	1,084	1,084	-	1,084					1,084	-	1,084	1,084	-		1,084
Occupational Therapy Service	68	2,409	2,477	-	2,477	3	12			2,492	68	2,424	2,492	-		2,492
Other Direct Services	5,605	2,019	7,624	- 552	7,072	215				7,287	5,820	2,019	7,839	-552		7,287
Adults Management,Commissioning & Support Services	9,929	1,609	11,538	- 797	10,741	381	55			11,177	10,310	1,664	11,974	-797		11,177
Funding for Allocation	1,573	2,868	4,441	-	4,441					4,441	1,573	2,868	4,441	-		4,441
Total: Adults	53,938	243,006	296,944	-90,184	206,760	2,012	17,691	-2,199	0	224,264	55,947	255,727	311,674	-87,410	0	224,264

Children & Families MTFS 2025/26

Budget Area	2024/25 Employee Related Budget	2024/25 Non - Employee Expenditure Budget	2024/25 Gross Expenditure Budget	2024/25 Income	2024/25 Revised MTFS Base Budget	Pay Inflation Costs	Investments	Efficiencies and Additional Income	Use of Reserves	Proposed 2025/26 Budget	2025/26 Proposed Employee Related Budget	2025/26 Proposed Non - Employee Expenditure Budget	2025/26 Proposed Gross Expenditure Budget	2025/26 Proposed Income Budget	2025/26 Use of Reserves	Proposed 2025/26 MTFS Budget
	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£'000	£000's	£000's	£000's	£000's	£000	£000's
Vulnerable Children	56,352	89,554	145,906	-732	145,174	2,110	6,290	-3,321	-59	150,194	58,134	92,855	150,989	-736	-59	150,194
Other Children Services	18,260	19,452	37,712	-1,518	36,194	640	5,112	-646		41,300	20,930	21,895	42,825	-1,525	0	41,300
Total: Children & Families	74,612	109,006	183,618	-2,250	181,368	2,750	11,402	-3,967	-59	191,494	79,064	114,750	193,814	-2,261	-59	191,494

Economy, Environment & Infrastructure MTFS 2025/26

Budget Area	2024/25 Employee Related Budget	2024/25 Non - Employee Expenditure Budget	2024/25 Gross Expenditure Budget	2024/25 Income	2024/25 Revised MTFS Base Budget	Pay Inflation Costs	Investments	Efficiencies and Additional Income	Use of Reserves	Proposed 2025/26 Budget	2025/26 Proposed Employee Related Budget	2025/26 Proposed Non - Employee Expenditure Budget	2025/26 Proposed Gross Expenditure Budget	2025/26 Proposed Income Budget	2025/26 Use of Reserves	Proposed 2025/26 MTFS Budget
	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£000	£'000
Network, Traffic and Transport	1,524	12,041	13,565	-678	12,887	259	1,111	-746	-100	13,411	1,981	12,843	14,824	-1,313	-100	13,411
Libraries & Registration Services	6,924	1,126	8,050	-3,339	4,711	259	39	-91		4,918	7,115	1,155	8,270	-3,352	-	4,918
Highways	12,679	24,363	37,042	-9,816	27,226	262	3,151	-189	-1,153	29,297	13,253	27,024	40,277	-9,827	-1,153	29,297
Environment and Waste	1,119	67,712	68,831	-27,842	40,989	40	1,606	-11,083		31,552	1,248	64,380	65,628	-34,076	-	31,552
Strategic Infrastructure	2,101	3,142	5,243	-74	5,169	93	503	-26	-310	5,429	2,260	3,555	5,815	-76	-310	5,429
Flood Alleviation	370	390	760	0	760					760	370	390	760	-	-	760
EE&I Central Costs	2,648	-59	2,589	0	2,589	94		-25		2,658	2,717	-59	2,658	-	-	2,658
Employment & Skills Hub	690	-89	601	0	601	25	100	-7		719	708	11	719	-	-	719
Total: Economy Environment & Infrastructure	28,055	108,626	136,681	-41,749	94,932	1,032	6,510	-12,167	-1,563	88,744	29,652	109,299	138,951	-48,644	-1,563	88,744

Community Safety MTFS 2025/26

Budget Area	2024/25 Employee Related Budget	2024/25 Non - Employee Expenditure Budget	2024/25 Gross Expenditure Budget	2024/25 Income	2024/25 Revised MTFS Base Budget	Pay Inflation Costs	Investments	Efficiencies and Additional Income	Use of Reserves	Proposed 2025/26 Budget	2025/26 Proposed Employee Related Budget	2025/26 Proposed Non - Employee Expenditure Budget	2025/26 Proposed Gross Expenditure Budget	2025/26 Proposed Income Budget	2025/26 Use of Reserves	Proposed 2025/26 MTFS Budget
	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£000	£'000
Fire & Rescue Service	19,562	3,037	22,599	- 106	22,493	1,125	1,312	-204		24,726	21,324	3,511	24,835	-109	-	24,726
Coroners	927	536	1,463	-	1,463	34	43	-9		1,531	995	536	1,531	-	-	1,531
Trading Standards	1,052	59	1,111	- 69	1,042	39	73	-12	-40	1,102	1,121	92	1,213	-71	-40	1,102
Civil Protection Team	-	-	-	-	0					-	-	-	-	-	-	-
Total: Community Safety	21,541	3,632	25,173	-175	24,998	1,198	1,428	-225	-40	27,359	23,440	4,139	27,579	-180	-40	27,359

Public Health & Communities MTFS 2025/26

Budget Area	2024/25	2024/25 Non -	2024/25	2024/25	2024/25	Pay	Investments	Efficiencies	Use of	Proposed	2025/26	2025/26	2025/26	2025/26	2025/26	Proposed
	Employee Related Budgets	Employee Expenditure Budgets	Gross Expenditure Budgets	Income	Revised MTFS Base Budget	Inflation Costs	£000	and Additional Income	Reserves	2025/26 Budget	2025/26 Proposed Employee Related Budget	2025/26 Proposed Non - Employee Expenditure Budget	2025/26 Proposed Gross Expenditure Budget	2025/26 Proposed Income Budget	2025/26 Use of Reserves	Proposed 2025/26 MTFS Budget
	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£000	£'000
Public Health - Including Ringfenced Grant (See below for Service Breakdown)	1,974	26,526	28,500	-100	28,400	74	680	-136	-796	28,222	2,048	27,070	29,118	-100	-796	28,222
Supporting People	-	8,108	8,108	-190	7,918		426	-70		8,274	-	8,464	8,464	-190	-	8,274
Other Prevention & Wellbeing Activities	626	172	798	0	798	24		-38		784	625	159	784	-	-	784
Total: Public Health & Communities	2,600	34,806	37,406	- 290	37,116	98	1,106	-244	- 796	37,280	2,673	35,693	38,366	-290	-796	37,280

Public Health - Including the Ring Fenced Grant 2025/26

Budget Area	2024/25	2024/25 Non -	2024/25	2024/25	2024/25	Pay	Investments	Efficiencies	Use of	Proposed	2025/26	2025/26	2025/26	2025/26	2025/26	Proposed
	Employee Related Budgets	Employee Expenditure Budgets	Gross Expenditure Budgets	Income	Revised MTFS Base Budget	Inflation Costs	£000	and Additional Income	Reserves	2025/26 Budget	2025/26 Proposed Employee Related Budget	2025/26 Proposed Non - Employee Expenditure Budget	2025/26 Proposed Gross Expenditure Budget	2025/26 Proposed Income Budget	2025/26 Use of Reserves	Proposed 2025/26 MTFS Budget
	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£000	£'000
Sexual Health		4,064	4,064		4,064		149	-65		4,148	-	4,148	4,148	-	-	4,148
Health Behaviours		1,555	1,555		1,555		1	-10		1,546	-	1,546	1,546	-	-	1,546
Drugs and Alcohol		6,251	6,251	-100	6,151		3			6,154	-	6,254	6,254	-100	-	6,154
Children 0-19 (incl. Health Visiting & School Nursing)		13,087	13,087		13,087		338	-17	-796	12,612	-	13,408	13,408	-	-796	12,612
Public Mental Health		451	451		451		4	-40		415	-	415	415	-	-	415
NHS Health Checks		360	360		360		185			545	-	545	545	-	-	545
PH function incl. staffing and intelligence	1,974	758	2,732		2,732	74		-4		2,802	2,048	754	2,802	-	-	2,802
Total: Public Health	1,974	26,526	28,500	-100	28,400	74	680	-136	-796	28,222	2,048	27,070	29,118	-100	-796	28,222

Corporate Resources MTFS 2025/26

Budget Area	2024/25	2024/25 Non	2024/25	2024/25	2024/25	Pay	Investments	Efficiencies	Use of	Proposed	2025/26	2025/26	2025/26	2025/26	2025/26	Proposed	
	Employee Related Budget	- Employee Expenditure Budget	Gross Expenditure Budget	Income	Revised MTFS Base Budget	Inflation Costs	£000	£000	and Additional Income	Reserves	2025/26 Budget	Proposed Employee Related Budget	Proposed Non - Employee Expenditure Budget	Proposed Gross Expenditure Budget	Proposed Income Budget	Use of Reserves	Proposed 2025/26 MTFS Budget
	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£000	£'000
Policy Performance & Governance	13,083	1,241	14,324	-673	13,651	507	309	-283	-231	13,953	13,762	1,098	14,860	-676	-231	13,953	
Digital & People Services	9,488	9,557	19,045	-487	18,558	355		-297		18,616	9,755	9,357	19,112	-496	-	18,616	
Asset Management & Property Services	4,120	10,521	14,641	-6,562	8,079	153	531	-351		8,412	4,235	10,802	15,037	-6,625	-	8,412	
Communications	1,200	99	1,299	-117	1,182	44		-11		1,215	1,233	99	1,332	-117	-	1,215	
Strategic Finance	9,782	-1,028	8,754	-3,584	5,170	362	50	-331		5,251	9,995	-1,028	8,967	-3,716	-	5,251	
Executive Support & Information	1,250	0	1,250	0	1,250	51		-12		1,289	1,289	-	1,289	-	-	1,289	
Agile / Customer Experience	0	0	0	0	0					0	-	-	-	-	-	0	
One Programme	0	1,877	1,877	0	1,877		400			2,277	-	2,277	2,277	-	-	2,277	
Emergency Planning	436	-141	295	-54	241	16		-4		253	448	-141	307	-54	-	253	
Total: Corporate Resources	39,359	22,126	61,485	-11,477	50,008	1,488	1,290	-1,289	-231	51,266	40,717	22,464	63,181	-11,684	-231	51,266	

Technical & Countywide MTFS 2025/26

Budget Area	2024/25	2024/25 Non	2024/25	2024/25	2024/25	Pay	Investments	Efficiencies	Use of	Proposed	2025/26	2025/26	2025/26	2025/26	2025/26	Proposed
	Employee Related Budget	- Employee Expenditure Budget	Gross Expenditure Budget	Income	Revised MTFS Base Budget	Inflation Costs	£000	£000	and Additional Income	Reserves	2025/26 Budget	Proposed Employee Related Budget	Proposed Non - Employee Expenditure Budget	Proposed Gross Expenditure Budget	Proposed Income Budget	Use of Reserves
	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£000	£'000	£000	£000	£000	£000	£'000
County Council Contingencies	9,599	1,222	10,821		10,821	721	1,500		-3,500	9,542	11,820	1,222	13,042	-	-3,500	9,542
Corporately Controlled Budgets	655	1,771	2,426		2,426					2,426	655	1,771	2,426	-	-	2,426
Capital Financing & Interest Credits	-	23,383	23,383	-6,131	17,252		2,608	-4,400		15,460	-	21,591	21,591	-6,131	-	15,460
Members and Elections	196	1,360	1,556		1,556	124	74			1,754	344	1,410	1,754	-	-	1,754
Total: Technical & Countywide	10,450	27,736	38,186	- 6,131	32,055	845	4,182	- 4,400	-3,500	29,182	12,819	25,994	38,813	-6,131	-3,500	29,182

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 2025/26 to 2028/29. 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.
- Ensures resources are focused on the Council's highest priorities.
- Demonstrates value for money.
- Recognises risk and ensures an adequate level of financial protection against risk by maintaining a prudent, but not excessive, level of financial reserves.
- Secure understanding of sources of potential finance.
- Builds financial capacity for organisational change.
- Is flexible – to allow shifts in spending should circumstances change.
- Does not overburden the Council with future financial commitments, with a key aim being to continue to reduce debt over the period of the new MTFS, thereby releasing on going debt related revenue savings.
- Aligns on-going financing resources with on-going spending commitments.

