Open

Cabinet

Agenda

6pm
Wednesday, 11 November 2026
Council Chamber
Wyre Forest House
Finepoint Way
Kidderminster

Cabinet

The Cabinet Members and their responsibilities:-

Councillor M Hart	**Leader of the Council & Strategy**
Councillor D Ross	**Deputy Leader & Finance & Capital Portfolio**
Councillor C Rogers	**Housing, Health and Well-being**
Councillor D Morehead	**Economic Regeneration, Planning & the Green Agenda**
Councillor T Onslow	**Culture, Leisure, Arts & Community Safety**
Councillor N Desmond	**Operational Services**

Scrutiny of Decisions of the Cabinet

The Council has one Scrutiny Committee that has power to investigate policy issues and question members of the Cabinet who have special responsibility for a particular area of the Council's activities. The Cabinet also considers recommendations from this Committee.

In accordance with Section 10 of the Council's Constitution, Overview and Scrutiny Procedure Rules, and Standing Order 2.4 of Section 7, any item on this agenda may be scrutinised by the Scrutiny Committee if it is "called in" by the Chairman or Vice-Chairman of the Overview & Scrutiny Committee and any other three non-Cabinet members.

The deadline for "calling in" Cabinet decisions is 5pm on Monday 23 November 2026.

Councillors wishing to "call in" a decision on this agenda should contact Louisa Bright, Principal Committee and Member Services Officer, Wyre Forest House, Finepoint Way, Kidderminster. Telephone: 01562 732763 or email louisa.bright@wyreforestdc.gov.uk

Urgent Key Decisions

If the Cabinet needs to take an urgent key decision, the consent of the Scrutiny Committee Chairman must be obtained. If the Scrutiny Committee Chairman is unable to act the Chairman of the Council or in his/her absence the Vice-Chairman of the Council, must give consent. Such decisions will not be the subject to the call in procedure.

Disclosure of Interests

Members and co-opted Members of the Council are reminded that, in accordance with the Council's Code of Conduct and the statutory provisions of the Localism Act, they are required to consider in ADVANCE of each meeting whether they have a disclosable pecuniary interest (DPI), an other registrable interest (ORI) or a non-registrable interest (NRI) in relation to any matter on the agenda. If advice is needed, Members should contact the Monitoring Officer or other legal officer in good time before the meeting.

If any Member or co-opted Member of the Council identifies a DPI or ORI which they have not already registered on the Council's register of interests or which requires updating, they should complete the disclosure form which can be obtained from Democratic Services at any time, copies of which will be available at the meeting for return to the Monitoring Officer.

Members and co-opted Members are required to disclose any DPIs and ORIs at the meeting.

Where the matter relates to a DPI they may not participate in any discussion or vote on the matter and must not stay in the meeting unless granted a dispensation.

Where the matter relates to an ORI they may not vote on the matter unless granted an advance dispensation.

Where a Member or co-opted Member has an NRI which directly relates to their financial interest or wellbeing, or that of a relative or close associate, they must disclose the interest at

the meeting, may not take part in any discussion or vote on the matter and must not stay in the meeting unless granted a dispensation.

Where a matter affects the NRI of a Member or co-opted Member, the Code of Conduct sets out the test which must be applied by the MEMBER to decide whether disclosure is required. Again please ensure you have spoken in ADVANCE to the relevant legal officer and determined whether it is appropriate to declare the NRI and leave.

For further information

If you have any queries about this Agenda or require any details of background papers, further documents or information you should contact Louisa Bright, Principal Committee and Member Services Officer, Wyre Forest House, Finepoint Way, Kidderminster, DY11 7WF. Telephone: 01562 732763 or email louisa.bright@wyreforestdc.gov.uk

Documents referred to in this agenda may be viewed on the Council's website - www.wyreforestdc.gov.uk/council/meetings/main.htm

WEBCASTING NOTICE

This meeting is being filmed* for live or subsequent broadcast via the Council's website site (www.wyreforestdc.gov.uk).

At the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed.

You should be aware that the Council is a Data Controller under the Data Protection Act 1998. The footage recorded will be available to view on the Council's website for 6 months and shall be retained in accordance with the Council's published policy.

By entering the meeting room and using the public seating area, you are consenting to be filmed and to the possible use of those images and sound recordings for webcasting and or training purposes.

If members of the public do not wish to have their image captured they should sit in the Stourport and Bewdley Room where they can still view the meeting.

If any attendee is under the age of 18 the written consent of his or her parent or guardian is required before access to the meeting room is permitted. Persons under 18 are welcome to view the meeting from the Stourport and Bewdley Room.

If you have any queries regarding this, please speak with the Council's Legal Officer at the meeting.

* Unless there are no reports in the open session.

.

Wyre Forest District Council

Cabinet

Wednesday, 11 November 2026

Council Chamber, Wyre Forest House, Finepoint Way, Kidderminster

Part 1

Open to the press and public

Agenda item	Subject	Page Number
1.	**Apologies for Absence**	
2.	**Declarations of Interests by Members** In accordance with the Code of Conduct, to invite Members to declare the existence and nature of any disclosable pecuniary interest (DPI), an other registrable interest (ORI) or a non-registrable interest (NRI) in relation to any matter on the agenda. Please see the Members' Code of Conduct as set out in Section 14 of the Council's Constitution for full details.	
3.	**Minutes** To confirm as a correct record the Minutes of the meeting held on the 21 October 2026.	6
4.	**CALL INS** a verbal update will be given on any decisions which have been "called in" since the last meeting of the Cabinet.	
5.	**Items Requiring Urgent Attention** To consider any item which, in the opinion of the Chairman requires consideration at the meeting as a matter of urgency.	
6.	**Public Participation** In accordance with the Council's Scheme for Public Speaking at Meetings of Cabinet, to allow members of the public to present petitions, ask questions, or make statements, details of which have been received by 12 noon on Monday 2 November 2026. (See front cover for contact details). **No requests for public participation have been received.**	

7.		
7.1	**Councillor D Ross** **Budget and Performance Monitoring Quarter 2 2026-27** To consider a report from the Director of Resources that briefs members on the Council's financial and other performance at the end of Quarter 2 ending 30th September 2026 and presents the emerging budget pressures and known variances that are likely to have an impact on the outturn position for the 2026-27 financial year. *The appendices to this report have been circulated electronically.* Also to consider recommendations from the Overview & Scrutiny Committee from its meeting on 5 November 2026.	9 To follow
7.2	**Financial framework for the 2027-30 medium term financial strategy, strategic options analysis and budget setting principles for 2027-28** To consider a report from the Director of Resources and Chief Executive that sets out economic and political context within which the Council needs to plan its future budgets, together with the latest estimates of the Council's financial position. The report also presents the strategic principles that form the basis of the Medium Term Financial Strategy.	38

8.	**To consider any other business, details of which have been communicated to the Director of Legal & Governance before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.**	
9.	**Exclusion of the Press and Public** To consider passing the following resolution: "That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting during the consideration of the following item of business on the grounds that it involves the likely disclosure of "exempt information" as defined in paragraph 3 of Part 1 of Schedule 12A to the Act".	

Part 2

Not open to the Press and Public

10.	**To consider any other business, details of which have been communicated to the Director of Legal & Governance before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.**	

WYRE FOREST DISTRICT COUNCIL

CABINET

COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER

21 OCTOBER 2026 (6PM)

Present:

Councillors: M J Hart (Chairman), D Ross (Vice-Chairman), N J Desmond, D Morehead, T L Onslow and C Rogers.

Observers:

There were no members present as observers.

CAB.33 Apologies for Absence

There were no apologies for absence.

CAB.34 Declarations of Interests by Members

Councillor N Desmond declared in respect of agenda item 7.1 – disposal of part of Burlish Country Park, for purposes of transparency, that he is a season ticket holder at Kidderminster Harriers Football Club and he is an avid dog walker and uses the said location multiple times a month.

Councillor M Hart declared in respect of agenda item 7.1 – disposal of part of Burlish Country Park, for openness and transparency purposes, that he is a season ticket holder at Kidderminster Harriers Football Club and that his son is a member of the Burlish Park Bike Park, which is within the Burlish Park Nature Reserve.

CAB.35 Minutes

Decision: The minutes of the Cabinet meeting held on 16 September 2026 be confirmed as a correct record and signed by the Chairman.

CAB.36 Call Ins

No decisions had been called in since the last Cabinet meeting.

CAB.37 Items Requiring Urgent Attention

There were no items requiring urgent attention.

CAB.38 Public Participation

In accordance with the Council's scheme for public speaking at meetings of Cabinet, four members of the public had registered to speak in respect of agenda item 7.1 - disposal of part of Burlish Country Park.

The Leader welcomed the registered speakers to the meeting and invited them

in turn to address the Cabinet.

Linda Mckenzie spoke about the unanimous decision of the Overview and Scrutiny Committee and the overwhelming number of people that had submitted objections as part of the consultation process and signed the petition calling for the site to be retained. She asked Cabinet to acknowledge and respect the democratic process and reject the proposal to sell the land. She thanked everyone who had supported the campaign.

Steven Bloomfield, Head of Conservation at Worcestershire Wildlife Trust spoke about how the Trust had worked closely with the District and County Council to restore the former golf course to its present state through the Natural Networks programme. He said the message from residents throughout the process had been unmistakable: people value nature. He thanked all those who took part in the consultation process for their thoughtful comments. He spoke about how the strength of feeling demonstrated reflected how important the site was to local people and highlighted the need to protect and invest in nature-rich green spaces.

Philip Trow, on behalf of Stourport Civic Society and the Friends of Burlish Meadows spoke about the support for the Kidderminster Harriers Football Club in relation to their existing training pitches and redevelopment. He said that the destruction of a natural area for yet more pitches cannot be supported. He said Burlish Meadows was a major success, something the whole community can benefit from. It had gained recognition from wildlife groups and statutory bodies, something that should be celebrated by the council. He urged the council not to sell the land as the environmental benefits, public access benefits and retention of the unspoilt green belt outweigh any other consideration.

Corinne Bailey spoke about the accessibility of the site and the people who stand to lose the most from the proposal. She said the land proposed for disposal included some of the flattest and most accessible areas of the meadows. For someone with limited mobility, retaining the steeper parts of the Country Park was not necessarily an alternative. She said Burlish Meadows was free to enter, required no membership, no booking, and no sporting ability. She acknowledged the benefits that football facilities can bring, however organised sporting facilities cannot replace the freedom, tranquillity and inclusivity of open natural space.

The Leader thanked the speakers for their contribution.

CAB.39 Disposal of part of Burlish Country Park

A report was considered from the Director of Commercial Services that enabled Cabinet to determine whether or not the disposal of part of Burlish Country Park should proceed.

The Cabinet Member for Finance and Capital Portfolio presented the report. He thanked the four public speakers for their participation and those who had previously spoken at various meetings on this matter. The Cabinet Member also thanked the Director of Commercial Services for producing a number of reports throughout the process; all of which had been very comprehensive,

technical and appropriate for the purpose.

The Cabinet Member gave a detailed summary of the background and key issues set out in the report and formally moved the recommendations for approval.

He explained that, alongside the two petitions and representations made by public speakers at meetings of Council, Cabinet and the Overview and Scrutiny Committee, Cabinet had to consider all of the responses to the statutory notice issued under section 123(2A) of the Local Government Act 1972, in a holistic manner rather than follow the 'who shouts loudest' principle.

He added that Cabinet recognised the benefits of retaining Burlish Country Park in its current state but had to weigh these against the wider community benefits of using the land as a sporting venue. Such use could also potentially improve physical and mental wellbeing, particularly among young people who might be encouraged to take part in group sporting activities.

In conclusion he said, having considered all the representations and considered the benefits of retaining this land in the ownership of Wyre Forest District Council against the benefits afforded by disposal, he asked Cabinet to support the recommendations.

The Leader seconded the proposals. He said the Council welcomed public participation and thanked all the members of the public that had spoken and attended the various meetings during the decision-making process. Other members of the Cabinet spoke in support of the recommendations.

The Chairman of the Overview and Scrutiny Committee, Councillor N Martin presented the recommendations from its meeting on 15 October 2026.

Upon a vote, the recommendations were unanimously agreed.

Decision: In line with the recommendations from the Overview and Scrutiny Committee from its meeting on 15 October 2026:

The Cabinet:

1.1 NOTED the responses received following publication of the statutory notice under section 123(2A) of the Local Government Act 1972, summarised in Appendix 2 of the report;

1.2 CONSIDERED the objections and representations received and the proposed response to those objections also set out in Appendix 2;

1.3 AGREED that, having considered the objections and representations received, the Council will not proceed with the disposal of part of Burlish Country Park and that the whole of Burlish Country Park will be retained in WFDC's ownership.

There being no further business, the meeting closed at 6.54pm.

WYRE FOREST DISTRICT COUNCIL

CABINET

11TH NOVEMBER 2026
Budget and Performance Monitoring Quarter 2 2026-27

OPEN	
CABINET MEMBER:	Councillor D Ross, Cabinet Member for Finance and Capital Portfolio
RESPONSIBLE OFFICER:	Director of Resources
CONTACT OFFICERS:	Helen Ogram Helen.Ogram@wyreforestdc.gov.uk Diana Evans Diana.evans@wyreforestdc.gov.uk Lisa Hutchinson Lisa.Hutchinson@wyreforestdc.gov.uk Lucy Wright Lucy.wright@wyreforestdc.gov.uk
APPENDICES:	Appendix 1 - Wyre Forest District Council Revenue Budget Requirements Appendix 2 - Capital Programme Appendix 3 - Budget Risk Matrix Appendix 4 – Outstanding General Fund service income debt Appendix 5 – How we are doing performance reports *The appendices to this report have been circulated electronically and a public inspection copy is available on request. (See front cover for details.)*

1. PURPOSE

1.1 The purpose of the report is to brief members on the Council's financial and other performance at the end of Quarter 2 ending 30th September 2026 and to present the emerging budget pressures and known variances that are likely to have an impact on the outturn position for the 2026-27 financial year.

1.2 The report sets out the current forecast of income and expenditure against budget for 2026-27 for revenue expenditure. In addition, the report also provides key information relating to estimates of the Council's financial position for the next three years, highlighting the revised Funding Gap that will need to be closed to bring expenditure into line with income.

Revenue – The projected full year services variance at the end of Quarter 2 is £26k better than the approved budget, after inclusion of the capital account variances, the year-end outturn position is forecast to be £696k better than the position in the 2026-29 Medium Term Financial Strategy (MTFS).

Capital – the approved Capital Programme for 2026-27 is £29.102m, including slippage of £4.912m from 2025-26. The forecast slippage to future years at Quarter 2 is £10.894m, although further reprofiling will take place as part of the revised budget process where necessary.

1.3 The report also briefs members on current progress against the savings and efficiency targets in the Medium Term Financial Strategy and includes the quarterly "How are we doing" performance report. This combined report allows both Cabinet and Overview and Scrutiny Committee a rounded view of the Council's performance including its financial position.

2. RECOMMENDATIONS

The Cabinet is asked to NOTE:

2.1 **The projected budget variations, virements and comments within this report and Appendices 1 to 4.**

2.2 **The performance against measures and actions as set out in the report and Appendix 5.**

2.3 The recommendations from the Overview and Scrutiny Committee from its meeting on 5th November 2026.

3. BACKGROUND

3.1 Budget projections are reviewed regularly and reported to Overview and Scrutiny Committee and Cabinet on a quarterly basis. The 2026-27 Original Budget was approved as part of the 2026-29 Medium Term Financial Strategy (MTFS) by Council on 25th February 2026. Performance is measured against the Original Budget presented within the 2026-29 Strategy (Appendix 1). The current forecast shows a net underspend against the approved Budget of £696k.

3.2 The current assessment of the outturn position is based on a wide range of assumptions, predicted patterns of cost, service demand and behaviours and the forecasts continue to be refined.

3.3 Local Government Reorganisation (LGR) is a key context for the 2026-29 MTFS and financial monitoring. On 29 October 2026, following its review of the programme, the Government announced that it is minded to proceed with two unitary councils for North and South Worcestershire. The revised proposed timetable provides for shadow council elections in May 2028 and vesting on 1 April 2029, subject to further representations and final confirmation. The Council must maintain strong financial discipline during the transition period by delivering planned savings, managing reserves prudently, monitoring transition costs and ensuring decisions support service continuity, statutory responsibilities and readiness for the new unitary arrangements.

3.4 The balanced budget approved by Council focuses on ensuring that the Council optimises the full range of income sources that affect its overall budget including Council Tax and Business Rates revenue, Government funding and other external specific grants, fees and charges and other elements of income from activities including returns from property and treasury investments.

3.5 Under the Business Rates Retention System (BRRS), the Council receives a share of growth in rateable value above the Government's baseline assessment. Following the full reset of the BRRS as part of Fair Funding Review 2.0, new business rates baselines, baseline funding levels and tariff/top-up arrangements apply from 1st April 2026. For 2026-27 only, the Government has introduced a transitional safety net at 100% of each authority's new Baseline Funding Level (BFL). This means that, where the Council's retained business rates income falls below its new baseline, support should be available through the safety net mechanism up to that level. Current

forecasts indicate that the Council is likely to receive a safety net payment in 2026-27.

3.6 Year-to-date monitoring shows that in year income from business rates payers is likely to be in-line with the position previously estimated and business rate appeal refunds also in-line with the position previously estimated with no noticeable increase in empty reliefs this position is being closely monitored (see section 12).

3.7 Collection rates at the end of the second quarter are on a par with those achieved last year for Council Tax.

3.8 The 2026-29 Medium Term Financial Strategy includes prudent assumptions for income generated from the Capital Portfolio Fund, recognising that this remains a significant and inherently variable income stream. Performance is kept under regular review, with active management of occupancy, lease events, rent reviews, arrears, service charge exposure and compliance obligations to protect the Council's financial position and reduce risk to Council Tax payers. The impact of the Fund on the MTFS will continue to be reported transparently, including any variance from budget, emerging risks to rental income or asset values, and any management action required to safeguard the Council's medium-term financial resilience.

3.9 The May 2024 Best Value statutory guidance, and the July 2026 consultation on proposed revisions to that guidance, place increased emphasis on financial sustainability, effective governance, scrutiny and the early identification of risk. The guidance identifies reliance on high-risk commercial income to support services or balance budgets as a potential Best Value concern. The Council's approach is therefore to retain strong oversight of commercial income activity, ensure business cases are supported by robust due diligence and prudent assumptions, and monitor performance through established governance arrangements. This supports timely challenge and management action where income, asset value or wider financial resilience risks emerge.

3.10 A revised Capital Strategy 2026-36 was approved by Council on 25th February 2026. The revised Strategy covers all capital expenditure and sets out reporting and planning for financial risk implications in relation to non-treasury investments.

4. FINANCIAL PERFORMANCE

4.1 **Revenue Overview**

Quarterly budget monitoring presents the full-year forecast position for the current financial year. The Quarter 2 forecast indicates an overall favourable revenue position against the approved budget. This remains subject to delivery of planned savings, continued monitoring of demand-led income and expenditure, and the impact of emerging pressures that are not yet fully quantified.

The Revenue Summary (Table 1) shows net expenditure by reporting group and incorporates costs funded by reserves where applicable. Table 1 sets out the current projected revenue outturn against the budget approved by Council on 25th February 2026. The forecast reflects known and quantifiable cost pressures, income variations, savings and cost reductions identified to date, and will continue to be reviewed through the quarterly monitoring cycle.

The movement in the estimated outturn position reported at Quarter 2, compared with the position reported at Quarter 1, arises largely within Community and Environment. The principal factors are higher fleet operating costs, including fuel; lower pay savings due to the use of agency and temporary staff to cover sickness absence; post regrades following job evaluation arising from last year's restructure; and CCTV costs that had

not previously been recognised.

Table 1: Quarter 2 Revenue Budget Variances and Estimated Outturn 2026-27

SERVICE REPORTING GROUP	Approved Budget £000	Estimated Outturn £000	Quarter 2 Variances £000
Chief Executive and Legal and Governance	3,695	3,659	(36)
Community and Environment	7,389	7,333	(56)
Economic Development and Regeneration	427	486	59
Resources	1,172	1,123	(49)
Revenues, Benefits and Customer Services	2,033	2,039	6
Housing and Planning	2,810	2,671	(139)
WFF Savings target	(259)	(70)	189
Services Total	**17,267**	**17,241**	**(26)**
Minimum Revenue Provision (MRP)	1,713	1,614	(99)
External debt Interest	1,041	787	(254)
Investment Interest	(838)	(1,155)	(317)
Capital Account (Other)	(2,407)	(2,407)	0
Total Capital account	**(491)**	**(1,161)**	**(670)**
Grand Total	**16,776**	**16,080**	**(696)**

The forecast should be viewed as a point-in-time assessment. Areas showing adverse movement, volatility or reliance on demand-led assumptions will continue to be subject to challenge, with management action developed where required to protect the year-end position and the Council's wider financial resilience.