2025/26 Budget Assumptions

The 2025/26 Budget has been produced using the following assumptions

- Council tax will increase by 2.99%.
- In addition, an Adult Social care precept of 2% will be applied in 2025/26.
- 1.26% growth in taxbase is assumed.
- A pay increase of 3.0% has been assumed.
- Inflation – budgets will only be adjusted for inflation where there is a contractual commitment
- Fees and charges will be increased by an average of 3% or by an amount specified in the income section of Annex 2.
- The level of General Reserves will be set at 5% of Net Expenditure.
- External Borrowing will be repaid as it matures.
- A limited amount of central contingency will be held to cover unexpected costs and / or the potential risk 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 (eg 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:** 2025/26 will be the first year of implementation of the second homes council tax premium. Given the complexities around 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.

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.

Forecast of Projected Reserve Balances

Reserve Detail	Balance at 31st March 2024	Forecast Transfers In / (Out) 2024/25	Forecast Balance at 31st March 2025	Forecast Transfers In / (Out) 2025/26	Forecast Balance at 31st March 2026	Forecast Transfers In / (Out) 2026/27	Forecast Balance at 31st March 2027	Forecast Transfers In / (Out) 2027/28	Forecast Balance at 31st March 2028	Forecast Transfers In / (Out) 2028/29	Forecast Balance at 31st March 2029	Notes
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Earmarked Reserves												
Capital Fund	5,640	(214)	5,426	(2,500)	2,926	-	2,926	-	2,926	-	2,926	1
Strategic Waste Reserve	2,602	-	2,602	(118)	2,484	(2,484)	0	-	0	-	0	2
Transformation Reserve	6,003	(2,368)	3,635	-	3,635	-	3,635	-	3,635	-	3,635	3
Invest to Save	1,086	-	1,086	(78)	1,009	(63)	946	(63)	884	(63)	821	4
Insurance Fund	10,997	-	10,997	-	10,997	-	10,997	-	10,997	-	10,997	5
Public Health	3,807	225	4,032	(1,539)	2,493	(56)	2,437	-	2,437	-	2,437	6
County Elections	378	288	666	(666)	-	250	250	250	500	250	750	7
Fire Joint Training Centre	723	-	723	(109)	614	(92)	522	(92)	430	(430)	-	8
Economic Stimulus Reserve	3,187	4,151	7,338	(3,885)	3,453	-	3,453	-	3,453	(3,453)	-	9
Fire PFI Reserve - GFRS	3,827	(534)	3,293	(800)	2,493	(800)	1,693	(800)	893	(893)	-	10
Revenue Grant Reserves	13,795	(1,609)	12,186	(2,000)	10,186	(2,000)	8,186	(2,000)	6,186	(2,000)	4,186	11
Rates Retention Reserve	23,653	(6,947)	16,706	(11,808)	4,898	(2,247)	2,651	(1,625)	1,026	-	1,026	12
Education Funding Risk Reserve	97	-	97	-	97	(97)	-	-	-	-	-	
Vulnerable Children Reserve	63	-	63	(43)	20	(20)	-	-	-	-	-	
Services to Families with Young Children	70	(70)	-	-	-	-	-	-	-	-	-	
Home to School Transport Reserve	414	-	414	109	523	-	523	-	523	-	523	
Adult Care Reserve	11,546	(5,021)	6,525	(4,000)	2,525	(1,500)	1,025	(1,025)	-	-	-	13
Economy, Environment & Infrastructure Reserve	6,635	(1,191)	5,444	(2,283)	3,161	(908)	2,253	-	2,253	-	2,253	14
Traded Services Reserve	204	(54)	150	-	150	-	150	-	150	-	150	15
Shared Audit Services Reserve	154	(4)	150	-	150	-	150	-	150	-	150	15
LED Renewables Reserve	361	-	361	-	361	-	361	-	361	-	361	16
Other Reserves	344	-	344	(131)	213	(213)	-	-	-	-	-	17
Highways Act Commuted Sums Reserves	2,295	-	2,295	-	2,295	-	2,295	-	2,295	-	2,295	18
Earmarked Reserves (Non School)	97,881	(13,348)	84,533	(29,850)	54,683	(10,230)	44,453	(5,355)	39,099	(6,589)	32,510	
Schools Related												
School Balances	25,168	-	25,168	-	25,168	-	25,168	-	25,168	-	25,168	
Other Schools Related	540	-	540	-	540	-	540	-	540	-	540	
School Related	25,708	-	25,708	-	25,708	-	25,708	-	25,708	-	25,708	19
Earmarked Reserves Total	123,589	(13,348)	110,241	(29,850)	80,391	(10,230)	70,161	(5,355)	64,807	(6,589)	58,218	
General Fund Balances	32,384	(702)	31,682	2,286	33,968	1,578	35,546	1,625	37,171	-	37,171	20
Total Useable Revenue Reserves	155,973	(14,050)	141,923	(27,564)	114,359	(8,652)	105,707	(3,730)	101,978	(6,589)	95,389	
Reserves with Statutory Overrides												
Financial Instruments Deficit	(4,761)	1,661	(3,100)	3,100	-	-	-	-	-	-	-	
Dedicated Schools Grant Deficit Reserve	(45,751)	(27,358)	(73,109)	(31,713)	(104,822)	(37,545)	(142,367)	(43,665)	(186,032)	(49,330)	(235,362)	
Total Statutory Override Deficits	(50,512)	(25,697)	(76,209)	(28,613)	(104,822)	(37,545)	(142,367)	(43,665)	(186,032)	(49,330)	(235,362)	21

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 a number of 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. A further actuarial review took place in November 2024 - any changes will be updated in the final MTFS document.
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 need.
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 annual contribution of £0.2 million is annually made to this fund. The 2025/26 Budget proposals include an increase of £50k to this annual contribution, reflected in the figures above.
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.
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. The balance does not currently include Health partnership funds (Integrated Commissioning Board) received under Section 256 agreements, although it is likely that these will be included following the completion of the 2023/24 Accounts Audit (this will increase the opening balances as at 31 March 2024).
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.

2024/25 and 2025/26 include commitments in respect of One Programme, as approved by Cabinet Member decision in August 2024.

As detailed in Annex 2, the 2025/26 and 2026/27 draft budget includes funds to support one-off investment, as well as acceleration of the LGPS savings to be achieved in 2026/27. This reserve will be used for these measures.

13. **Adult Care Reserve:** Adult care reserve was established to cover the budgetary risks associated with the fluctuations in demand led adult services. The quarter 2 budget monitoring report for 2024/25 identifies that this reserve is likely to be required to mitigate pressures associated with brought forward savings targets. Revised savings plans have been established to address these savings targets over the MTFS period, although the reserve will continue to mitigate these pressures in the early years of the MTFS.
14. **Economy, Environment and Infrastructure Reserve:** This reserve was created to hold a number of 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. **Other Reserves:** This relates to a small number of specific reserves.
18. **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.
19. **School Related:** Individual Schools balances - ring-fenced. (Excludes DSG)
20. **General Fund Balances:** The MTFS documentation proposes that - in line with other Authorities - Gloucestershire County Council maintains its General Fund Reserve at 5% of net revenue budget. The quarter 2 budget monitoring report for 2024/25 includes a proposal to transfer favourable variances to the General Fund Reserve, to achieve the 5% balance for 2025/26. The figures above then assume that there is an annual transfer from the Business Rates Retention Reserve to increase the balance in subsequent years of the MTFS, to maintain the 5% threshold as the net revenue budget increases. Risks which are provided for within the General Reserve are set out in Annex 5b.
21. **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 2025) and Dedicated Schools Grant (due to end 31 March 2026). In the current projections, the Financial Instruments deficit is assumed to be funded from Business Rates Retention Reserve balances in 2025/26.

Revenue Budget Forward Projections

Annex 6

	2024/25	2025/26	2026/27	2027/28	2028/29
	Actual	Forecast	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
Adults	206.610	224.264	238.095	251.476	265.138
Children's	181.263	191.494	197.731	204.725	213.240
Public Health & Wellbeing	37.109	37.280	38.680	39.382	39.878
Economy, Environment & Inf	82.840	88.744	97.720	100.874	104.342
Corporate Resources	51.140	51.266	51.797	53.614	55.255
Community Safety	25.734	27.359	28.751	29.296	29.372
Tech & Countywide	32.175	29.182	31.932	36.680	43.410
Savings to be Identified	0.000	0.000	(5.322)	(5.136)	(7.217)
Net Operating Budget	616.871	649.589	679.384	710.911	743.418
Grant Funding	230.070	238.421	242.285	246.126	249.229
Budget to be met by Council Tax Payers	386.800	411.169	437.079	464.785	494.188
<u>Council Tax Calculation</u>					
Council Tax Base (Est)	241,778	244,794	247,853	251,037	254,232
Council Tax (Band D Equivalent)	£1,599.82	£1,679.65	£1,763.46	£1,851.46	£1,943.85
% Increase in Council Tax	4.99%	4.99%	4.99%	4.99%	4.99%

Introduction

- 8 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.
- 9 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.
- 10 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 asset management and property services plans and policies, available on GCC's website, [Asset and Property Policies](#).

Vision and Ambitions

- 11 GCC's vision, ambition and priorities for Gloucestershire are brought together in a Council Strategy - Building Back Better in Gloucestershire. This document states that:
- Despite the financial uncertainty caused by the pandemic and the cost of living crisis over the last few years, we have seen innovation on an unprecedented scale with council staff and communities stepping up to face new challenges. The lockdowns also gave us time to think about our future and how we want to build back better from Covid.
 - We want Gloucestershire to be a magnet for innovation and investment through a City Region that rivals the likes of Bristol, Cardiff and Swindon. A billion pounds of investment is going into our infrastructure to improve our connectivity with partners in the Western Gateway and beyond and attract businesses into our county. A key part of this is the A417 'Missing Link', which will boost our growth and prosperity by facilitating journeys both north and south of the county.
- 12 This vision is underpinned by nine ambitions for Gloucestershire which are available on GCC's website, [Building Back Better](#). Capital investment is important in order to meet these ambitions and corporate objectives, and the approved and proposed capital programme includes a continued commitment to meet these priorities.
- 13 A review of our approach to investment activity and the use of our assets and capital resources has been undertaken, and GCC is in the process of updating the Corporate Asset Management Plan. This provides the strategic vision and delivery framework that will help guide management of our current and future Capital Programme.

Capital Strategy Aims and Objectives

- 14 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 2022-26 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

- 15 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.
- 16 In 2025/26, GCC is planning capital expenditure of £213.9 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

	2023/24 Actual £m	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Budget £m	2027/28 Budget £m
Capital Expenditure	136.059	145.743	212.677	195.125	133.069
PFI and Finance Lease Lifecycle additions	1.440	1.738	1.206	1.641	1.803
TOTAL	137.499	147.481	213.883	196.766	134.872

Governance:

- 17 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
- 18 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.
- 19 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.
- 20 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.
- 21 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 GCC’s [Budget](#).

Financing Capital Expenditure

- 22 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

	2023/24 Actual £m	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Budget £m	2027/28 Budget £m
External sources	106.383	92.109	130.647	94.170	64.361
Own resources	5.176	19.439	14.924	3.074	0.214
Debt	24.500	34.195	67.106	97.881	68.494
Total Capital Programme	136.059	145.743	212.677	195.125	133.069
PFI and Finance Lease	1.440	1.738	1.206	1.641	1.803
TOTAL	137.499	147.481	213.883	196.766	134.872

- 23 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.
- 24 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.
- 25 Capital receipts, proceeds from selling capital assets, can also be used to replace debt finance. Due to the delayed receipt of a capital receipt relating to a particular scheme and needing to borrow in 2023/24 as a result, this receipt has now been applied in full against that scheme. There are no plans to use other capital receipts in this way. The planned replacement of our borrowing is outlined in the table below:

Table 3: Replacement of Debt Finance

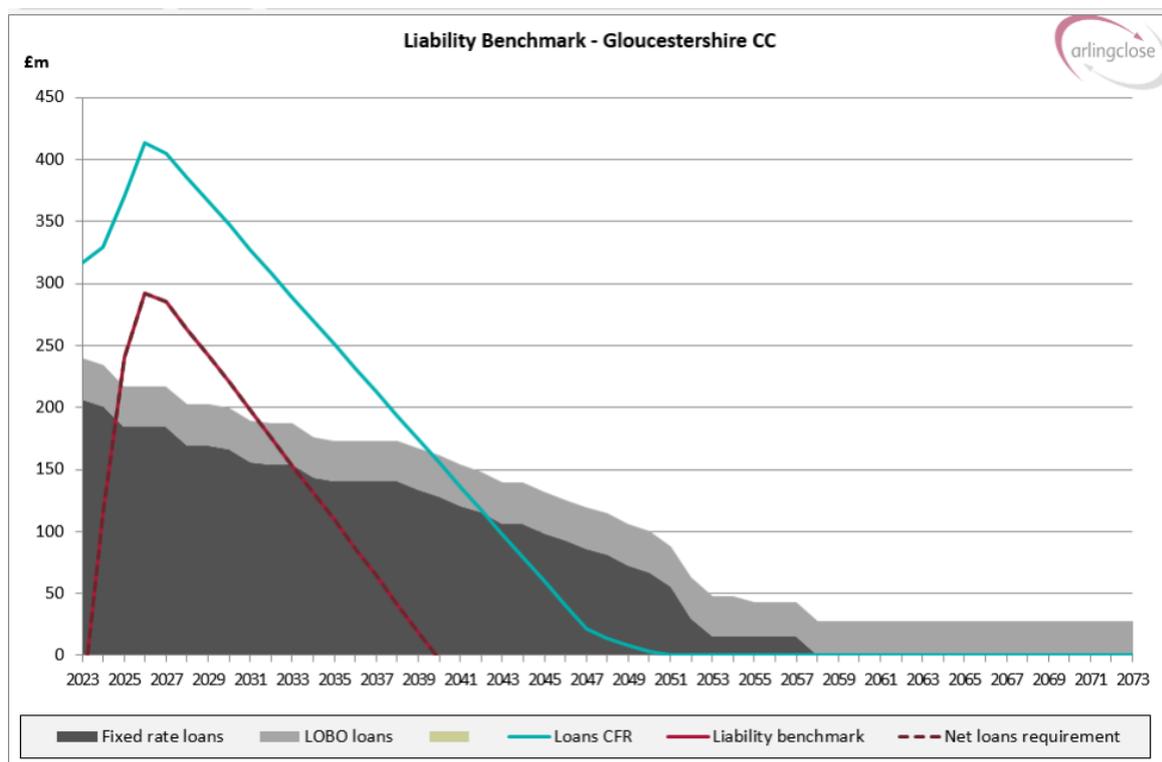
	2023/24 Actual £m	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Budget £m	2027/28 Budget £m
MRP	8.513	9.483	11.044	13.886	15.063
Capital Receipts applied against debt	-	4.089	-	-	-
Finance Leases and PFI	1.268	1.912	1.994	1.931	1.624
Deferred Liability	2.485	2.485	2.485	2.485	2.485
TOTAL	12.266	17.969	15.522	18.302	19.171

- 26 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.
- 27 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

	2023/24 Actual £m	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Budget £m	2027/28 Budget £m
Loans CFR	337.458	353.526	409.588	493.583	547.015
Finance Leases and PFI	140.780	136.383	131.905	127.489	123.381
TOTAL	478.238	489.910	541.493	621.073	670.396

28 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 £10m at each year-end, representing the amount needed to continue to be a “professional” investor under MIFIID II requirements. More information is provided in the Treasury Management Strategy, but in summary this shows that GCC will need to borrow externally over the new MTFS period to maintain liquidity:



29 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.

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

	2023/24 Actual £m	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Budget £m	2027/28 Budget £m
Authorised Limit - total external debt	565.000	580.000	585.000	595.000	600.000
Operational Boundary Limit - total external debt	545.000	560.000	565.000	575.000	580.000

- 30 Although capital expenditure is not charged directly to the revenue budget, interest payable on loans repayments 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.

Table 6: Prudential Indicator, Financing and Affordability

	2023/24 Actual	2024/25 Forecast	2025/26 Budget	2026/27 Budget	2027/28 Budget
Financing Cost £m	27.439	29.327	32.439	35.664	36.858
Proportion of Revenue %	4.75	4.75	4.99	5.25	5.16

Management and Monitoring of the Capital Programme

- 31 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.
- 32 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.
- 33 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.
- 34 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.
- 35 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 -----				Future Years Required	Total Still £000	Prior Years Actual £000	Total Scheme Investment £000
	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000				
GROSS PAYMENTS								
<u>Adults</u>	12,666	15,598	30,284	18,252	964	77,764	5,525	83,289
	12,666	15,598	30,284	18,252	964	77,764	5,525	83,289
<u>Children & Families</u>								
Schools	11,748	25,217	25,207	23,938	10,000	96,110	60,613	156,723
Non Schools	2,889	1,725	1,449	0	0	6,063	3,255	9,318
	14,637	26,942	26,656	23,938	10,000	102,173	63,868	166,041
<u>Economy, Environment & Infrastructure</u>								
Transport & Highways	97,552	126,029	99,865	53,682	16,552	393,680	212,719	606,399
Planning & Economic Development	3,033	1,633	448	305	3,094	8,513	11,962	20,475
Environment & Waste	2,532	2,186	246	85	133	5,182	2,576	7,758
Libraries & Registration	603	1,261	469	0	0	2,333	2,728	5,061
	103,720	131,109	101,028	54,072	19,779	409,708	229,985	639,693
<u>Community Safety</u>								
Fire & Rescue Service	3,942	5,995	4,761	7,866	4,432	26,996	573	27,569
	3,942	5,995	4,761	7,866	4,432	26,996	573	27,569
<u>Corporate Resources</u>								
Asset Management & Property Services	7,114	17,715	15,660	4,482	2,250	47,221	28,241	75,462
ICT Projects	3,634	3,018	4,436	2,159	0	13,247	7,799	21,046
Archives & Information Management	30	0	0	0	0	30	27	57
Investment and Transformation Fund	0	12,300	12,300	12,300	5,300	42,200	0	42,200
	10,778	33,033	32,396	18,941	7,550	102,698	36,067	138,765
Total	145,743	212,677	195,125	123,069	42,725	719,339	336,018	1,055,357
AVAILABLE RESOURCES								
External Grant - including Government	88,864	123,078	93,399	53,369	10,941	369,651		
Borrowing	34,195	67,106	97,881	68,494	27,890	295,566		
Capital Receipts	13,979	14,341	3,062	204	800	32,386		
Section 106 Contributions	2,316	6,155	557	992	0	10,020		
Other External Contributions	929	1,414	214	0	0	2,557		
Capital Fund/Revenue Contributions	3,413	533	12	10	0	3,968		
Other Reserves	2,047	50	0	0	3,094	5,191		
Total	145,743	212,677	195,125	123,069	42,725	719,339		
Surplus/deficit (-)	0	0	0	0	0	0		

Capital Programme 2025/26	Budget								Financing for Remaining Life (2024/25 onwards)							Total for Remaining Life £000	Prior Years Funding £000	Funding Total Budget Total £000
	Scheme Name	Total Scheme Budget £000	Prior Years Actuals £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Future Years £000	Capital Receipts £000	S106		Other		Revenue Contrib £000				
										External Contrib £000	External Grant £000	Borrowing £000	External Contrib £000		Other Reserves £000			
Summary by service area																		
Adults	83,289	5,525	12,666	15,598	30,284	18,252	964	1,706	0	18,376	57,676	0	0	6	77,764	5,525	83,289	
Schools	156,723	60,613	11,748	25,217	25,207	23,938	10,000	819	3,965	82,760	8,072	19	0	475	96,110	60,613	156,723	
Non Schools	9,318	3,255	2,889	1,725	1,449	0	0	0	0	658	4,420	985	0	0	6,063	3,255	9,318	
Transport & Highways	606,399	212,719	97,552	126,029	99,865	53,682	16,552	7,254	4,572	265,230	112,181	1,493	40	2,910	393,680	212,719	606,399	
Planning & Economic Development	20,475	11,962	3,033	1,633	448	305	3,094	1,377	0	926	1,093	0	5,117	0	8,513	11,962	20,475	
Environment & Waste	7,758	2,576	2,532	2,186	246	85	133	561	4	1,600	2,731	5	22	259	5,182	2,576	7,758	
Libraries & Registration	5,061	2,728	603	1,261	469	0	0	512	1,479	1	341	0	0	0	2,333	2,728	5,061	
Fire & Rescue Service	27,569	573	3,942	5,995	4,761	7,866	4,432	3,697	0	0	23,299	0	0	0	26,996	573	27,569	
Asset Management & Property Services	75,462	28,241	7,114	17,715	15,660	4,482	2,250	3,735	0	100	43,013	55	0	318	47,221	28,241	75,462	
ICT Projects	21,046	7,799	3,634	3,018	4,436	2,159	0	6,946	0	0	6,301	0	0	0	13,247	7,799	21,046	
Archives & Information Management	57	27	30	0	0	0	0	18	0	0	0	0	12	0	30	27	57	
Investment and Transformation Fund	42,200	0	0	12,300	12,300	12,300	5,300	5,761	0	0	36,439	0	0	0	42,200	0	42,200	
Total Capital Programme	1,055,357	336,018	145,743	212,677	195,125	123,069	42,725	32,386	10,020	369,651	295,566	2,557	5,191	3,968	719,339	336,018	1,055,357	
Adults																		
Telecare Digital Switch	492	0	492	0	0	0	0	0	0	492	0	0	0	0	492	0	492	
H.O.L.D. Scheme	654	264	0	390	0	0	0	0	0	390	0	0	0	0	390	264	654	
Community Capacity/Market Management	569	296	239	34	0	0	0	273	0	0	0	0	0	0	273	296	569	
GIS Vehicle Replacement	682	0	450	232	0	0	0	0	0	0	676	0	0	6	682	0	682	
Rodley House refurbishment (OSJ)	700	28	632	40	0	0	0	672	0	0	0	0	0	0	672	28	700	
The Coombs refurbishment (OSJ)	1,005	428	507	70	0	0	0	577	0	0	0	0	0	0	577	428	1,005	
DFG 23/24 - Retrofit - Fuel Poverty	500	0	500	0	0	0	0	0	0	500	0	0	0	0	500	0	500	
DFG 24/25 - Community Equipment	1,600	0	1,600	0	0	0	0	0	0	1,600	0	0	0	0	1,600	0	1,600	
DFG 24/25 - We Care & Repair adaptations	1,200	0	1,200	0	0	0	0	0	0	1,200	0	0	0	0	1,200	0	1,200	
DFG 24/25 - Cheltenham	700	0	700	0	0	0	0	0	0	700	0	0	0	0	700	0	700	
DFG 24/25 - Cotswold	1,444	0	1,444	0	0	0	0	0	0	1,444	0	0	0	0	1,444	0	1,444	
DFG 24/25 - Forest of Dean	790	0	790	0	0	0	0	0	0	790	0	0	0	0	790	0	790	
DFG 24/25 - Gloucester	904	0	904	0	0	0	0	0	0	904	0	0	0	0	904	0	904	
DFG 24/25 - Stroud	645	0	645	0	0	0	0	0	0	645	0	0	0	0	645	0	645	
DFG 24/25 - Tewkesbury	804	0	804	0	0	0	0	0	0	804	0	0	0	0	804	0	804	
DFG 24/25 - Additional district DFG	280	0	280	0	0	0	0	0	0	280	0	0	0	0	280	0	280	
DFG 24/25 - District capital bids	500	0	500	0	0	0	0	0	0	500	0	0	0	0	500	0	500	
Schemes under £250,000 24/25 onwards	5,978	4,509	979	490	0	0	0	184	0	1,285	0	0	0	0	1,469	4,509	5,978	
New Funding 2025/26 onwards																		
Disabled Facilities Grant 2025/26 (estimate)	6,842	0	0	6,842	0	0	0	0	0	6,842	0	0	0	0	6,842	0	6,842	
Build of three new Adult Care Homes	57,000	0	0	7,500	30,284	18,252	964	0	0	0	57,000	0	0	0	57,000	0	57,000	
Total Adults	83,289	5,525	12,666	15,598	30,284	18,252	964	1,706	0	18,376	57,676	0	0	6	77,764	5,525	83,289	
Schools																		
Bettridge School site access & parking	335	0	310	25	0	0	0	0	0	335	0	0	0	0	335	0	335	
High Needs Provision Capital 23/24	5,608	0	0	5,608	0	0	0	0	0	5,608	0	0	0	0	5,608	0	5,608	
The Wheatridge Special School	16,500	120	600	12,750	3,030	0	0	0	0	16,380	0	0	0	0	16,380	120	16,500	
High Needs Provision Capital 24/25	2,280	0	0	0	2,280	0	0	0	0	2,280	0	0	0	0	2,280	0	2,280	
Pittville School sports hall	296	0	296	0	0	0	0	0	246	0	0	0	0	50	296	0	296	
Lekhampton High School new school	34,522	33,723	490	309	0	0	0	799	0	0	0	0	0	0	799	33,723	34,522	
Gloucester & Forest APS Eastbrook Road	1,297	7	1,290	0	0	0	0	0	0	1,290	0	0	0	0	1,290	7	1,297	
Basic Need Grant 2020/21	1,094	0	620	474	0	0	0	0	0	1,094	0	0	0	0	1,094	0	1,094	
Carbon Reduction in Education Properties	556	0	0	556	0	0	0	0	0	0	556	0	0	0	556	0	556	
Basic Need Grant 2022/23	7,231	0	0	0	7,231	0	0	0	0	7,231	0	0	0	0	7,231	0	7,231	
Basic Need top up (internal borrowing)	5,000	0	0	0	5,000	0	0	0	0	0	5,000	0	0	0	5,000	0	5,000	
Schools Condition Allocation 23/24	1,519	0	230	1,289	0	0	0	0	0	1,519	0	0	0	0	1,519	0	1,519	
Schools Condition Allocation 24/25	4,324	0	0	0	3,000	1,324	0	0	0	4,324	0	0	0	0	4,324	0	4,324	
Schools Solar Fund 24/25	1,166	0	0	1,166	0	0	0	0	0	0	1,166	0	0	0	1,166	0	1,166	