4.2 **Capital programme** – progress of spend against capital programme is summarised below:

Table 2: Quarter 2 Capital Spend and Draft Slippage 2026-27

2026-27 Capital Programme	Latest Approved Budget (including slippage from 2025-26) £	Q2 Capital Expenditure 2026-27 £	Draft Slippage/ Reprogramming to future years at Q2 £
Community and Environmental Services	3,140,950	1,140,847	1,154,900
Resources and Revenues, Benefits & Customer Services	618,260	111,866	0
Housing & Planning	14,015,760	1,029,242	5,449,230
Economic Development & Regeneration	6,213,390	237,272	4,050,830
Vehicle, Equipment and Systems Renewal Schedule	5,113,350	3,478,125	238,700
Total	**29,101,710**	**5,997,352**	**10,893,660**

Delivery of the capital programme continues to be affected by inflation, supply-chain pressures, contractor capacity, planning and regulatory requirements, and the timing of grant-funded schemes. Slippage can reduce in-year borrowing and financing costs, but it may also defer service benefits, increase future delivery risk and create revenue implications where interim arrangements, void costs or other holding costs arise. Scheme progress and profiling will therefore continue to be reviewed through the revised budget and capital monitoring process.

The majority of the Council's Capital Programme is financed from either borrowing or capital grants, while some of the programme is funded directly from revenue or from capital receipts. There are revenue implications from capital expenditure funded from borrowing through interest charges and the statutory Minimum Revenue Provision (MRP).

5. RESERVES POSITION AND FUNDING GAP

Local authorities are required by law to have a balanced budget i.e., a plan based on sound assumptions which shows how income will equal spend over the short and medium term. Plans can take account of deliverable cost savings and/or income growth strategies as well as useable reserves. A budget is considered not to balance where increased uncertainty leads to budget overspends of a level which reduces reserves to unacceptably low levels. Any significant alteration in either expenditure or income may result in an unbalanced budget. Factors affecting a budget could include:

- Natural disaster
- sudden policy change
- demographic pressures
- unexpected funding pressures
- failure to realise planned savings or income growth

To avoid an unbalanced budget the council needs to be financially resilient to ensure that finances can withstand unexpected pressures. A large part of our financial resilience is secured via the adequacy of our general and earmarked reserves.

General Reserves

5.1 The tables below present the updated reserves position after reflecting the current Quarter 2 projected outturn for 2026-27 and the assumptions in the published 2026-29 MTFS. The projection incorporates known and emerging cost pressures, savings and income variations identified through this monitoring report. It should be treated as a point-in-time assessment and will continue to be refined as budget estimates, savings delivery and wider financial risks are updated.

Table 3: Reserves Statement Adjusted for Quarter 2 Estimated Outturn

Projection of reserves per MTFS adjusted for Draft Outturn 2025-26

Reserves Statement	Original Budget 2026-27	2027-28	2028-29
	£	£	£
MTFS assumed reserves as at 1st April 2026	5,262,010		
2025-26 Outturn adjustment (Pre-audit)	124,852		
Reserves at 1st April	**5,386,862**	**5,978,942**	**5,137,332**
MTFS assumed contribution to/(from) Reserves	(404,370)	(1,441,610)	(1,017,750)
Budgeted Release of Earmarked to Unallocated (General) Reserves	300,000	600,000	0
Esitmated Outturn variance	696,450		
Contribution (from)/to Reserves	**592,080**	**(841,610)**	**(1,017,750)**
Reserves as at 31st March	**5,978,942**	**5,137,332**	**4,119,582**

5.2 The Council's expenditure plans exceed its forecast funding position in each year of the 2026-29 MTFS, with the gap currently being met through contributions from reserves. The planned use of more than £1m of reserves each year to support ongoing expenditure is not a sustainable or tenable medium-term position, as reserves provide only temporary support and do not address the underlying structural imbalance between recurring income and expenditure. If planned savings and income growth are not delivered in full, or if further cost pressures emerge, the call on reserves will increase

and the Council's financial resilience and capacity to manage future risks will be further weakened. This is particularly important in the context of Local Government Reorganisation, as the revised proposed vesting date of 1 April 2029 extends the period over which the Council must sustain its services, manage the underlying funding gap and preserve sufficient reserves to address financial risks and potential transition costs.. Cabinet and officers are therefore continuing to develop savings, efficiency and income-generation proposals to reduce reliance on reserves and secure a sustainable medium-term financial position.

Earmarked Reserves

5.3 The Council's earmarked reserves held at 1st April 2026 totalled £16.542m. These reserves are held for specific purposes and include balances relating to the timing differences inherent in the Business Rates Retention system, revenue contingency and risk provisions, and sums set aside to support capital expenditure plans through Direct Revenue Financing. The WFDC Budget reserve includes contingency balances created from additional investment income achieved in 2023-24 following the receipt of Government grant funding in advance. The remaining balance is now fully allocated and will be applied to meet eligible revenue costs that cannot be funded from capital resources and to provide short-term support while income streams are developed. The contingency balances also include a pensions reserve to mitigate the risk of future employer contribution rate increases, including the additional exposure arising from underperforming pension fund assets where the Council's investments remain within the higher-risk allocation.

5.4 A General Risk Reserve is held to meet one-off unexpected costs and to manage most future operational risks. Allocations against the reserve are approved by the Corporate Leadership Team.

Table 4: Earmarked Reserves latest balances

Earmarked Reserves	Reserves b/f at 01/04/26	Spend 30/09/26	Commitments outstanding	Balance available
	£000	**£000**	**£000**	**£000**
External Funding	(3,205)	74	3,188	56
Shared Service	(93)	0	93	(0)
WFDC Budget	(7,611)	67	5,036	(2,509)
Innovation Fund	(1,650)	24	931	(695)
General Risks	(2,244)	58	603	(1,584)
Sub Total	**(14,803)**	**222**	**9,850**	**(4,731)**
Business Rates (timing)	(1,456)	0	1,456	0
Capital Programme	(283)	0	283	0
Total	**(16,542)**	**222**	**11,589**	**(4,731)**

5.5 Reserves provide important short-term flexibility to manage unexpected costs, timing differences and specific risks. However, they are finite and should not be used to support recurring expenditure unless there is a clear and deliverable plan to remove the underlying pressure. The use of earmarked reserves will therefore continue to be controlled and prioritised, with any application assessed against the Council's overall financial resilience and the need to preserve sufficient reserves for known commitments, approved risks and transition-related uncertainty.

Information and Analysis – Financial Performance Summary

6. REVENUE DETAIL

6.1 This section provides further detail on the main revenue variances reported at Quarter 2, including new and emerging pressures that may affect the Council's ability to manage services within the budget envelope approved by Council in February 2026. The analysis has been prepared in consultation with the Corporate Leadership Team, Heads of Service and Service Managers, and will continue to be reviewed as forecasts are refined and management actions are developed. The movement from the Quarter 1 forecast arises mainly within Community and Environment, as summarised in the Revenue Overview above.

6.2 Table 6 summarises emerging budget pressures that are not yet fully reflected in the current forecast but may affect the 2026-29 MTFS if they crystallise.

Table 5: Quarter 2 Estimate of Major Revenue Variances Compared to Approved Budget

Estimate of major variances compared to approved budget			
	Quarter 1 2026-27 £	**Quarter 2 2026-27 £**	**Change in Estimate £**
Cost Pressures and budget savings			
Pay and other staff related variances (net)	(305,390)	(210,510)	94,880
Waste collection - tipping charges	(20,450)	(23,000)	(2,550)
Garage (fleet operational expenses including fuel)		93,500	93,500
Community Safety		43,500	43,500
Software maintenance (whitespace)	10,530	10,530	0
Vehicle hire charges (trade and garden waste)	16,380	16,380	0
Other net variances	33,400	53,640	20,240
Wyre Forest Forward Efficiency Target		34,280	34,280
Income targets exceeded			
Development management fee income	(84,300)	(84,300)	0
Car parking (pay and display, season tickets and enforcement)	(110,000)	(73,750)	36,250
Shared Service Income			
Garden Waste (New customers)		(30,000)	(30,000)
Arboricultural services		(25,000)	(25,000)
Private sector housing, fees and charges	(20,430)	(20,430)	0
Leisure Centre (CPI increase)		(19,270)	(19,270)
Trade Waste		(18,360)	(18,360)
Civil enforcement		(15,000)	(15,000)
Other income above target (various)	(12,570)	(25,720)	(13,150)
Wyre Forest Forward Income Target		93,000	93,000
Income shortfall			
Waste Transfer Station (CHG no longer using facilities)	21,000	21,000	0
Wyre Forest House - rental shortfall net of savings	76,000	51,240	(24,760)
Piano building - service charge income shortfall	45,000		(45,000)
Capital Portfolio Fund (Income shortfall)		78,630	78,630
Other Property variances (net)		14,060	14,060
Land charges fee income	10,130	10,130	0
Services Total	**(340,700)**	**(25,450)**	**315,250**
Reduced statutory charge for the use of assets (MRP)	(99,170)	(99,170)	0
Reduced external debt interest	(254,490)	(254,490)	0
Increased Investment income	(170,000)	(317,340)	(147,340)
Capital Account Total	**(523,660)**	**(671,000)**	**(147,340)**
Projected full year variance at Quarter 2	**(864,360)**	**(696,450)**	**167,910**

6.3 **Emerging cost pressures (not fully quantified)**

This report highlights new and emerging budget pressures that may affect the Council's ability to deliver services within the approved budget envelope over the medium term. Key areas requiring close monitoring include contract inflation and indexation, fuel costs, temporary accommodation and homelessness demand, specialist workforce capacity, ICT and software licensing, revenue consequences of capital programme slippage, LGR transition requirements and volatility in demand-led income streams. Replacement fleet vehicles are expected to improve fuel efficiency and help offset some fuel inflation; however, housing growth and the additional refuse collection round may increase mileage and operational demand, reducing the anticipated benefit. These pressures may not all crystallise in full, but they increase the sensitivity of the forecast and will continue to be reviewed through the quarterly monitoring cycle.

The April 2026 pay award has now been formally agreed for all three main local government negotiating bodies in England and Wales. The National Employers made a full and final offer of 3.3% on 24 March 2026 for NJC staff, Chief Officers and Chief Executives. Agreement for Chief Officers was reached on 2 June 2026, the NJC ("Green Book") settlement was concluded during August 2026 and announced publicly on 1 September 2026 and agreement for Chief Executives was reached on 24 August 2026.

The final settlement of 3.3% is above the 3% allowance included in the 2026-29 MTFS and is estimated to create a budget pressure of circa £50k.