Capital Programme 2025/26	Budget								Financing for Remaining Life (2024/25 onwards)							Total for Remaining Life	Prior Years Funding	Funding of Budget Total
	Total Scheme Budget	Prior Years		2024/25	2025/26	2026/27	2027/28	Future Years	Capital Receipts	S106		Other		Revenue				
		Actuals	£000							£000	External Contrib	External Grant	External Contrib		Other Reserves			
Scheme Name	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Berkeley Primary expansion	685	0	0	685	0	0	0	0	685	0	0	0	0	0	685	0	685	
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	0	0	675	0	0	0	0	675	0	0	0	0	0	675	0	675	
Gastrells Primary kitchen & admin block	423	0	349	74	0	0	0	0	228	0	0	0	195	0	423	0	423	
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	290	30	0	0	6,551	0	0	0	6,581	0	0	0	0	6,581	290	6,871	
Greenacres Primary offsite highways work	390	106	28	0	0	256	0	0	0	284	0	0	0	0	284	106	390	
Childcare Expansion Capital Grant 23/24	1,176	0	400	500	276	0	0	0	0	1,176	0	0	0	0	1,176	0	1,176	
Schemes under £250,000 24/25 onwards	34,342	26,041	7,105	1,106	90	0	0	20	1,139	5,543	1,350	19	230	0	8,301	26,041	34,342	
New Funding 2025/26 onwards																		
Basic Need Grant 2025/26	23,133	0	0	0	0	13,133	10,000	0	0	23,133	0	0	0	0	23,133	0	23,133	
Schools Condition Allocation 2025/26 (estimate)	4,300	0	0	0	4,300	0	0	0	0	4,300	0	0	0	0	4,300	0	4,300	
Total Schools	156,723	60,613	11,748	25,217	25,207	23,938	10,000	819	3,965	82,760	8,072	19	0	475	96,110	60,613	156,723	
Non Schools																		
Barnwood Residential Home	999	642	357	0	0	0	0	0	0	0	357	0	0	0	357	642	999	
Southfields Semi-Independent Accommodation	3,464	15	500	1,500	1,449	0	0	0	0	0	2,464	985	0	0	3,449	15	3,464	
London Road	1,704	1,140	464	100	0	0	0	0	0	0	564	0	0	0	564	1,140	1,704	
Children's Home TBA (was Bisley Road)	1,095	0	1,095	0	0	0	0	0	0	278	817	0	0	0	1,095	0	1,095	
55a Redwell Road	525	0	400	125	0	0	0	0	0	307	218	0	0	0	525	0	525	
Schemes under £250,000 24/25 onwards	1,531	1,458	73	0	0	0	0	0	0	73	0	0	0	0	73	1,458	1,531	
Total Non Schools	9,318	3,255	2,889	1,725	1,449	0	0	0	0	658	4,420	985	0	0	6,063	3,255	9,318	
Transport & Highways																		
PROW Connecting Parishes - Nat HiWys	429	159	166	104	0	0	0	0	0	270	0	0	0	0	270	159	429	
Coopers Hill - Landslip	626	375	206	45	0	0	0	0	0	251	0	0	0	0	251	375	626	
Rushmire Hill B4058 - Landslip	1,818	186	1,632	0	0	0	0	0	0	962	670	0	0	0	1,632	186	1,818	
A435 Racecourse - Landslip	507	125	382	0	0	0	0	0	0	382	0	0	0	0	382	125	507	
Forest Road Lydney - Landslip	533	78	455	0	0	0	0	0	0	455	0	0	0	0	455	78	533	
B4063 Gloucester to Chelt Cycle Route	23,752	17,409	5,505	504	334	0	0	1,426	5,505	4,917	0	0	0	0	6,343	17,409	23,752	
Gloucester City Centre - Cycle Spine	11,555	2,617	992	6,146	1,800	0	0	0	0	8,938	0	0	0	0	8,938	2,617	11,555	
Gloucester to Stroud Cycle Link	1,640	529	553	558	0	0	0	0	160	0	93	533	325	0	1,111	529	1,640	
Cheltenham Town Centre Cycle Link	806	443	278	85	0	0	0	0	0	0	113	0	250	0	363	443	806	
BSIP Bus Infrastructure	2,600	0	100	1,300	600	600	0	0	0	0	2,600	0	0	0	2,600	0	2,600	
Bus Shelters - MTFB Bid 22-23	315	0	315	0	0	0	0	0	0	0	315	0	0	0	315	0	315	
Bus Electrification - MTFB 23-24	1,500	0	1,200	300	0	0	0	0	0	0	1,500	0	0	0	1,500	0	1,500	
Bus Interchange Hubs - MTFB 23-24	1,200	0	0	900	300	0	0	0	0	0	1,200	0	0	0	1,200	0	1,200	
Interchange Hub - Stroud Merrywalks	412	0	64	348	0	0	0	0	0	0	200	112	100	0	412	0	412	
Interchange Hub Roll-out	400	0	0	200	100	100	0	0	0	0	400	0	0	0	400	0	400	
ANPR Enforcement Camera Replacement	280	0	132	148	0	0	0	0	0	0	280	0	0	0	280	0	280	
Highways Locals Capital 2023-24	305	0	0	305	0	0	0	0	0	0	305	0	0	0	305	0	305	
Highways Locals Capital 2024-25	867	0	0	867	0	0	0	0	0	337	530	0	0	0	867	0	867	
Highways Locals Capital 2025-26	530	0	0	530	0	0	0	0	0	0	530	0	0	0	530	0	530	
Highways Locals Capital 2026-27	530	0	0	0	530	0	0	0	0	0	530	0	0	0	530	0	530	
Highways Locals Capital 2027-28	530	0	0	0	0	530	0	0	0	0	530	0	0	0	530	0	530	
M5 J10 Roundabout	144,359	25,523	12,643	34,861	47,489	23,843	0	0	0	118,836	0	0	0	0	118,836	25,523	144,359	
West Cheltenham Link Road	22,211	5,310	2,134	3,698	8,602	2,467	0	0	0	16,901	0	0	0	0	16,901	5,310	22,211	
A4019 Widening	44,157	12,779	11,729	5,042	10,845	3,762	0	0	0	31,378	0	0	0	0	31,378	12,779	44,157	
Arle Court Park & Interchange	35,651	29,961	4,599	1,091	0	0	0	4,000	0	1,390	0	0	300	0	5,690	29,961	35,651	
Coombe Hill Junction Improvement	7,095	2,289	650	4,156	0	0	0	0	42	4,764	0	0	0	0	4,806	2,289	7,095	
Gloucester South West Bypass - Llanthony	12,421	11,904	288	229	0	0	0	0	0	517	0	0	0	0	517	11,904	12,421	
Cheltenham to Bishops Cleeve Cycle Track	13,755	4,522	5,456	3,777	0	0	0	0	0	7,572	1,661	0	0	0	9,233	4,522	13,755	
Honeybourne Cycle ext A40 Lansdown	780	50	150	580	0	0	0	0	370	60	0	0	300	0	730	50	780	
Albert St Junction - Lydney Hiwy Strategy	618	0	0	618	0	0	0	0	618	0	0	0	0	0	618	0	618	
Large and Miscellaneous Schemes Budget	1,473	0	10	859	604	0	0	104	0	1,369	0	0	0	0	1,473	0	1,473	

Capital Programme 2025/26	Budget								Financing for Remaining Life (2024/25 onwards)							Total for Remaining Life £000	Prior Years Funding £000	Funding of Budget Total £000
	Total Scheme Budget £000	Prior Years		2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Future Years £000	S106			Other		Revenue Contrib £000				
		Actuals £000							Capital Receipts £000	External Contrib £000	External Grant £000	Borrowing £000	External Contrib £000		Other Reserves £000			
C&G Capacity Improvements S106	289	0	0	0	289	0	0	0	289	0	0	0	0	0	289	0	289	
A438 / Shannon Way Junction	308	0	0	308	0	0	0	0	308	0	0	0	0	0	308	0	308	
LED Streetlighting Major Project	20,975	19,750	116	109	100	100	800	1,225	0	0	0	0	0	0	1,225	19,750	20,975	
StLight Column Structural Test & Repair	1,750	1,353	125	150	122	0	0	0	0	397	0	0	0	0	397	1,353	1,750	
StLight Column Replacement	2,930	1,942	886	102	0	0	0	188	0	800	0	0	0	0	988	1,942	2,930	
Vehicle Activated Sign - Replacement	250	0	35	65	50	50	50	0	0	0	250	0	0	0	250	0	250	
Bridges & Structures - Budget Only	2,802	0	1,762	1,040	0	0	0	0	0	348	2,454	0	0	0	2,802	0	2,802	
Bamfurlong Depot - BadgeworthTEWKS	4,651	6	599	0	4,046	0	0	51	0	0	4,594	0	0	0	4,645	6	4,651	
Community Offer - General	355	9	25	171	150	0	0	0	0	346	0	0	0	0	346	9	355	
Hatherley Rd, Hatherley Ln, Reddings Rd	704	68	182	227	227	0	0	50	586	0	0	0	0	0	636	68	704	
Road Safety Capital Investment - Budget	720	0	0	720	0	0	0	0	0	0	720	0	0	0	720	0	720	
Safety - Budget Only	1,828	0	165	0	1,663	0	0	0	0	1,566	262	0	0	0	1,828	0	1,828	
EV Charge Points - GCC sites & Fire Stns	755	152	353	250	0	0	0	0	0	0	603	0	0	0	603	152	755	
EV Charge Points - Residential OZEV	344	0	344	0	0	0	0	0	0	0	0	0	0	344	344	0	344	
EV Charge Points - Public LEVI	3,107	0	932	400	1,087	344	344	0	0	3,107	0	0	0	0	3,107	0	3,107	
Drainage - Budget Only	2,000	0	632	368	500	500	0	0	0	0	2,000	0	0	0	2,000	0	2,000	
TS-002 A430 Bristol Rd/Goodridge Ave	250	0	250	0	0	0	0	0	0	250	0	0	0	0	250	0	250	
TS-005 -A46 BathRd Dudbridge&WalkleyHill	200	0	0	200	0	0	0	0	0	0	200	0	0	0	200	0	200	
Traffic Monitoring Equipment	500	0	434	66	0	0	0	0	0	0	500	0	0	0	500	0	500	
Traffic Signals - Budget Only	4,591	0	0	869	2,000	1,125	597	0	0	1,724	2,867	0	0	0	4,591	0	4,591	
Local Patching MTFs 22/23 - West	608	0	222	386	0	0	0	0	0	0	608	0	0	0	608	0	608	
Local Patching MTFs 22/23 - South	550	0	300	250	0	0	0	0	0	0	550	0	0	0	550	0	550	
Local Patching MTFs 22/23 - North	550	0	300	250	0	0	0	0	0	0	550	0	0	0	550	0	550	
Local Patching MTFs 22/23 - East	550	0	300	250	0	0	0	0	0	0	550	0	0	0	550	0	550	
Minor Works - Budget Only	2,302	0	2,178	124	0	0	0	0	0	2,302	0	0	0	0	2,302	0	2,302	
C'Ways - Class A Roads: Struct Maint	5,697	0	4,836	861	0	0	0	0	0	2,935	2,762	0	0	0	5,697	0	5,697	
C'Ways - Class B Roads: Struct Maint	5,636	0	3,136	2,500	0	0	0	0	0	125	5,511	0	0	0	5,636	0	5,636	
C'ways - Class 3 Roads: Struct Maint	11,413	0	8,913	2,500	0	0	0	0	0	4,547	6,866	0	0	0	11,413	0	11,413	
C'ways - Unclassified: Struct Maint	11,041	0	3,918	7,123	0	0	0	0	0	3,324	7,717	0	0	0	11,041	0	11,041	
High Street Cheltenham - Pedestrian Area	1,162	519	362	281	0	0	0	0	0	643	0	0	0	0	643	519	1,162	
Footways: Structural Maintenance	800	0	444	356	0	0	0	0	0	800	0	0	0	0	800	0	800	
Cycleways: Struct Maint - Budget Only	1,423	0	1,352	71	0	0	0	0	0	1,423	0	0	0	0	1,423	0	1,423	
Reactive Works - Budget Only	4,313	0	3,600	713	0	0	0	0	0	3,313	0	0	0	1,000	4,313	0	4,313	
Safety Fencing	867	142	625	100	0	0	0	0	0	325	400	0	0	0	725	142	867	
Safety Signs Replacement - Key Routes	800	0	160	160	160	320	0	0	0	160	800	0	0	0	800	0	800	
Area Team Bulk Lining and Studs-MTFs Bid	1,023	449	324	250	0	0	0	0	0	0	574	0	0	0	574	449	1,023	
B4234 Lower Lydbrook	259	0	259	0	0	0	0	0	0	259	0	0	0	0	259	0	259	
A419 Bristol Road Stonehouse	573	0	573	0	0	0	0	0	0	573	0	0	0	0	573	0	573	
A435 Bishops Cleeve Bypass and R'bt	444	0	444	0	0	0	0	0	0	444	0	0	0	0	444	0	444	
A4135 Dursley Road Cam	358	0	358	0	0	0	0	0	0	358	0	0	0	0	358	0	358	
A4136 Longhope Road Little London	291	0	291	0	0	0	0	0	0	291	0	0	0	0	291	0	291	
Schemes under £250,000 24/25 onwards	89,987	74,070	8,178	7,193	536	10	0	210	2,199	7,772	4,557	848	40	291	15,917	74,070	89,987	
New Funding 2025/26 onwards																		
Large and Miscellaneous Schemes 2025/26 (estimate)	100	0	0	100	0	0	0	0	0	100	0	0	0	0	100	0	100	
Parking 2025/26 (estimate)	200	0	0	200	0	0	0	0	0	200	0	0	0	0	200	0	200	
Public Transport Infrastructure 2025/26 (estimate)	150	0	0	150	0	0	0	0	0	150	0	0	0	0	150	0	150	
Cycle Infrastructure 2025/26 (estimate)	100	0	0	100	0	0	0	0	0	100	0	0	0	0	100	0	100	
Safety Schemes 2025/26 (estimate)	645	0	0	645	0	0	0	0	0	645	0	0	0	0	645	0	645	
Accessibility & Community 2025/26 (estimate)	150	0	0	150	0	0	0	0	0	150	0	0	0	0	150	0	150	
Carriageway Maint 2025/26 (estimate)	19,789	0	0	19,789	0	0	0	0	0	19,789	0	0	0	0	19,789	0	19,789	
Footway Maint 2025/26 (estimate)	600	0	0	600	0	0	0	0	0	600	0	0	0	0	600	0	600	
Cycleway Maint 2025/26 (estimate)	300	0	0	300	0	0	0	0	0	300	0	0	0	0	300	0	300	
PROW resurfacing 2025/26 (estimate)	25	0	0	25	0	0	0	0	0	25	0	0	0	0	25	0	25	
Highway Safety Features 2025/26 (estimate)	200	0	0	200	0	0	0	0	0	200	0	0	0	0	200	0	200	
Structures 2025/26 (estimate)	2,000	0	0	2,000	0	0	0	0	0	2,000	0	0	0	0	2,000	0	2,000	
Street lighting 2025/26 (estimate)	800	0	0	800	0	0	0	0	0	800	0	0	0	0	800	0	800	
Traffic Signals 2025/26 (estimate)	1,000	0	0	1,000	0	0	0	0	0	1,000	0	0	0	0	1,000	0	1,000	

Capital Programme 2025/26	Budget							Financing for Remaining Life (2024/25 onwards)							Total for Remaining Life	Prior Years Funding	Funding of Budget Total		
	Total Scheme	Prior Years						Capital	S106	External	Other	Other	Revenue						
	Budget	Actuals	2024/25	2025/26	2026/27	2027/28	Future Years	Receipts	External	Grant	Borrowing	Contrib	Reserves	Contrib				£000	£000
Scheme Name	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
Slips 2025/26 (estimate)	1,500	0	0	1,500	0	0	0	0	0	1,500	0	0	0	0	1,500	0	1,500		
Highways Locals 2025/26 (estimate)	400	0	0	400	0	0	0	0	0	400	0	0	0	0	400	0	400		
Bamfurlong Depot Replacement	11,200	0	0	0	5,000	6,200	0	0	0	0	11,200	0	0	0	11,200	0	11,200		
Highways Local	1,210	0	0	170	170	170	700	0	0	0	1,210	0	0	0	1,210	0	1,210		
Carriageway Structural Maintenance	30,000	0	0	0	10,000	10,000	10,000	0	0	0	30,000	0	0	0	30,000	0	30,000		
Geotechnical Landslip Funding	3,000	0	0	500	500	1,000	1,000	0	0	0	3,000	0	0	0	3,000	0	3,000		
Moving Traffic Enforcement	244	0	0	61	61	61	61	0	0	0	244	0	0	0	244	0	244		
Replacement of Street Works Inspector Vehicles	175	0	0	175	0	0	0	0	0	0	175	0	0	0	175	0	175		
Structures Investment	9,000	0	0	1,500	2,000	2,500	3,000	0	0	0	9,000	0	0	0	9,000	0	9,000		
Total Transport & Highways	606,399	212,719	97,552	126,029	99,865	53,682	16,552	7,254	4,572	265,230	112,181	1,493	40	2,910	393,680	212,719	606,399		
Planning & Economic Development																			
Strategic Transport Model 2023-24-25	671	0	13	392	266	0	0	0	0	0	648	0	23	0	671	0	671		
Fastershire Broadband Strategy	13,700	8,606	2,000	0	0	0	3,094	0	0	0	0	0	5,094	0	5,094	8,606	13,700		
Priors & Oakley FAS - FDGIA	3,290	2,929	361	0	0	0	0	204	0	157	0	0	0	0	361	2,929	3,290		
Bishops Cleeve - Flood Alleviation FDGIA	444	37	15	292	50	50	0	135	0	272	0	0	0	0	407	37	444		
Coleford Flood Alleviation Project	550	89	95	309	57	0	0	261	0	200	0	0	0	0	461	89	550		
Pittville Flood Alleviation Project	450	117	133	200	0	0	0	333	0	0	0	0	0	0	333	117	450		
Natural Flood Defence Scheme	300	0	0	120	45	135	0	0	0	0	300	0	0	0	300	0	300		
Schemes under £250,000 24/25 onwards	950	184	416	320	30	0	0	444	0	297	25	0	0	0	766	184	950		
New Funding 2025/26 onwards																			
Newent: Commonfields Farm river restoration FAS	120	0	0	0	0	120	0	0	0	0	120	0	0	0	120	0	120		
Total Planning & Economic Development	20,475	11,962	3,033	1,633	448	305	3,094	1,377	0	926	1,093	0	5,117	0	8,513	11,962	20,475		
Environment & Waste																			
Green Investment - Trees	1,384	836	461	32	55	0	0	0	0	499	0	0	0	49	548	836	1,384		
Willows caravan site	643	21	530	92	0	0	0	0	0	0	615	0	7	0	622	21	643		
HRCs - Skip/Bin Refurbish/Replace	608	160	160	132	78	78	0	0	0	0	448	0	0	0	448	160	608		
Wingmoor Farm HRC (Bishop's Cleeve)	975	659	210	106	0	0	0	316	0	0	0	0	0	0	316	659	975		
Schemes under £250,000 24/25 onwards	2,848	900	1,171	524	113	7	133	245	4	1,101	368	5	15	210	1,948	900	2,848		
New Funding 2025/26 onwards																			
HRC refurbishment waste compaction programme	1,300	0	0	1,300	0	0	0	0	0	0	1,300	0	0	0	1,300	0	1,300		
Total Environment & Waste	7,758	2,576	2,532	2,186	246	85	133	561	4	1,600	2,731	5	22	259	5,182	2,576	7,758		
Libraries & Registration																			
Libraries Customer Programme	1,587	1,086	100	100	301	0	0	501	0	0	0	0	0	0	501	1,086	1,587		
Schemes under £250,000 24/25 onwards	3,164	1,642	503	979	40	0	0	11	1,479	1	31	0	0	0	1,522	1,642	3,164		
New Funding 2025/26 onwards																			
Rollout of Open + technology in libraries	240	0	0	112	128	0	0	0	0	0	240	0	0	0	240	0	240		
Procurement of two library delivery vehicles	70	0	0	70	0	0	0	0	0	0	70	0	0	0	70	0	70		
Total Libraries & Registration	5,061	2,728	603	1,261	469	0	0	512	1,479	1	341	0	0	0	2,333	2,728	5,061		
Fire & Rescue Service																			
P5021 Appliance & Equipment	350	0	245	105	0	0	0	350	0	0	0	0	0	0	350	0	350		
P5022 Appliance & Equipment	350	0	244	106	0	0	0	350	0	0	0	0	0	0	350	0	350		
P5023 Appliance & Equipment	350	0	244	106	0	0	0	350	0	0	0	0	0	0	350	0	350		
P5024 Appliance & Equipment	350	0	244	106	0	0	0	350	0	0	0	0	0	0	350	0	350		
P5025 Appliance & Equipment	350	0	244	106	0	0	0	350	0	0	0	0	0	0	350	0	350		
P5026 Appliance & Equipment	350	0	219	131	0	0	0	350	0	0	0	0	0	0	350	0	350		
P5027 Appliance & Equipment	350	0	219	131	0	0	0	350	0	0	0	0	0	0	350	0	350		
P5028 Appliance & Equipment	350	0	219	131	0	0	0	350	0	0	0	0	0	0	350	0	350		
P5029 Appliance & Equipment	350	0	219	131	0	0	0	350	0	0	0	0	0	0	350	0	350		
P5030 Appliance & Equipment	350	0	219	131	0	0	0	350	0	0	0	0	0	0	350	0	350		