In addition to the pay award, recruitment and retention pressures remain significant in Planning, Finance, Environmental Health and Legal Services. These pressures may increase reliance on interim, agency or specialist external support where vacancies cannot be filled through permanent recruitment.

Growth in not-for-profit specified accommodation remains a significant financial risk. Officers are aware of charitable and Community Interest Company providers establishing supported housing in the district, including accommodation that is not solely for local residents. Where housing benefit subsidy is capped, any shortfall falls to this Council. Officers continue to engage with providers to limit the impact on local council taxpayers where possible. The subsidy loss in 2025-26 was £116k, and the 2026-27 impact is expected to exceed both the previous outturn and the planning assumption.

The following government policy changes and wider system pressures will continue to be assessed as further information emerges. Where possible, officers will seek to mitigate the financial impact on the 2026-29 MTFS and will continue to make the case for fair and adequate new burdens funding:

- Devolution and Local Government Reorganisation (LGR) may affect the MTFS through transition costs, workforce instability, delays to savings delivery and increased reliance on reserves. The revised proposed LGR timetable extends the period over which the Council must manage its own budget pressures and may prolong the need for additional transition capacity. The timing, scale and funding of these requirements remain subject to further assessment and confirmation of the final arrangements.
- The Government's increase in mandatory housing targets has materially increased the district's assessed housing requirement and altered the Council's housing land supply position. As a result, the next Local Plan review has had to be brought forward from the previously planned timetable and has to be completed within 30 months. The budgetary provision that has historically been made for local plan preparation was also based on a longer timetable. The acceleration means additional, and currently unbudgeted, revenue costs will arise earlier than planned for the preparation and commissioning of the supporting evidence base, specialist

planning and legal advice, sustainability appraisal, public consultation, examination and associated programme management. The scale and timing of the financial impact are being assessed and will need to be reflected in the revised MTFS as the review programme is developed.

- Restoring councillors' access to the Local Government Pension Scheme from April 2026 may create additional cost if uptake exceeds the MTFS planning assumption.
- Renters Rights Act 2025 implementation may increase private sector housing and homelessness caseloads. The MTFS assumes new burdens funding will meet the full cost, but there remains a risk that local costs exceed the funding provided.
- Wider landlord regulation, including Renters' Rights reforms, EPC C requirements, tax changes and borrowing cost pressures, may reduce private rented sector supply and increase homelessness prevention and temporary accommodation costs.
- Asylum dispersal, criminal justice and prison release policies may increase demand for homelessness prevention, temporary accommodation and affordable private rented housing.
- From April 2027, default council tax payments over 12 months may affect cashflow and increase administration where taxpayers request to retain 10-month instalments.
- Simpler Recycling reforms remain a statutory requirement. The Council has delayed local implementation pending further review, taking account of LGR and opportunities to align future arrangements with North Worcestershire neighbours.

Council Tax Base - Council Tax discounts, awards and banding changes continue to be monitored closely, including the impact of consumer advice campaigns. There is a risk that the tax base grows more slowly than assumed, reducing Council Tax funding. Increasing requests for discretionary support also indicate growing pressure on household budgets.

Table 6 – Emerging Budget Pressures Not Fully Reflected in Tables 1 and 5

Pressure Area	Indicative Annual Impact	Executive Summary
Capital Programme Slippage	£££	Slippage may increase revenue expenditure through void property costs, security, business rates, maintenance, temporary provision, external hire and reduced rental income. Fleet delivery delays may also extend reliance on older vehicles and increase maintenance or hire costs.
Commercial Property Income	£££	Retail and food and beverage demand remains subdued, with uncertain rental growth, longer void periods, higher tenant incentives and increased insolvency risk. Compliance requirements also continue to place pressure on net returns.
Housing Benefit Subsidy Caps	£££	Growth in supported exempt accommodation, including out-of-area placements, creates subsidy exposure where eligible rent exceeds the rent officer determination. Any unrecovered subsidy shortfall falls to the Council.
Contract Inflation and Renewals	££	The 2026-27 budget includes a general non-pay inflation allowance and specific contract uplifts, but multi-year contracts due for renewal may exceed budgeted assumptions. Key areas include electricity supply and software licensing,

Pressure Area	Indicative Annual Impact	Executive Summary
		including Microsoft Enterprise Licence renewal.
Specialist Workforce Capacity	££	Recruitment and retention pressures remain acute in specialist professional roles, particularly where national shortages and wider labour-market competition affect permanent recruitment. This may increase reliance on interim, agency or external specialist support.
Housing Advice and Homelessness Support	££	Pressure in the private rented sector may increase demand for housing advice, homelessness prevention, emergency accommodation and related support services. This could increase both service demand and the cost of provision.
Council Tax Base	££	Increased applications for discounts and awards, slower housing growth and collection-rate pressures may reduce future Council Tax income through collection fund deficits and a lower tax base.
LGR Transition Requirements	£££	Transition work may create additional programme, legal, finance, HR, ICT and data capacity requirements. The revised proposed timetable may extend the period over which additional capacity is required and affect the timing of expenditure. Transition activity may also divert resources from planned savings or require investment before vesting. The net financial impact will depend on the final arrangements, delivery requirements and available funding.

Key £ = £10k to £25k/year; ££ = £25k to £100k/year; £££ = over £100k/year

6.4 The table below summarises the budget savings and income growth identified at Quarter 2.

Table 7 – Emerging Budget savings and income growth (included in Table 1 and Table 5)

Area	MTFS Assumption	Current Estimate	Impact	Detail
External debt interest and reduced minimum revenue provision	£2,754k	£2,400k	£££	Slippage on capital programme and extension of internal borrowing

7. REVENUE DETAIL - External Income

7.1 External income is an important part of the Council's financial position and supports delivery of a balanced budget. The latest forecast is shown in the table and graphs below. Overall performance is expected to be £137k ahead of the target approved by Council in February 2026.

7.2 The outstanding debt position for General Fund service income is included at Appendix 4. This provides further detail on aged debt across key income streams and supports

monitoring of collection performance, arrears trends and recovery activity. Regular review of this position is important to protect cashflow, identify emerging affordability or collection risks, and ensure proportionate recovery action is taken while recognising wider pressure on household and business finances.

7.3 The table below details current projections for the Council's main revenue income sources.

Table 8: Quarter 2 External Income Variances and Estimated Outturn 2026-27

Source of Income	2025-26 Draft Outturn	2026-27 Current Approved Budget	Outturn Projection (Quarter 2)	Estimated Full Year Variance to approved budget	
	£			£	
Car Parks and Enforcement	(1,375,138)	(1,307,580)	(1,398,350)	(90,770)	
Wyre Forest Leisure Centre	(682,830)	(682,830)	(702,100)	(19,270)	
Waste	(1,726,720)	(1,680,000)	(1,707,360)	(27,360)	
Garage	(7,789)	(4,100)	(4,100)	0	
Arboricultural and Grounds Maintenance	(241,169)	(191,960)	(216,960)	(25,000)	
Parks and Green Spaces	(152,709)	(148,310)	(148,310)	0	
Street Cleansing	(153,102)	(134,560)	(141,130)	(6,570)	
Bewdley Museum	(182,493)	(149,040)	(153,040)	(4,000)	
Cemetery	(71,598)	(57,390)	(65,000)	(7,610)	
Property Rental	(2,177,195)	(2,253,820)	(2,109,890)	143,930	
Land Charges	(48,533)	(55,130)	(45,000)	10,130	
Professional and Business Services	(321,429)	(252,350)	(257,350)	(5,000)	
Regulatory Income	(1,202,289)	(963,510)	(1,068,240)	(104,730)	
Total	**(8,342,994)**	**(7,880,580)**	**(8,016,830)**	**(136,250)**	

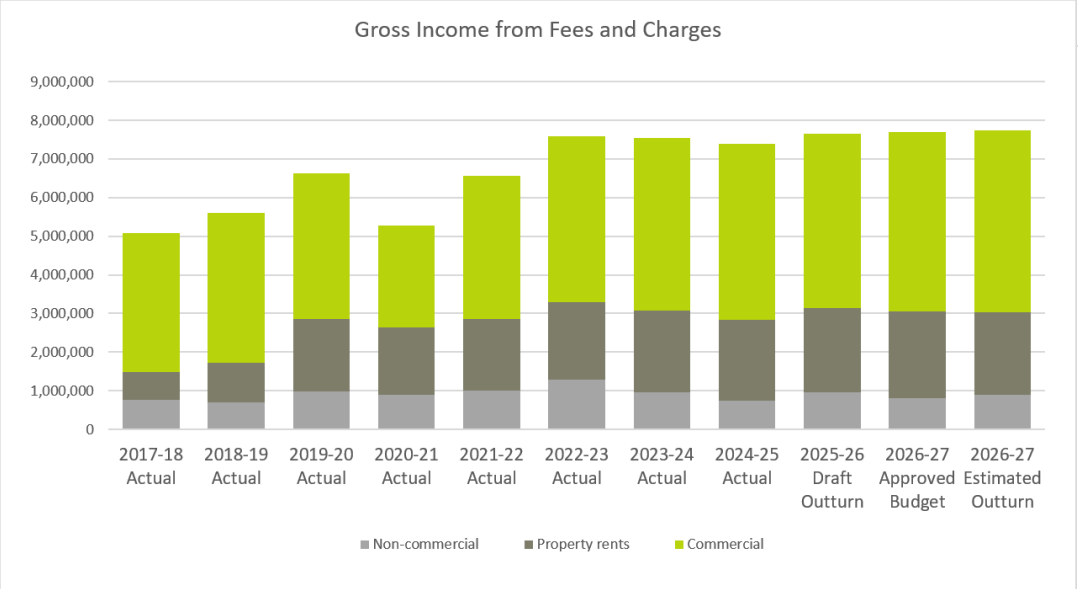
Income is shown as a negative (-), and income growth is shown as a negative (-) variation.
The table includes Professional and Business Service external income and Private Sector licensing income that hasn't traditionally been captured by the Commercial Strategy and is therefore excluded from the graphs at paragraph 7.6 below to facilitate a like for like comparison and examination of trends

7.4 This positive performance against in year target and MTFS assumptions is primarily driven by demand led income streams, most notably planning and car parking. Parking enforcement also performed above target. Property rental income is below target. Actions to address the shortfall include active marketing of vacant space, progressing lease negotiations and rent reviews, and strengthened monitoring of vacancies, lease events and arrears, as set out further in paragraphs 3.8 and 7.10 to 7.15.