Capital Programme 2025/26	Budget								Financing for Remaining Life (2024/25 onwards)							Total for Remaining Life	Prior Years Funding	Funding of Budget Total			
	Scheme Name	Total Scheme Budget	Prior Years Actuals	2024/25	2025/26	2026/27	2027/28	Future Years	Capital Receipts	S106 External Contrib	External Grant	Borrowing	Other External Contrib	Other Reserves	Revenue Contrib				£000	£000	£000
Incident Command Unit Vehicle-MTFS 22-23	350	0	0	350	0	0	0	0	0	0	350	0	0	0	0	350	0	350			
Aerial Ladder Platform - MTFS 22-23	750	0	139	611	0	0	0	0	0	0	750	0	0	0	0	750	0	750			
26 Small Combi EV Van/Cars - MTFS 22-23	650	0	325	325	0	0	0	0	0	0	650	0	0	0	0	650	0	650			
Stroud Community F&R Station Access	416	0	200	216	0	0	0	0	0	0	416	0	0	0	0	416	0	416			
Replacement of Boat Fleet	312	0	0	312	0	0	0	0	0	0	312	0	0	0	0	312	0	312			
10 front Line Pumping Units	3,994	0	0	1,158	2,836	0	0	0	0	0	3,994	0	0	0	0	3,994	0	3,994			
Schemes under £250,000 24/25 onwards	2,159	573	962	624	0	0	0	197	0	0	1,389	0	0	0	0	1,586	573	2,159			
New Funding 2025/26 onwards																					
Alterations to Cinderford Fire Station	600	0	0	0	600	0	0	0	0	0	600	0	0	0	0	600	0	600			
MDT Hardware	180	0	0	180	0	0	0	0	0	0	180	0	0	0	0	180	0	180			
Six 4x4 Pickup Vehicles & Water Rescue Equip Trailer	342	0	0	192	150	0	0	0	0	0	342	0	0	0	0	342	0	342			
Replacement of Aerial Ladder	827	0	0	0	0	700	127	0	0	0	827	0	0	0	0	827	0	827			
Officer Car Response Vehicles	863	0	0	418	0	0	445	0	0	0	863	0	0	0	0	863	0	863			
Front Line Pumping Appliances	2,128	0	0	0	0	0	2,128	0	0	0	2,128	0	0	0	0	2,128	0	2,128			
Integrated Communications Control System (ICCS)	300	0	0	300	0	0	0	0	0	0	300	0	0	0	0	300	0	300			
GFRS Training Facilities (Coombe Hill)	9,853	0	0	0	955	7,166	1,732	0	0	0	9,853	0	0	0	0	9,853	0	9,853			
Post Fire Decontamination for Firefighters	125	0	0	125	0	0	0	0	0	0	125	0	0	0	0	125	0	125			
Emergency Response Driver Training Appliance	220	0	0	0	220	0	0	0	0	0	220	0	0	0	0	220	0	220			
Total Fire & Rescue Service	27,569	573	3,942	5,995	4,761	7,866	4,432	3,697	0	0	23,299	0	0	0	0	26,996	573	27,569			
Asset Management & Property Services																					
Area Based Review	1,608	0	0	750	858	0	0	445	0	0	1,163	0	0	0	0	1,608	0	1,608			
Redwood House - Locality Hub (Stroud)	741	28	678	35	0	0	0	323	0	0	390	0	0	0	0	713	28	741			
Refurbishment of Service Properties	429	0	200	229	0	0	0	429	0	0	0	0	0	0	0	429	0	429			
CYP 2/4 Deep St move to Orchard House	347	29	168	150	0	0	0	68	0	100	150	0	0	0	0	318	29	347			
Quayside - Health Hub	16,285	16,034	251	0	0	0	0	0	0	0	251	0	0	0	0	251	16,034	16,285			
Quayside - Multi-Storey Car Park	7,550	1	200	3,000	4,349	0	0	0	0	0	7,549	0	0	0	0	7,549	1	7,550			
Coroners Court Refrigeration Replacement	450	102	100	140	54	54	0	348	0	0	0	0	0	0	0	348	102	450			
County Offices Chelt - Refurb & Reconfig	7,711	30	200	2,000	4,000	1,481	0	0	0	0	7,681	0	0	0	0	7,681	30	7,711			
Social Care Services Remodelling	1,120	69	0	500	551	0	0	0	0	0	1,051	0	0	0	0	1,051	69	1,120			
M&E - Corp Prop Condition Data Works	1,733	440	203	600	490	0	0	1,293	0	0	0	0	0	0	0	1,293	440	1,733			
Non Highways Bridges & Structures	3,300	34	500	1,500	1,266	0	0	0	0	0	3,266	0	0	0	0	3,266	34	3,300			
Gloucester Library Building Infrastruct.	460	5	5	450	0	0	0	0	0	0	455	0	0	0	0	455	5	460			
Corporate Property - Condition	2,377	424	1,195	742	16	0	0	0	0	0	1,953	0	0	0	0	1,953	424	2,377			
Corporate Property-Equalities Act Requir	936	0	159	359	259	159	0	0	0	0	936	0	0	0	0	936	0	936			
Power Supply & LED Lighting Upgrades	325	62	33	230	0	0	0	0	0	0	263	0	0	0	0	263	62	325			
Boiler Replacement Scheme	500	0	150	350	0	0	0	0	0	0	500	0	0	0	0	500	0	500			
New Hucclecote GP Surgery	5,007	7	1,050	3,450	500	0	0	0	0	0	5,000	0	0	0	0	5,000	7	5,007			
Corporate Properties - Kitchen Upgrades	600	0	88	85	322	105	0	0	0	0	600	0	0	0	0	600	0	600			
Rain Garden Installation	300	0	150	150	0	0	0	0	0	0	0	0	0	300	0	300	0	300			
Impact Centre	569	257	312	0	0	0	0	229	0	0	83	0	0	0	0	312	257	569			
Rural Estate - Investment to enhance CA	3,665	27	300	1,985	720	633	0	0	0	0	3,638	0	0	0	0	3,638	27	3,665			
Schemes under £250,000 24/25 onwards	12,449	10,692	1,172	260	275	50	0	600	0	0	1,084	55	0	18	0	1,757	10,692	12,449			
New Funding 2025/26 onwards																					
Shire Hall Heating	4,500	0	0	250	1,000	1,000	2,250	0	0	0	4,500	0	0	0	0	4,500	0	4,500			
Agile Phase 2 - shire hall	2,500	0	0	500	1,000	1,000	0	0	0	0	2,500	0	0	0	0	2,500	0	2,500			
Total Asset Management & Property Services	75,462	28,241	7,114	17,715	15,660	4,482	2,250	3,735	0	100	43,013	55	0	318	0	47,221	28,241	75,462			

Capital Programme 2025/26 Scheme Name	Budget							Financing for Remaining Life (2024/25 onwards)							Total for Remaining Life £000	Prior Years Funding £000	Funding of Budget Total £000
	Total Scheme Budget	Prior Years Actuals	2024/25	2025/26	2026/27	2027/28	Future Years	Capital Receipts	S106 External Contrib	External Grant	Borrowing	Other External Contrib	Other Reserves	Revenue Contrib			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000			
ICT Projects																	
End User Hardware	7,132	2,466	2,000	1,666	1,000	0	0	4,666	0	0	0	0	0	0	4,666	2,466	7,132
LAN / WAN	5,511	3,639	622	822	428	0	0	1,872	0	0	0	0	0	1,872	3,639	5,511	
Data Storage	695	333	362	0	0	0	0	0	0	0	362	0	0	362	333	695	
Server OS Updates - Upgrade to new Windo	432	0	232	200	0	0	0	0	0	0	432	0	0	432	0	432	
WAN/LAN connection upgrades	2,646	0	0	0	1,323	1,323	0	0	0	0	2,646	0	0	2,646	0	2,646	
Schemes under £250,000 24/25 onwards	1,935	1,361	418	90	66	0	0	408	0	0	166	0	0	574	1,361	1,935	
New Funding 2025/26 onwards																	
End user devices	2,695	0	0	240	1,619	836	0	0	0	0	2,695	0	0	2,695	0	2,695	
Total ICT Projects	21,046	7,799	3,634	3,018	4,436	2,159	0	6,946	0	0	6,301	0	0	13,247	7,799	21,046	
Archives & Information Management																	
Schemes under £250,000 24/25 onwards	57	27	30	0	0	0	0	18	0	0	0	0	12	30	27	57	
Total Archives & Information Management	57	27	30	0	0	0	0	18	0	0	0	0	12	30	27	57	
Investment and Transformation Fund																	
Investment and Transformation Fund	42,200	0	0	12,300	12,300	12,300	5,300	5,761	0	0	36,439	0	0	42,200	0	42,200	
Total Investment & Transformation Fund	42,200	0	0	12,300	12,300	12,300	5,300	5,761	0	0	36,439	0	0	42,200	0	42,200	

Annex 8b

Capital Programme - New Schemes 2025/26 onwards funded from borrowing							
Scheme Name	Total Scheme Budget £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Future Years £000	Scheme Description
Adults Services							
New Adult Care Homes	57,000	7,500	30,284	18,252	964	0	Build of three new Adult Care Homes
Adults Services Total	57,000	7,500	30,284	18,252	964	0	
Economy, Environment & Infrastructure							
Household Recycling Centre refurbishment waste compaction programme	1,300	1,300	0	0	0	0	The essential repair, refurbishment and improvements to the infrastructure at Hempsted Household Recycling Centre including the replacement of mechanical systems used to compact waste materials at the site.
Bamfurlong Depot Replacement	11,200	0	5,000	6,200	0	0	New site at Coombe Hill (in conjunction with Fire & Rescue Training Facility).
Moving Traffic Enforcement (ANPR Enforcement Camera Replacement)	244	61	61	61	61	0	To continue the roll out of ANPR enforcement sites under Phase 3 throughout 2025-29 to purchase an additional 16 ANPR cameras, enabling the ability to re-deploy cameras to sites of specific concern.
Geotechnical Landslip Funding	3,000	500	500	1,000	1,000	0	The County has experienced several high-profile landslips in 2024, development of schemes and early intervention reduces the safety risk of further slippages and the council having to fund far higher costs in future.
Structures Investment	9,000	1,500	2,000	2,500	3,000	0	Investment will help safeguard public safety and avoid more costly interventions in the likely event that asset condition continues to deteriorate.
Procurement of two library delivery vehicles	70	70	0	0	0	0	Replacement of two library vehicles with greener Electric or Plugin Hybrid ones which will become part of the GCC fleet.
Rollout of Open + technology in libraries	240	112	128	0	0	0	Rollout of Open+ to a total of 14 identified libraries in order to increase library opening hours whilst rationalising staffed hours within these 14 libraries.
Newent: Commonfields Farm river restoration / flood alleviation	120	0	0	120	0	0	GCC Match Funding for an application to Local Levy funding via the English Severn and Wye Regional Flood and Coastal Committee for up to 35% of project capital cost.
Carriageway Structural Maintenance	30,000	0	10,000	10,000	10,000	0	The current supplementary funding of £10m for carriageway structural maintenance comes to an end in 25/26. After this time the funding will drop back to well below standstill level if based upon the DfT grant and carriageway condition will deteriorate.
Replacement of Street Works Inspector Vehicles	175	175	0	0	0	0	GCC Corporate Fleet Unit has an ongoing vehicle replacement programme to ensure that the Gloucestershire County Council's fleet does not exceed its useable life, thus becoming inefficient and potentially unsafe.
Highways Local	1,210	170	170	170	700	0	Capital funding provided to ensure the Highways Local fund is preserved for members.
Economy, Environment & Infrastructure Total	56,559	3,888	17,859	20,051	14,761	0	

Scheme Name	Total Scheme Budget £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Future Years £000	Scheme Description
Fire & Rescue Service							
Post Fire Decontamination for Firefighters	125	125	0	0	0	0	Cleaning of firefighter PPE using LCO2 technology, the use of D7 Cleaning solution and installing a positive ionisation system in all fire fighting appliances, officer cars at fire stations and on PPV fans at incident scene.
Mobile Data Terminals Hardware	180	180	0	0	0	0	The replacement of the Mobile Data Terminals is critical to providing frontline operational crews with risk-critical information, ensuring firefighter safety which is an organisational responsibility.
GFRS Training Facilities	9,853	0	955	7,166	1,433	299	New site at Coombe Hill (in conjunction with Bamfurlong Highways Depot Replacement).
Replacement of GFRS Front Line Pumping Appliances	2,128	0	0	0	2,128	0	Replacement of five front line pumping appliances.
Driver training fire appliance for emergency response driver training	220	0	220	0	0	0	Purchase of a bespoke training appliance.
Integrated Communications Control System (ICCS)	300	300	0	0	0	0	The current ICCS was installed in 2012 and is now approaching end of warranty. The system also suffered from an accidental aragonite gas release in the server room in 2021, which nullified any equipment warranty, as the disks in the system were damaged.
Replacement 4x4 Vehicles and Water Rescue Equipment Trailer	342	192	150	0	0	0	Replacement of Six ageing 4x4 Pick-up response vehicles (Four standard 4x4 Pick-Ups and Two specialist 4x4 Pick up) plus a bespoke Water Rescue Equipment Trailer.
Replacement Officer Car Response Vehicles	863	418	0	0	445	0	Replacement of twenty Officer Response Vehicles including the 3 Principal Officer Vehicles (CFO, DCFO, ACFO).
Replacement of Aerial Ladder Platform	827	0	0	700	127	0	Replacement of an ageing Aerial Ladder Platform Appliance.
Alterations to Cinderford Fire Station	600	0	600	0	0	0	Providing additional emergency cover in the Forest of Dean that delivers an improved response footprint across Gloucestershire, through a new wholetime day 12 hour station situated in Cinderford.
Fire & Rescue Service Total	15,438	1,215	1,925	7,866	4,133	299	
Corporate Resources							
End user devices	2,695	240	1,619	836	0	0	Hardware replacements: monitors, mobile phones, enhancing GCC estates to meet requirements of a modern organisation.
Shire Hall Heating	4,500	250	1,000	1,000	1,000	1,250	Replacement heating system at Shire Hall.
Agile Phase 2 - Shire Hall	2,500	500	1,000	1,000	0	0	Modernising the workplace to support Agile working and generating income from improved office space.
Corporate Resources Total	9,695	990	3,619	2,836	1,000	1,250	
Total New Schemes 2025/26 onwards	138,692	13,593	53,687	49,005	20,858	1,549	

Annex 8c

New Funding Available 2025/26 Onwards (Excluding New MTFS Bids)

Scheme Name	Budget					Funding	
	Total Scheme Budget £000	2025/26 £000	2026/27 £000	2027/28 £000	Future Years £000	External Grant £000	Funding of Budget Total £000
Summary by service area							
Adults	6,842	6,842	0	0	0	6,842	6,842
Schools	27,433	0	4,300	23,133	0	27,433	27,433
Transport & Highways	27,959	27,959	0	0	0	27,959	27,959
Total Capital Programme	62,234	34,801	4,300	23,133	0	62,234	62,234
Adults							
Disabled Facilities Grant 2025/26 (estimate)	6,842	6,842	0	0	0	6,842	6,842
Total Adults	6,842	6,842	0	0	0	6,842	6,842
Schools							
Basic Need Grant 2025/26	23,133	0	0	23,133	0	23,133	23,133
Schools Condition Allocation 2025/26 (estimate)	4,300	0	4,300	0	0	4,300	4,300
Total Schools	27,433	0	4,300	23,133	0	27,433	27,433
Transport & Highways							
Large and Miscellaneous Schemes 2025/26 (estimate)	100	100	0	0	0	100	100
Parking 2025/26 (estimate)	200	200	0	0	0	200	200
Public Transport Infrastructure 2025/26 (estimate)	150	150	0	0	0	150	150
Cycle Infrastructure 2025/26 (estimate)	100	100	0	0	0	100	100
Safety Schemes 2025/26 (estimate)	645	645	0	0	0	645	645
Accessibility & Community 2025/26 (estimate)	150	150	0	0	0	150	150
Carriageway Maint 2025/26 (estimate)	19,789	19,789	0	0	0	19,789	19,789
Footway Maint 2025/26 (estimate)	600	600	0	0	0	600	600
Cycleway Maint 2025/26 (estimate)	300	300	0	0	0	300	300
PROW resurfacing 2025/26 (estimate)	25	25	0	0	0	25	25
Highway Safety Features 2025/26 (estimate)	200	200	0	0	0	200	200
Structures 2025/26 (estimate)	2,000	2,000	0	0	0	2,000	2,000
Street lighting 2025/26 (estimate)	800	800	0	0	0	800	800
Traffic Signals 2025/26 (estimate)	1,000	1,000	0	0	0	1,000	1,000
Slips 2025/26 (estimate)	1,500	1,500	0	0	0	1,500	1,500
Highways Locals 2025/26 (estimate)	400	400	0	0	0	400	400
Total Transport & Highways	27,959	27,959	0	0	0	27,959	27,959

**Treasury Management and Investment Strategy Statement
2025/26****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. Treasury risk management at GCC is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA 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 CIPFA Code.
3. 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).
4. 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.
5. The key aims of this TMSS are:
 - To outline how we invest our money to ensure we have the financial resources to support the key priorities outlined in the 2025/2026 Medium Term Financial Plan.

- 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 present the arrangements for managing and monitoring our treasury management decisions.

Borrowing

- As at 31st March 2024 GCC had £233.8 million of external borrowing, a £140.8 million lease liability (including PFI and the Waste liability) and £245.6 million of internal investments. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying sums available for investment. GCC has an increasing CFR due to the capital programme. With minimal investments GCC expects to remain a net investor over the forecast period.
- CIPFA's Prudential Code recommends that external borrowing should be lower than the highest forecast CFR over the following three years. The table below shows that GCC expects to comply with this recommendation during 2025/26.
- To compare GCC's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes that cash and investment balances are kept to a minimum level of £10m at each year-end to maintain sufficient liquidity but minimise credit risk.
- 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 its strategic focus and decision making. The liability benchmark itself 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. The total forecast net borrowing against the CFR and liability benchmark is set out in the table below.

Table 1: Liability Benchmark

	2022/23 Actual £m	2023/24 Actual £m	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Budget £m	2027/28 Budget £m
General Fund CFR	466.004	478.238	489.910	541.493	621.073	670.396
Less: Other debt liabilities	149.087	140.780	136.383	131.905	127.489	123.381
Loans CFR	316.917	337.458	353.526	409.588	493.583	547.015
Less: External Borrowing	239.778	233.778	217.278	217.278	217.278	202.278
Internal (over) borrowing	77.139	103.680	136.248	192.310	276.305	344.737
Less Balance Sheet Resources	- 354.494	- 349.234	- 342.734	- 342.734	- 342.734	- 342.734
Investments / (New Borrowing)	277.355	245.554	206.486	150.424	66.429	- 2.003
Net Borrowing Requirement	- 37.577	- 11.776	10.792	66.854	150.849	204.281
Liquidity Allowance	10.000	10.000	10.000	10.000	10.000	10.000
Liability Benchmark	- 27.577	- 1.776	20.792	76.854	160.849	214.281

Notes:

Other debt liabilities show leases and PFI liabilities that form part of GCC's total debt
External borrowing shows only loans to which GCC is committed and excludes optional refinancing

10. Based on the latest information, the benchmark shows that with a CFR GCC will need to manage debt in the short term with an increasing borrowing requirement. Investment balances are falling as borrowing continues to be held internally and short term liquidity issues may arise.
11. Despite having an increasing need to borrow as defined by the Loans CFR, 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 if it becomes uneconomical to hold it internally.
12. Due to decisions taken in the past, GCC is currently projected to have £217.3 million long term borrowing as at the end of March 2025 at an average interest rate of 4.55% and £202.3 million treasury investments at an average rate of 5.08%, projected as at the end of March 2025.
13. The total borrowing requirement at the end of 2024/25 is forecast to be £489.9 million. This is financed by historic external debt, internal borrowing and a lease liability. GCC's aim is to both repay maturing debt, and where possible some of the existing debt when opportunities to do this arise. GCC also considers new borrowing where it can be shown to be prudent and financial beneficial to do so. In 2024/25 £6.5 million of maturing external debt was repaid, however there is no maturing debt during 2025/26.
14. Appendix B provides a more detailed breakdown of the treasury borrowing and investing position.
15. 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.
16. 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, and are reported quarterly to Cabinet through the Performance Monitoring process.

Borrowing Strategy

17. GCC's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing. GCCs 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 GCCs long-term plans change is a secondary objective.
18. Given the significant cuts to public expenditure and in particular to local government funding, GCCs borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. Short-term interest rates are currently higher than in the recent past, but are expected to fall in the coming

year. A detailed analysis of our borrowing requirement has been undertaken, and in the event that GCC needed to borrow it would still be more cost effective in the medium-term to either use internal resources, or to borrow short-term. With short-term interest rates currently lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead. However, if long term rates prove more attractive, then the Council will switch to using the Public Works Loan Board (PWLB) or another lender in the market to fund past and future debt.

19. GCC is still able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk, despite a highly different interest rate environment to this time last year. 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.
20. GCC may borrow short-term loans (normally for up to one year) to cover unexpected cash flow shortages.

Sources of Borrowing

HM Treasury's PWLB lending facility (formally the Public Works Loan Board):

21. GCC has previously raised the majority of its long-term borrowing from the PWLB (£184.2 million as at the end of March 2025) but will consider long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; GCC will avoid this activity in order to retain its access to PWLB loans.

Municipal Bonds Agency:

22. 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. This is a more complicated source of finance than the PWLB for two reasons:
 - borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and
 - there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to Cabinet. GCC currently holds no loans from the MBA.

National Wealth Fund Ltd (formerly UK Infrastructure Bank Ltd):

23. 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. GCC holds no loans with the UK Infrastructure Bank.

LOBOs:

24. GCC holds £35m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which GCC has the option to either accept the new rate or to repay the loan at no additional cost. The Council will take the option to repay LOBO loans at no cost if it has the opportunity to do so.

Short-term and variable rate loans:

25. These loans leave GCC exposed to the risk of short-term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the treasury management indicators. However, the use of short-term loans is currently favourable as borrowing costs are still lower compared with long term rates. Arlingclose forecast a slow decrease in rates in 2025/26. GCC's forecast as at end of March 2025 is that £15m short term loans are held.

Debt rescheduling:

26. 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. The Council 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.
27. 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.
28. GCC has previously raised the majority of its long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; GCC intends to avoid this activity in order to retain its access to PWLB loans.
29. Capital finance may also be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:
- leasing
 - hire purchase
 - Private Finance Initiative
 - sale and leaseback
 - similar asset based finance.

Treasury Management Investments

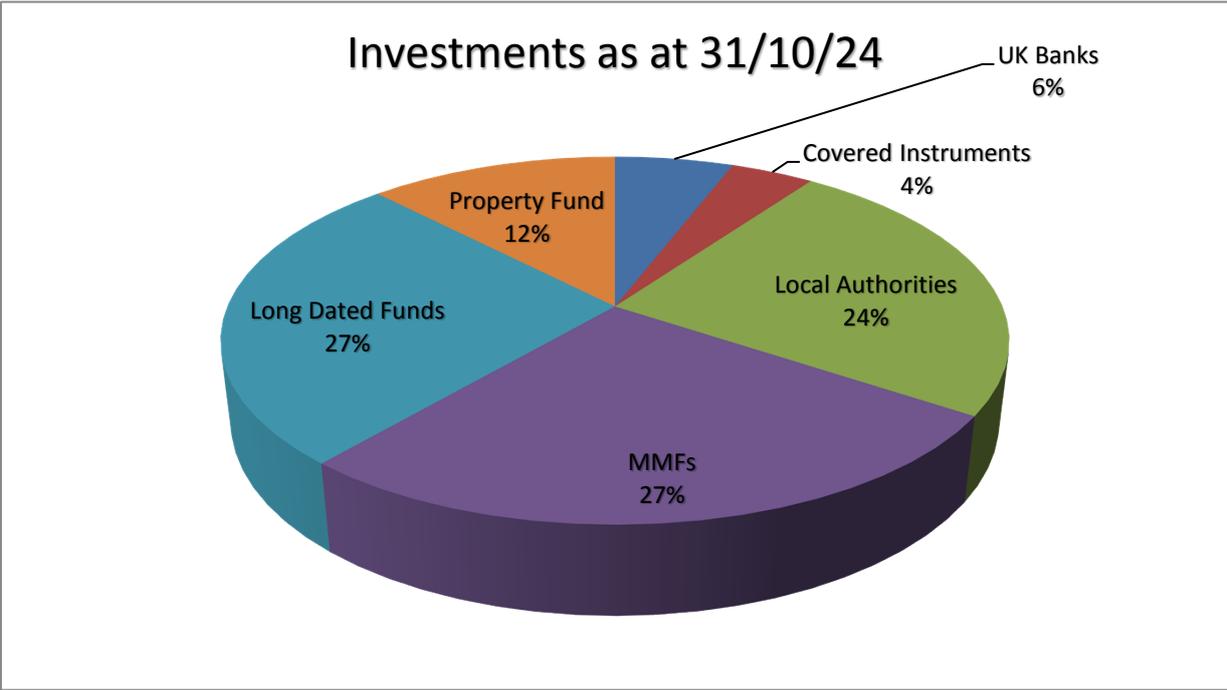
30. GCC holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During 2024/25 GCC's internal treasury investment balance has ranged between £214.4 million and £288.7 million. Balances are lower than prior years due to internal borrowing levels. Balances are expected to fall further as borrowing held internally increases. On 31st October 2024 GCC held £267

million of treasury investments which is forecast to fall to £206.28 million by the end of March 2025.

31. By the end of the 2024/25 financial year, it is forecast that our investment balance will have reduced as the use of cash liquid accounts i.e., Money Market Funds, will be used to reduce the need to borrow at year end. The table below shows the forecast between short- and longer-term holdings. Future capital receipts are not factored in until they are received.

Treasury Management Investments	31.03.24 Actual £m	31.03.25 Forecast £m	31.03.26 Budget £m	31.03.27 Budget £m	31.03.28 Budget £m
Near-term investments	127.70	111.28	85.42	85.42	85.42
Longer-term investments	95.00	95.00	65.00	65.00	65.00
TOTAL	222.70	206.28	150.42	150.42	150.42

32. 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 is to hold money in strategic pooled funds for the longer term, for a period of at least five years.
33. 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.
34. Market conditions have been relatively stable during 2024/25 with interest rates peaking at 5.25%. As GCC has been locked into historic fixed rate instruments, and has less cash available for investment, the portfolio has been limited with opportunities to capture higher rates on offer from fixed investments. However MMF investments have increased as these instruments have quickly increased their yields. 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.



35. Under the IFRS 9 standard, the accounting for certain investments depends on GCC's "business model" for managing them. GCC aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.
36. GCC money held in long dated funds and property funds (strategic pooled funds) is considered to be long term investments due to the fluctuations that occur in the underlying capital value of the deposits. GCC will hold these deposits for at least five years and will not mature these deposits unless the capital value is close to the original principal value deposited. All of the strategic pooled funds held provide regular dividend income to GCC.
37. 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.