7.5 The Planning fee income growth is largely due to a higher than expected number of applications for windfall housing developments. The demand assumptions built into the Original Budget target had assumed that the increase in householder planning fees would deter people from making applications, but this has not been the case. The government introduced a structural increase to householder planning application fees in England on 1 April 2025, fees for a single home rose by 105% from £258 to £528. Fees could be increased further from December 2026 with the planned introduction of the 90% total cost recovery baseline. The current projection does not reflect this change. Overall, the income projection at Quarter 2 across services covered by the Commercial Strategy is above target but behind that achieved in 2025-26.

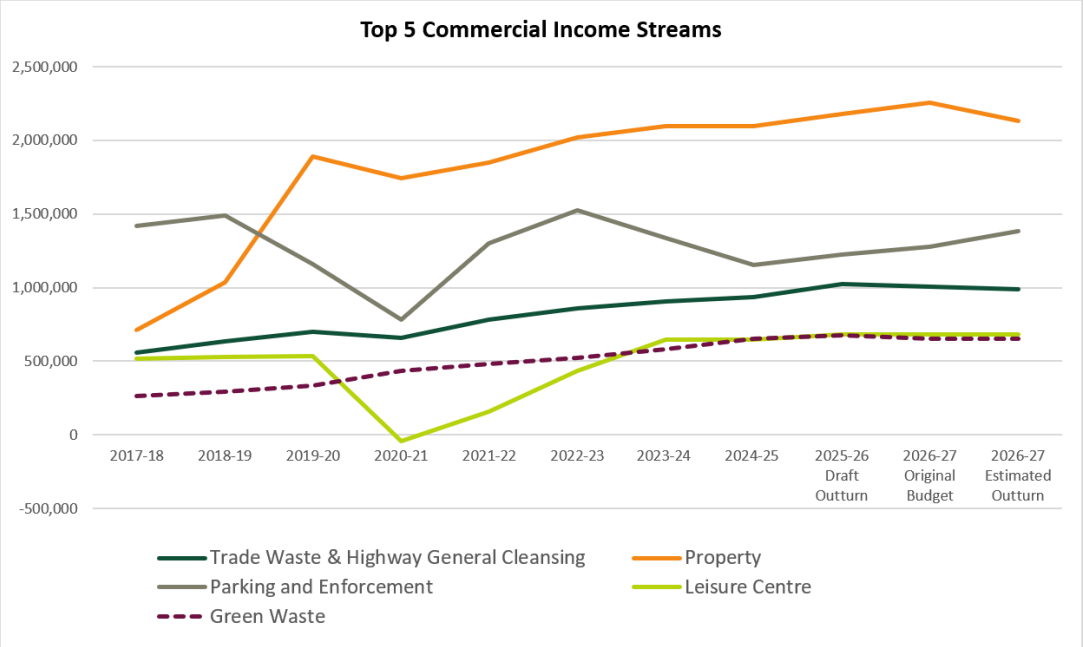
7.6 The graph below shows the long-term performance of income streams covered by the Commercial Strategy, including the growth achieved in previous years and the more recent pressures affecting some demand-led and commercial income sources.

Summary Income Performance 2017-18 to 2026-27

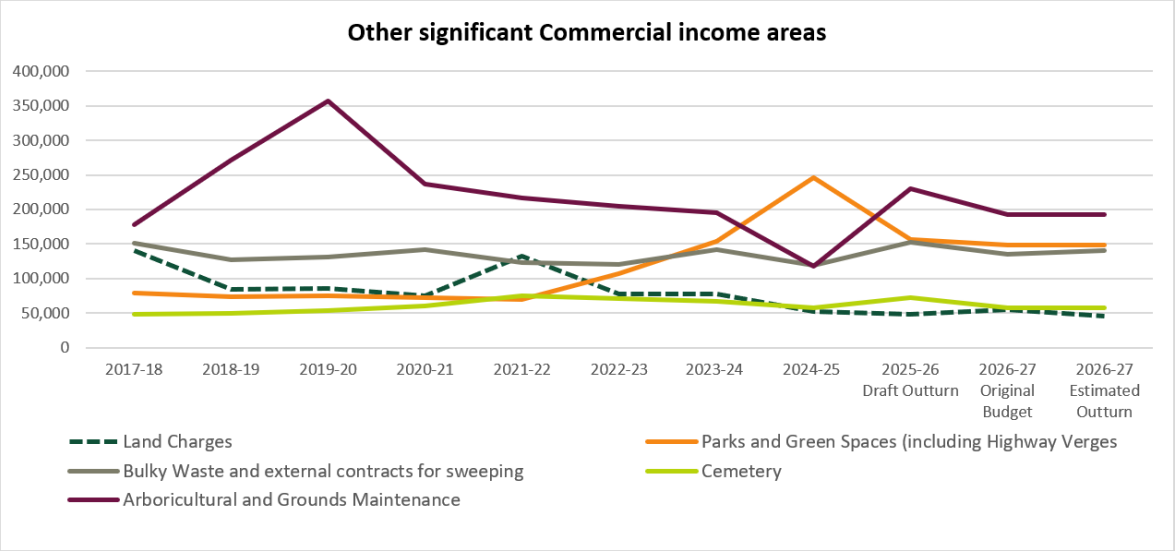


7.7 The graphs below detail performance for the income streams that fall under the Commercial Strategy.

Gross Commercial Income 2017-18 to 2026-27 – Top 5



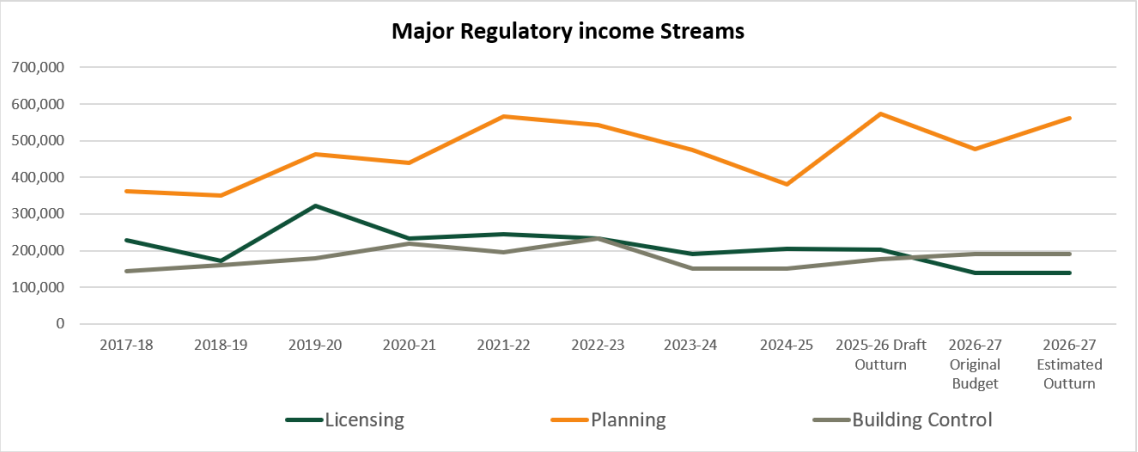
Gross Commercial Income 2017-18 to 2026-27 – Other



7.8 The viability of all commercial income activity covered by the strategy is examined by the Transformation and Commercial Programme Board. The Board was established to consider not only gross income performance but also the net return to the Council after marginal costs are considered.

7.9 The graph below presents the level of Regulatory Income received each year. In general, councils must not make a profit from regulatory functions and any surplus or deficit is ring-fenced and carried forward to future years. The planning fee income projection for 2026-27 is above the target in the 2026-29 MTFS, due to the uplift in planning fees and some of the budget planning assumptions concerning demand not crystallising.

Regulatory Income Sources - 2017-18 to 2026-27



7.10 **Capital Portfolio Fund** - The Capital Portfolio Fund supports regeneration, economic growth and housing, is allied to the Council's income generation/commercialism objectives and is financed from borrowing.

7.11 The intended outputs from acquisitions and developments under the strategy included full-time equivalent jobs created, safeguarded or facilitated through investment activity, improved occupancy of commercial premises and workspaces, business

investment and growth in active enterprises. All projects were intended to be at least cost neutral to the Council after borrowing costs and statutory charges, including Minimum Revenue Provision, were taken into account. Most were also expected to generate a financial return to support service priorities.

7.12 The table below summarises the current projected revenue impact of the Capital Portfolio Fund in 2026-27. The Quarter 2 forecast indicates that the overall target in the original budget is expected to be achieved. Variances generally reflect rent reviews, lease events, service charge exposure, voids and essential health and safety compliance work. Property management costs remain higher than assumed in the original business cases due to labour market pressures, although these costs were built into the current budget and do not represent a new pressure. Market rents remain subdued, but there are tentative signs of recovery. Lease churn continues due to natural breaks and expiries.

Table 9: Capital Portfolio Fund Strategy – Quarter 2 Financial Performance Summary

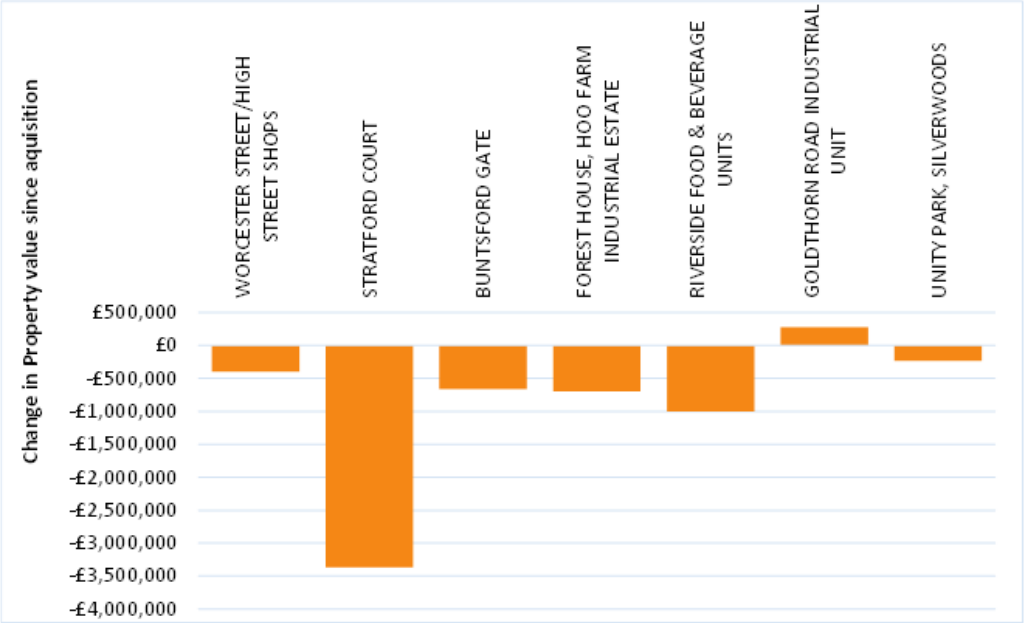
Property Portfolio Fund Net Impact on Council Tax after Statutory Charges		2025-26 Outturn £	2026-27 Original Budget £	Draft 2027-30 MTFS Q2 Outturn projection £	Draft 2027-30 MTFS Variance £
R276	High Street/Worcester Street	34,375	2,030	23,030	21,000
R277	Stratford Court	3,928	(43,160)	10,056	53,216
R278	Buntsford Gate	(54,179)	(36,020)	(37,845)	(1,825)
R279	Forest House	38,520	38,540	38,540	0
R280	Riverside	27,157	27,700	33,943	6,243
R281	Goldthorn Road	(102,781)	(107,410)	(93,160)	14,250
R282	Unity Park	13,155	11,440	11,440	5,820
R275	Property Portfolio Fund Admin account	0	0	0	0
Total		**(39,825)**	**(106,880)**	**(13,996)**	**98,704**

7.13 **Capital Portfolio Fund Debt** - The total overdue rent debt at 30th September 2026 was £17k. This represents 2% of the overall balance collected each year in relation to these properties. The majority of the arrears is in the over 120 days category and is being actively managed.

7.14 Change in Capital value

The overall reduction in the value of properties purchased under the Capital portfolio fund strategy, since acquisition, is 34%. The cumulative impairment shown in the Council's accounts at 31st March 2026 is £6.1m. It should be noted that under regulations, impairment is neutralised by a transfer to the capital adjustment account and does not fall as a charge to be met by tax payers and any loss is only realised on disposal of the assets. Due to the cyclical nature of the value of property assets and the link between value and weighted average lease length, the holding period between the date of acquisition and date of disposal is always likely to be a minimum of 5 years. The assets were acquired to meet operational objectives and not for capital appreciation. However, capital values will continue to be monitored for transparency.

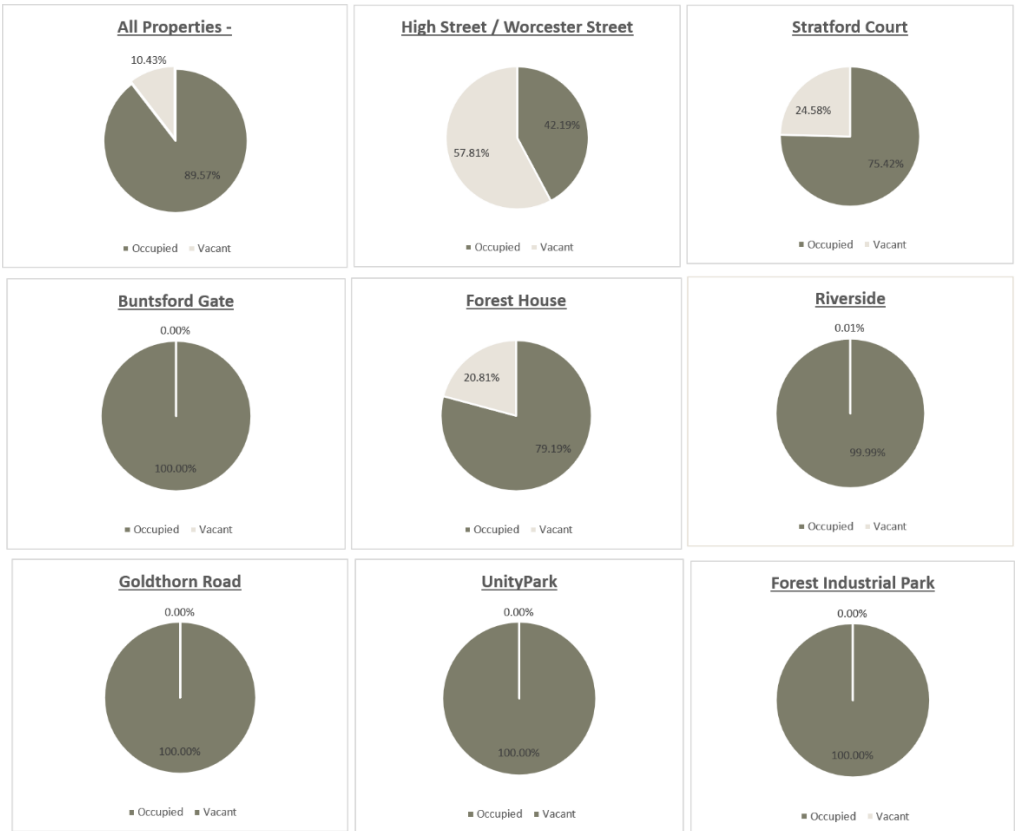
Change in Capital Value for Capital Portfolio Fund properties at latest valuation (31st March 2026)



7.15 Current Vacancy levels/Voids

There continues to be churn in leases due to natural breaks and expiries. Overall occupancy, at 89.6%, is good but lower than achieved in 2025-26. The properties held on High Street/Worcester Street have the highest vacancy rates. Development opportunities for the site continue to be explored, but the high cost of borrowing has a significant impact on viability.

Occupancy Rates for Capital Portfolio Fund properties at 30th September 2026



7.16 **Investment Income** – The Council's investment approach prioritises security and liquidity before yield, in line with statutory guidance. The Quarter 2 monitoring position records an average in-house return of 4.14% on average cash balances of £31.436m and gross interest receivable of £650k, with the return 0.39 percentage points above the model benchmark. The projected 2026-27 outturn is £1.156m, which is £317k above the original budget in the 2026-29 MTFS. The position remains sensitive to interest rate movements, internal borrowing levels and the timing of external grant receipts. Internal borrowing continues to be used in the short term where this remains more cost effective than external borrowing, although delays in grant funding increase the likelihood that external borrowing may be required before the year end.

8. CAPITAL DETAIL - MAJOR CAPITAL PROJECTS

This section of the report provides an update on the significant schemes in the Capital Programme in 2026-27, highlighting the latest forecast of spend for the financial year. Council approved the Capital programme allocations at its meeting on 25th February 2026.

8.1 Future High Street Fund

The Future High Street Fund programme is now complete, having delivered Talbot Park and The Old Court creative and innovation hub, created jobs, redeveloped a brownfield site and improved public realm and pedestrian routes. The programme supported Corporate Priority One, Economic Growth and Regeneration, and Corporate Priority Three, A Clean, Safe and Green Place to Live, Work and Visit. The approved capital allocation was £28.996m, including £1.25m for a business case that will no longer proceed, funded through government and LEP grants, external borrowing and revenue reserves. Pending receipt of the outstanding £2.45m Revolving Infrastructure Fund grant from Birmingham City Council, now expected in 2026-27, the Council is providing internal bridging finance at an estimated cost of £8k per month in foregone investment income.

Talbot Park Connectivity Project (Public Realm) – Quarter 2 Progress Update

Talbot Park reached practical completion and opened on 2 May 2026. Only final invoices and the contract retention remain to be accounted for in 2026-27.

Table 10: Quarter 2 Financial Performance Summary (Talbot Park / FHSF Connectivity Project)

	Prior Years £	2026-27 £	2027-28 £	Total £
Capital Programme	9,818,440	106,190		9,924,630
Slippage from 2025-26	-155,670	155,670		155,670
Budget Adjustment (within total FHSF capital approval)	209,350			0
Budget spend profile	9,872,120	261,860	0	10,133,980
2026-27 Q2				
Acquisitions	2,408,914			2,408,914
Prelims and Pre construction	3,625,535			3,625,535
Construction	3,974,404	261,860		4,236,264
Other	229,255			229,255
Contractual costs met from revenue reserves	-365,988			-365,988
Total	9,872,120	261,860	0	10,133,980
Slippage to future years at Q2		0		

The Old Court/Creative Hub project (Former Magistrates Court)
The Old Court is operational, all planning conditions have been discharged and the final retention paid. The scheme's final outturn was £17.612m.

8.2 Brinton Park Heritage Lottery Fund Scheme
The Brinton Park scheme is nearing completion, having delivered major improvements including reinstatement of the historic ornamental pool and restoration of the park's Victorian landscape, supported by National Lottery Heritage Fund grant awarded in September 2020. The remaining works comprise café handover, landscaping and snagging.

In line with the approved bid, the project has delivered, or is completing, improvements to public spaces and existing green space, new public amenities and pedestrian paths, and opportunities for trainees to gain certificates.

Heritage will be	People will have	Communities
• better managed	• developed skills	• the local area/community will be a better place to work, live or visit
• in better condition	• volunteered time	• environmental impacts will be reduced
• better interpreted and explained	• learnt about heritage	• more people and a wider range of people will have engaged with heritage
• identified/recorded		

The scheme supports Corporate Priority Three, A Clean, Safe and Green Place to Live, Work and Visit.

The approved capital allocation is £3.060m, comprising the original £2.600m allocation and a further £460k from the Evergreen Investment Fund. Funding comprises National Lottery Heritage Fund grant, £460k of capital receipts, Section 106 contributions, revenue earmarked reserves and £200k of prudential borrowing.

Risk Assessment
Remaining risks relate to café handover, completion of landscaping and snagging, agreement of the final account and financial close-out. These continue to be monitored by the Major Projects Programme Board.

Table 11: Quarter 2 Financial Performance Summary (HLF - Brinton Park)

	Prior Years £	2026-27 £	2027-28 £	Total £
Capital Programme	1,942,270	1,037,240	80,490	3,060,000
Slippage from 2025-26	-403,720	403,720		0
Reprofiling of Budget (retention)		80,490	80,490 CR	0
Budget spend profile	1,538,550	1,521,450	0	3,060,000
2026-27 Q2				
Prelims and Pre construction	255,414			255,414
Construction & Other	1,283,136	1,440,960	0	2,724,096
Total	1,538,550	1,440,960	0	3,060,000
Slippage to future years at Q2		0		

8.3 Capital Slippage
The following capital schemes have been reviewed and reprogrammed into future years to align with forecast programme delivery.