Table 2: Approved Investment Counterparties

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

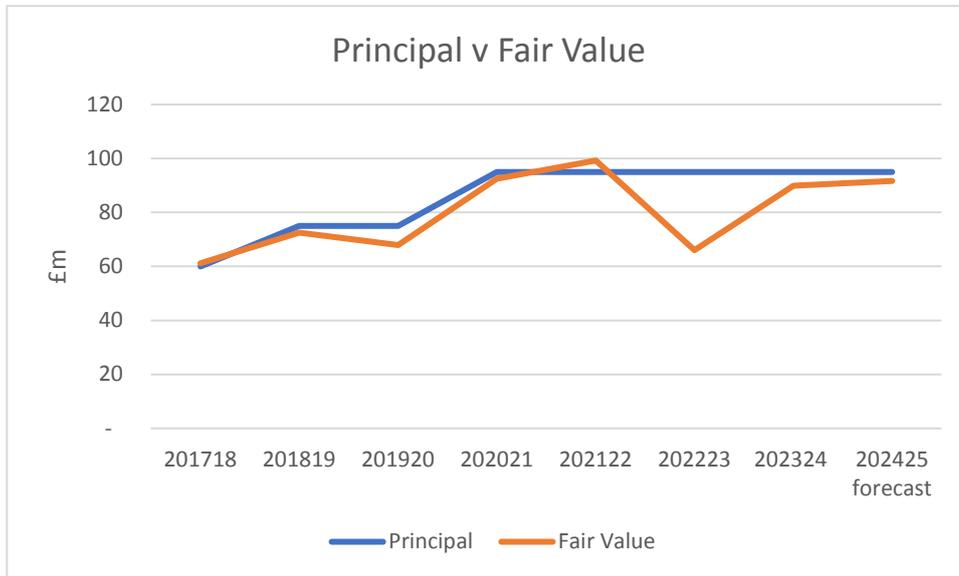
* Minimum credit rating: Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A-

Responsible Investment

38. 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.
39. GCC now has a climate action plan, and the target is to reduce corporate emissions, with a target to reach net zero by 2030. The Council Climate Change Strategy, and more details can be found at the link, [Greener Gloucestershire](#).
40. 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.
41. 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.
42. 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, the council 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, the Net Zero Asset Managers Alliance and / or the UK Stewardship Code.
43. 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.

44. Capital value on the funds that we hold have been recovering, and as at the end of October the following fund values are reported, with a £4.2 million capital loss compared to a £5.2 million loss as at the end of the financial year 2023/24.



45. Four of these funds contain fossil fuel investment (Aegon, Columbia Threadneedle, Ninety One and Schroders), and the loss currently reported on those funds is £2.626 million.

Monitoring Treasury Investments

46. Credit ratings are obtained and monitored by GCC's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- 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.
47. 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:

48. 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.
49. Reputational aspects: 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.
50. 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.
51. 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	£120m
Total investments without credit ratings or rated below A- (excluding UK Government and local authorities)	£50m
Total investments (except pooled funds), with institutional domiciled in foreign countries rated below AA+	£30m

Investment Limits

52. GCC’s holds general revenue reserves which would be available to cover investment losses. However, to limit this risk, in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £30.0 million. Limits will also be placed on fund managers, investments in brokers’ nominee accounts, foreign countries, and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country since the risk is diversified over many countries.

Table 3: Investment Limits

	Cash limit
Any single organisation, except the UK Central Government	£30m
UK Central Government	Unlimited
Any group of organisations under the same ownership	£30 per group
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
Registered providers	£15m per provider
Money Market Funds	£30m per fund

53. 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.
54. 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

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

Security:

56. 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:

57. 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 the medium-term financial plan and cash flow forecast. GCC will spread its liquid cash over at least four providers (call facility and MMF) and 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:

58. 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

59. 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.

Maturity structure of borrowing:

60. This indicator is set to control GCC's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	25%	0%
12 months to 10 years	50%	0%
10 years and above	100%	0%

61. 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.

Principal sums invested for periods longer than 364 days:

62. 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:

	2022/23 Actual £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
Limit on principal invested beyond year end	93.349	150.000	160.000	170.000	180.000

63. 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

64. 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.
65. 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

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

Policy on the Use of Financial Derivatives

67. 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).
68. 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.
69. 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.
70. 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

71. 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

72. The Council employs Arlingclose Limited as treasury management advisers on a three years contract plus the option for a further two years following a full tender exercise in 2022. The contract commenced from 1st December 2022 and will run to at least 30th November 2025.

Investment of money borrowed in advance of need

73. 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.
74. The total amount borrowed will not exceed the authorised borrowing limit of £585m. The maximum period between borrowing and expenditure is expected to be three years, although the Council is not required to link particular loans with particular items of expenditure.

Financial Implications

75. The expected investment income in 2025/26 is forecast to be £9.9 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%.
76. The estimated budget for debt interest to be paid in 2025/26 is forecast to be £11.5 million, based on an average debt portfolio of £227 million at an average interest rate of 4.8%.

Other Options Considered

77. 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.

2025/26 Minimum Revenue Provision Statement

78. 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.
79. The broad aim of the Guidance is to ensure that capital expenditure is financed over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits.
80. 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.
81. 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.
82. To ensure that the MRP charge remains prudent, GCC regularly reviews its Capital Financing Requirement. 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.
83. 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.
84. 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.
85. 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.
86. Capital expenditure incurred during 2024/25 will not be subject to a MRP charge until 2025/26 at the earliest, in line with guidance issued.
87. Based on the latest estimate of the CFR on 31st March 2024, MRP is as follows:

	31.03.2024 Estimated CFR	2024/25 Estimated MRP
	£m	£m
Capital expenditure before 01.04.2008	260.543	6.200
Unsupported capital expenditure after 31.03.2008	76.914	3.283
Leases and Private Finance Initiative	140.780	4.397
Total	478.237	13.880

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 nil 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

88. 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 (November 2024)

	Current	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27
Official Bank Rate													
Upside risk	0.00	0.00	0.25	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Central Case	4.75	4.75	4.50	4.25	4.00	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Downside risk	0.00	0.00	-0.25	-0.25	-0.50	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75
3-month money market rate													
Upside risk	0.00	0.00	0.25	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Central Case	4.95	4.80	4.60	4.35	4.10	3.90	3.85	3.85	3.85	3.85	3.85	3.85	3.85
Downside risk	0.00	0.00	-0.25	-0.25	-0.50	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75
5yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Central Case	4.30	4.20	4.10	4.05	3.95	3.90	3.90	3.90	3.95	4.00	4.05	4.05	4.05
Downside risk	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.70	-0.70	-0.75	-0.75	-0.80	-0.80	-0.80
10yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Central Case	4.41	4.40	4.30	4.30	4.25	4.20	4.20	4.20	4.20	4.25	4.25	4.25	4.25
Downside risk	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.70	-0.70	-0.75	-0.75	-0.80	-0.80	-0.80
20yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Central Case	4.84	4.80	4.75	4.70	4.65	4.65	4.65	4.65	4.65	4.65	4.65	4.65	4.65
Downside risk	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.70	-0.70	-0.75	-0.75	-0.80	-0.80	-0.80
50yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Central Case	4.35	4.50	4.45	4.40	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35
Downside risk	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.70	-0.70	-0.75	-0.75	-0.80	-0.80	-0.80

PWLB Standard Rate (Maturity Loans) = Gilt yield + 1.00%; PWLB Certainty Rate (Maturity Loans) = Gilt yield + 0.80%
 PWLB HRA Rate (Maturity Loans) = Gilt yield + 0.40%; National Wealth Fund Rate (Maturity Loans) = Gilt yield + 0.40%

Underlying Assumptions:

- As expected, the Bank of England Monetary Policy Committee (MPC) cut Bank Rate to 4.75% in November in an 8-1 vote. However, the outlook for monetary policy has changed following the new government’s fiscal plans, as delivered in the recent Budget.
- The Budget contained measures that will boost demand, in a constrained supply environment, while pushing up direct costs for employers. The short to medium-term inflationary effects of the Budget require a change to our Interest Rate Forecast.
- UK GDP recovered well in H1 2024 from technical recession, but underlying growth appears relatively subdued. However, the Budget will significantly boost government spending over the short-term, with few offsetting measures to subdue household demand, so GDP growth is likely to rise relatively steeply.
- Private sector wage growth has eased to 4.8% yet remains high, while services inflation continues to hold above pre-pandemic levels. The increase in employers’ NICs, minimum and public sector wage levels could have wide ranging impacts on private sector employment demand and costs, but the near-term impact will likely be inflationary as these additional costs get passed to consumers.
- CPI inflation was below the 2% target in September but will rise a little by year-end as energy price declines from the previous year fall out of the annual comparison. The Bank of England (BoE) estimates the Budget impact will see the CPI rate at 2.7% by year end 2025 and remain over target in 2026, as opposed to the prior projection of inflation easing back to and then below target by this point.

- The MPC re-emphasised the gradual move to easing monetary policy, and we now believe the Budget measures have both reduced the pace of Bank Rate cuts and increased the low for this loosening cycle (although downside risks remain in the medium term).
- The increase in borrowing, rise in inflation and shallower path for Bank Rate projected by the Office for Budget Responsibility (OBR) raised gilt yields. The material change in rate expectations means that yields will be generally higher in the post-Budget world.
- US government yields have risen following Donald Trump's and Republican victories in the US elections. Trump has run on a platform of policies that appear inflationary, calling into question the extent of policy loosening required from the Federal Reserve (which was already uncertain given continued solid US growth data). Higher US yields could also support higher UK yields.

Forecast:

- In line with our forecast, Bank Rate was cut to 4.75% in November 2024.
- The MPC will continue to lower Bank Rate to reduce the restrictiveness of monetary policy, but more slowly and to a higher level. We see another rate cut in February 2025, followed by one cut per quarter, in line with Monetary Policy Report publication, to a low of 3.75%.
- Long-term gilt yields have risen to reflect both UK and US economic, monetary and fiscal policy expectations, and increases in bond supply. Volatility is likely to remain elevated as the market digests incoming data for clues around the impact of policy changes.
- This uncertainty may also necessitate more frequent changes to our forecast than has been the case recently.
- Upside risks to inflation over the next 12 months could limit the extent of monetary easing, but we see the risks as broadly balanced over the medium term.

Appendix B

EXISTING PORTFOLIO PROJECTED FORWARD

	Portfolio 31-Oct-24 Actual £m	Average Rate %	31-Mar-25 Estimate £m	31-Mar-26 Estimate £m	31-Mar-27 Estimate £m	31-Mar-28 Estimate £m
External Borrowing						
Fixed Rate – PWLB	184.228	4.60	184.228	184.228	184.228	169.228
Fixed Rate – Market	33.050	4.23	33.050	33.050	33.050	33.050
Temporary Loans	10.000	5.40	10.000	0.000	0.000	0.000
Total External Borrowings	227.278	4.63	227.278	217.278	217.278	202.278
Other long-term liabilities (PFI)	136.383		140.780	131.905	127.489	123.381
Total External Debt	363.661	4.60	368.058	349.183	344.767	325.659
Treasury Investments:						
<i>Managed in house</i>						
- Short term deposits and monies on call and Money Market Funds	165.000	5.00	111.278	59.215	63.304	63.304
- Long Term investments (over 12 months)	0.000	0.00	0.000	0.000	0.000	0.000
<i>Managed externally / Strategic Funds</i>	95.000	4.49	95.000	90.000	80.000	80.000
Total Investments	260.000	4.39	206.278	149.215	143.304	143.304
Net (Borrowing) / Investment Position	(103.661)		(161.780)	(199.968)	(201.463)	(182.355)

Note that the figures shown in this table are not directly comparable with the liability benchmark figures from Table 1. Table 1 only looks at the loans CFR and does not consider PFI and lease liabilities. Table 1 also uses balance sheet resources as a proxy for investment balances whereas this table is looking purely at cashflow.

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 2024 is considered to be nil, 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.

Appendix D

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.
UK Government:	Sterling-denominated investments with or explicitly guaranteed by the UK Government, including the Debt Management Account Deposit Facility, treasury bills and gilts. These are deemed to be zero credit risk due to the government's ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.
Local authorities and other government entities:	Loans to, and bonds and bills issued or guaranteed by, other 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.
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 unsecured loans to companies and universities. 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:	Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds, secured deposits and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.
Strategic Pooled Funds:	Bond, equity and property funds, including exchange traded funds, that 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 can be either withdrawn after a notice period or sold on an exchange, 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.