Table 12: Capital Programme 2026-27 Estimated Slippage at Quarter 2

2026-27 Capital Programme Estimated Slippage at Q2	Draft Slippage for future years £	Budget anticipated to Slip at Q2 %	Comments
Community and Environmental Services			
Food Waste Collection (funded by Defra grant)	1,154,900	100.0%	Weekly food waste collections for households in the district are not being introduced until the Government provides the funding needed to run the service. The position will be reviewed considering local government reorganisation and the arrangements being made by other districts in North Worcestershire, to see whether there is an affordable and value for money approach that can be adopted. WIll be slipped to 2027-28 as part of the revised budget process.
Housing & Planning			
Housing Strategy:			
Better Care Fund (BCF) - Disabled Facilities Grants	248,160	9.0%	Scheme ongoing. Shared service has commenced, so works anticipated to increase throughout the year.
BCF- Energy Efficiency	228,750	53.4%	Scheme ongoing. This fund supplements and provides an alternative to government capital funding where it cannot be applied or homes need additional support.
BCF- Disabled Adapted Units	240,000	100.0%	Awaiting grant of planning permission and finalisation of contract. Will be slipped to 2027-28 as part opf the revised budget process.
Housing Assistance - Private Sector Measures (including Decent Homes Grant)	115,000	60.5%	Schemes ongoing with fire safety measures. Anticipate £75k spend for 2026-27 and the rest will slip to 2027-28.
Stourport on Severn Property Conversion	60,690	50.3%	Quotes received but over budget, so currently reviewing the scale of the work.
Flood Relief	8,410	29.6%	Grant approved for £10k and anticipate total expenditure of £20k for the year. Balance will slip into 2027-28.
Acquisition of Land at Horsefair, Kidderminster	49,590	100.0%	Start of project delayed as Registered Provider unable to commit resources at this time. Budget to slip.
Capital Projects Fund	3,733,880	50.0%	Subject to business cases & due diligence. 50% has been slipped to 2027-28.
North Worcestershire Property Flood Resilience Project	694,750	58.2%	Project underway; various grants already committed.
Pride in Place Programme (Birchen Coppice)	70,000	58.3%	No capital funding received to date.
Economic Development & Regeneration			
Capital Portfolio Fund (unallocated)	4,050,830	100.0%	Subject to business cases & due diligence. Slipped to 2027-28.
Vehicle, Equipment and Systems Renewal Schedule			
Vehicles & Equipment & Systems Renewal Schedule	238,700	4.7%	Procurement of refuse freighters is complete. Procurement of other vehicles & equipment is underway with varying lead times. Some vehicle slippage identified as part of the revised budget process.
Total	**10,893,660**	**37.43%**	

9. TRANSFORMATION AND FINANCIAL SUSTAINABILITY SAVINGS PROGRAMME

9.1 The 2026-29 MTFS projects a funding gap of £1.5m by the end of the strategy period. Any new cost pressures, without additional Government funding or compensating savings, will increase this gap. Continued budget discipline and delivery of savings and efficiency proposals are therefore essential to maintain financial flexibility and protect the Council's medium-term resilience.

9.2 Financial sustainability remains the most significant challenge facing the Council. Since 2009, the Council has maintained a strong track record of identifying savings and income opportunities. The Commercial Strategy, Wyre Forest Forward programme and Transformation and Financial Sustainability Plan provide the framework for further efficiencies, cost reductions and income growth. The Corporate Efficiencies delivery unit has progressed the following actions:

- Additional debt recovery officer in revenues
- Delivered savings from "smarter procurement" including review of postage and printing and collaborations with public sector partners
- Exploring all viable areas for capitalisation of costs
- Introducing discretionary charges for planning services
- Establishing a shared service to deliver home adaptations across Worcestershire

9.3 Savings and income generation have helped reduce the immediate funding pressure, but further recurring savings, efficiencies and income opportunities are required to reduce reliance on reserves and support a sustainable medium-term financial position. This is particularly important in the context of Local Government Reorganisation, where stronger financial resilience, a clear savings pipeline and robust service cost information will support transition planning and help place the new arrangements on a more sustainable footing. Current estimates will continue to be refined by the Finance Team with service managers.

9.4 Progress has been made in 2026–27, including both recurring and one-off savings. Delivery of the approved savings programme remains essential throughout the MTFS period to reduce the underlying funding gap and reliance on reserves. The prospect of Local Government Reorganisation does not remove the need for the Council to address its own financial sustainability. The approved MTFS targets are summarised in the table below.

Table 13: Quarter 2 Wyre Forest Forward Savings - Performance Summary

Transformation and Financial sustainability savings	2026-27 £000	2027-28 £000	2028-29 £000
Cummulative Prior year savings achieved	4,966	4,848	4,747
Savings achieved 2026-27 (YTD)	193	95	115
Total Savings Achieved	**5,159**	**4,943**	**4,862**
MTFS 2026-27 Savings Targets			
Wyre Forest Forward Efficiency and Transformation	96	149	212
Localism	24	100	100
Commercial Income growth (incl.Property)	143	284	320
Savings Target at 01/04/2024	**263**	**533**	**632**
Savings achieved 2026-27			
Wyre Forest Forward Efficiency and Transformation			
Smarter procurement	65	15	15
Service efficiencies and innovation	4	4	4
- Shared Services WHAS)	69	72	75
	138	**91**	**94**
Localism			
Transfers to BTC (£40k budget reduction net of lost income (£7k and grant £29k)		4	21
	0	**4**	**21**
Income growth (net) - Commercial			
Commercial Strategy	55		
	55	**0**	**0**
Total Savings achieved in-year	**193**	**95**	**115**
Total Budget Savings not yet achieved	**70**	**438**	**517**

10 SUPPLEMENTARY ESTIMATES AND VIREMENTS

10.1 Service managers may only incur expenditure within approved Council policy where there is sufficient budget provision, or where a virement or supplementary estimate has been approved in accordance with Financial Regulations 6.7 and 6.8. The permitted limits are £20,000 for revenue expenditure and £50,000 for capital expenditure. No virement requests require reporting to Cabinet in Quarter 2.

11 TREASURY MANAGEMENT PERFORMANCE SUMMARY

Investments

11.1 At 30th September 2026, the Council held £26.305m in investments. Investment balances fluctuate during the year due to the timing of precept payments, grant receipts and capital programme cashflows. Treasury activity continues to prioritise security and liquidity, with returns remaining above the model benchmark. The estimated 2026-27 investment income outturn is £1.156m, an improvement on the original budget in the 2026-29 MTFS.

11.2 The approved limits set out in the Treasury Management Strategy and Annual Investment Strategy, approved by Council on 25th February 2026, were not breached during Quarter 2 of 2026-27. A full mid-year update will be considered by the Treasury Management Review Panel on 2nd November 2026.

External Borrowing

11.3 At 30th September 2026, the Council had external borrowing of £30m. The Council's Capital Financing Requirement (CFR) at 30th September 2026 was £47.673m, representing the Council's underlying need to borrow for capital purposes. The difference between the CFR and external borrowing is currently being met through internal borrowing of approximately £17.673m.

Compliance with Treasury and Prudential Limits

11.4 The Council's approved Treasury and Prudential Indicators are set out in the Treasury Management Strategy Statement (TMSS). The Council has operated within the approved treasury limits, prudential indicators and Treasury Management Practices during the period to 30th September 2026. The relevant indicators are shown below.

Prudential Indicator as Per Original Budget	2026-27 Budgeted Indicator	Actual at 30th September 2026
Capital Financing Requirement (CFR)	60,660,000	47,673,000
Gross Borrowing	50,000,000	30,000,000
Internal Borrowing	10,660,000	17,673,000
Internal Borrowing as % of CFR	17.57%	37.07%
Authorised Limit for external debt	75,000,000	30,000,000
Operational Boundary for external debt	65,000,000	30,000,000
Limit on Principal sums invested > 365 days	5,000,000	-
Maturity structure of fixed interest rate borrowing – upper limits (for future borrowing undertaken)		**Maturity structure of existing loan portfolio (No new borrowing undertaken during Quarter 2)**
Under 12 months	10%	3.33%
12 months to 2 years	10%	3.33%
2 years to 5 years	25%	13.33%
5 years to 10 years	50%	13.33%
10 years and above	100%	66.38%

12 REVENUE DETAIL – Central Items Business Rates and Council Tax

12.1 Council Tax and Business Rates are significant sources of funding for Council services and are central to the assumptions underpinning the MTFS. Changes in the tax base, rateable values, reliefs, collection performance and write-offs can affect the resources available to the Council and the financial position of the collection fund. Close monitoring supports timely and reliable forecasting, informs management action and provides a sound evidence base for the Council's financial planning and preparations for the proposed new arrangements under Local Government Reorganisation.

12.2 Council Tax discounts, exemptions, awards, banding changes and collection rates are monitored closely because they affect the tax base, collection fund and future funding. Slower housing delivery or increased eligibility for discounts and exemptions could reduce Council Tax income and create additional pressure on the MTFS.

12.3 Officers continue to work with the Valuation Office Agency to monitor rating list changes, appeals and other collection fund movements. The financial impact, including any implications arising from the revised Business Rates Retention System, will be reflected in the MTFS as forecasts are refined.

12.4 **Collection Rates**

Council Tax: At 30 September 2026, in-year Council Tax collection was 57.30%, unchanged from the same point in 2025-26. The increasing use of 12-month instalments shifts receipts later in the year, making direct year-on-year comparison less reliable as an indicator of final collection performance.

Business Rates: At 30 September 2026, in-year Business Rates collection was 47.80%, compared with 46.49% at the same point in 2025-26. The improvement partly reflects the Council paying its own business rates in a single instalment at the start of the year, so the position should not be treated as evidence of a higher final collection rate.

Council Tax and Business Rates write-offs continue to be monitored. Recent cases reflect voluntary bankruptcy orders, petitions, individual voluntary arrangements and debt relief orders, alongside growth in households for which recovery options are limited. These trends indicate continuing pressure on household finances and may increase collection fund risk if they persist.

13 How are we doing performance summary

13.1 Financial and service performance are closely connected: budget variances may reflect changes in demand, delivery or outcomes, while operational performance can indicate where future financial pressures or management action may arise. Considering both alongside each other gives members a more rounded view of the Council's position and supports proportionate, evidence-based decisions about priorities and resources

13.2 The Council monitors performance and progress against the priorities in the Corporate Plan 2023–2027.

13.3 Performance management supports all Council activities by tracking progress, identifying potential issues early and enabling remedial action. It also informs the decision-making processes that underpin delivery of the Corporate Plan.

13.4 The Council uses a number of processes to monitor performance, including:

- Corporate Plan Actions

- Corporate Risks and associated actions
- Leading Measures – looking forward at future outcomes
- Lagging Measures – looking back to see whether improvement actions achieved the outcomes or outputs expected

Performance is reviewed regularly and reported quarterly to Overview and Scrutiny Committee and Cabinet. This report provides a strategic overview of Quarter 2 performance, focusing on the activities and achievements that support the priorities in the Corporate Plan.



13.5 **Corporate Priority One - Economic growth and regeneration**

Key Activities in Quarter 2:

- **Piano building:** Ongoing activity to identify suitable tenants, working with marketing agents. Joint agency is being explored in respect of the office space, terms issued to potential Food and Beverage unit occupier.

- **Lion Fields (Joint Venture):** The procurement of a development partner progressed to Stage 2 during Q2, with shortlisted bidders invited to submit detailed tenders. The Council continued to progress the procurement despite changes in the bidder market, with the Stage 2 process continuing into Q3.
- **The Old Court site:** Work to market the office space has continued. The booking platform has gone live with the aim to increase income and provide space for small businesses. Terms issued for potential tenant of Grosvenor suite, and potential expansion of occupation is under discussion with an existing tenant in the building. The Old Court and Weaving Sheds were highly commended in the regional "Best Public or Community Building" Local Authority Building Control (LABC) awards.
- **Bewdley Museum:** Museum project has created a brighter, more welcoming and accessible space for visitors. The upgraded area can now also be used for exhibitions and events, enhancing the overall visitor experience. Plans to utilise the space as an indoor café option over the winter are ongoing.
- **Stourport (Bridge Street/regeneration):** The proposed multi-purpose community building progressed substantially through RIBA Stage 3 during Q2. The design was further developed following public consultation and pre-application engagement, including revisions to better reflect the character of the Conservation Area. Technical surveys, site investigations and specialist assessments also progressed, bringing the scheme to the point of planning submission at the end of Q2/very beginning of Q3.
- **Talbot Park:** Talbot Park was named Project of the Year at the CECA Midlands Awards 2026 in the £3m–£10m category in September 2026, recognising the engineering excellence, innovation and collaborative delivery of the town centre regeneration scheme. Wyre Forest District Council and McPhillips were also highly commended in the Client Team of the Year category.
- **Career Worcestershire programme :** The council continues to support activity through the Career Worcestershire programme, delivered from The Point at Kidderminster College.
- **BetaDen:** Continuing delivery of the tech accelerators at the Old Court into the new financial year till 31st of March 2027. New Cohort of businesses began end of September.
- **Worcestershire Growth Hub:** The council continues to support this activity after the completion of UKSPF. £70k provided for this financial year and a commitment to provide a further £70k in 2027/28.
- **High Street Regeneration:** The former Record Stacks site has been cleared and will be paved as part of the ongoing regeneration of Kidderminster High Street, helping to improve the appearance and usability of the town centre.

13.6 Corporate Priority Two - Securing financial sustainability for services the local communities value

Key Activities in Quarter 2:

- **Museum events:** In Q2 Bewdley Museum delivered a wide-ranging programme of community and educational activities, including 14 school sessions, 11 events, 2 exhibitions, and 6 workshops, engaging residents, visitors, and local schools

across the district. This work was further supported by 545 volunteer hours, demonstrating strong community involvement and helping to enhance learning, participation, and access to cultural and environmental opportunities.

- **Brinton Park**: Major progress was made during Q2 towards completion of the multi-million-pound regeneration project. Construction and commissioning activities continued throughout September, alongside preparations for completion and handover. The Community Engagement Officer also commenced her role in September 2026, supporting community involvement, activities and the future use of the park. The project is expected to be completed during Q3
- **Public Access:** Improved public access to nature reserves interpretation panels and walking routes at Britannia Gardens, sign and gate systems to be installed soon.
- **Habitat Management:** Rangers have been working with contractors and volunteers to improve habitat at Puxton Marsh SSSI, Stourvale wetland and Vicarage Farm heath LNR. A partnership project is underway with the Environment agency fund further habitat works at Puxton Marshes.

13.7 Corporate Priority Three - A clean, safe and green place to live, work and visit

Key Activities in Quarter 2:

- **Flood management:** The North Worcestershire Water Management service were successful in its bid to the regional flood committee for funding for individual property protection measures in the North Worcestershire area including Wyre Forest.
- **Fly-Tipping Enforcement and Public Awareness Campaign:** Officers carried out visits to trade premises across all three towns to verify commercial waste disposal arrangements, resulting in one Fixed Penalty Notice (FPN) being issued and paid. The team investigated reports of fly-posting, graffiti and fly-grazing, taking appropriate action to resolve or monitor issues, and undertook a joint site visit with a social landlord which led to an FPN being issued for fly-tipping. The Council's first warning letter was also issued to a landowner regarding the removal of Japanese knotweed from private land. In addition, officers worked with Franche Primary School to address parking and road safety concerns, with a follow-up meeting planned. Overall, the team maintained a proactive enforcement approach, progressing investigations, achieving enforcement outcomes and working in partnership to tackle environmental crime and community concerns.
- **Street Cleansing**: The council expanded Wyre Forest's kerbside recycling service to include aluminium foil and plastic tubes, supporting Simpler Recycling requirements and helping increase recycling rates across the district.
- **Warm Homes Grant: Energy** efficiency improvements to 16 properties were completed in quarter 2 bringing the total to 35.
- **Pride in Place consultation:** Launched surveys and informal consultation programme to give local communities a direct say in shaping future investment.
- **Housing Delivery and Planning Approvals:** Approved 27 residential units.
- **Housing register:** Following the delivery of the new housing register system we have over 1000 households registered.
- **Affordable housing**: Completed 6 affordable homes in Q2 2026/27.
- **Help Provide More Cultural Events:** Delivered a varied programme of free summer events across Kidderminster and Stourport-on-Severn, including the annual

Music in the Park programme at Brinton Park and Riverside Meadows, featuring concert bands, brass bands, choirs, pop acts and rock performers over seven weeks. Alongside other family-focused and community activities, the programme provided accessible cultural and recreational opportunities, attracted strong attendance and positive feedback, encouraged greater use of parks and public spaces, and enhanced the district's cultural offer for residents and visitors throughout the summer.

- **Work with Town Councils and Community Groups to Improve Parks and Open Spaces:** Supported a range of free activities in local parks through partnership working with community organisations, including environmental and educational sessions delivered by the Severn Rivers Trust at Riverside Meadows, weekly Park Yoga sessions at Brinton Park, and free football sessions delivered by Kidderminster Harriers Community Football at Springfield Park and White Wickets. These activities encouraged residents and families to make greater use of local parks and open spaces while promoting learning, physical activity, health, wellbeing and community participation.
- **Waste management:** Operational Services has welcomed the final of its 14 new bin lorries, which will help keep collections 'running smoothly'.
- **Pollinator Patches Created:** Our ranger team has created two new pollinator patches to help support wildlife across the district. The new areas are located near Beales Corner in Bewdley and alongside the River Stour in Kidderminster, close to the bus depot roundabout. Further 2 more sites proposed for 2027.

13.8 Other achievements:

- The council launched a scoping consultation with regards to the Local Plan review.

14 CORPORATE COMPLAINTS AND COMPLIMENTS

14.1 The information below gives a summary of the authority's performance in respect of complaints. In Quarter 2 the Council received 55 complaints. This compares with 33 during Quarter 1.

- 47 complaints (85%) were resolved at stage 1
- 8 (15%) complaints were escalated to Stage 2
- 33 (70%) was partially upheld, 4 (9%) awaiting outcomes
- 0 complaints were referred directly to the LGSCO

14.2 A comprehensive report, which provides greater insight into the complaints received and the outcome, is considered by Audit Committee every 6 months. The analysis of all complaints received during 2025/26 was reported to Audit Committee in July 2026.

14.3 During Quarter 2 we received 10 compliments.

14.4 The total customer contact recorded via the hub customer service team for Quarter 2 was 10,316. This was 1,520 visitors, 840 emails 7,956 phone calls.

15 LEGAL AND POLICY IMPLICATIONS

15.1 The Local Government Act 2003 (sections 25–29) placed additional duties on Local

Authorities on how they set and prioritise budgets.

15.2 Section 28 places a statutory duty on an authority to review its budget from time to time during the year. If the Budget Monitoring Report shows that there has been deterioration in the Authority's financial position, the Authority must take such action as it concludes necessary. The Cabinet currently reviews performance and spend against the Budget on a quarterly basis.

15.3 Our External Auditor Bishop Fleming makes an assessment based on the annual programme of external audit work. The focus is on ensuring there are proper arrangements in place for securing financial resilience and that the organisation has proper arrangements for challenging how it secures economy, efficiency and effectiveness.

16 IMPACT ASSESSMENTS

16.1 Equality, Climate Change and Health and Wellbeing Impact assessments will be undertaken as appropriate as part of reviews of service delivery arrangements and implementation of new models. This is a financial and performance monitoring report, there are no proposals in this report that require an assessment.

17 RISK MANAGEMENT

17.1 Maintaining a sustainable balanced budget remains one of the Council's key corporate risks. Although the Quarter 2 forecast is favourable, reliance on reserves, delivery of planned savings, inflation feeding through to contract renewals and procurement, variable income streams and emerging service pressures continue to expose the Council's financial position to risk. Capital programme delivery adds further pressure. The Government's minded-to position on LGR provides greater clarity on the proposed structure, but final confirmation remains outstanding. The revised proposed timetable also extends the period over which the Council must manage its financial sustainability, while the costs, funding and capacity requirements of transition remain subject to further assessment. The Budget Risk Matrix has been reviewed and strengthened to reflect the current assessment of budget risks and is presented alongside this report. These risks will continue to be considered through quarterly budget monitoring, with forecasts refined and management action taken where required. A further update on corporate risks will be reported to Audit Committee in November.

18 CONCLUSIONS/ACTION

18.1 The Quarter 2 forecast shows an overall favourable revenue variance of £696k against the approved 2026-27 budget. However, this does not resolve the underlying gap between recurring income and expenditure, and the Council continues to rely on reserves to support its spending plans. Emerging cost pressures, variable income streams and the delivery of planned savings remain key risks to the forecast and the medium-term financial position.

18.2 Progress continues against the Council's corporate priorities, including the delivery of major regeneration and environmental improvements. Capital programme slippage of £10.894m is forecast to move expenditure into future years. Although this may reduce financing costs in the short term, it also delays benefits and may create additional delivery and revenue pressures.

18.3 The focus for the remainder of the year is to maintain budget discipline, deliver planned savings and income targets, and take timely action where pressures arise. Forecasts and capital programme delivery assumptions will continue to be reviewed through the quarterly monitoring and revised budget processes, with particular attention to reducing reliance on reserves and maintaining financial resilience throughout the period before any reorganisation. Financial planning and assessment of potential transition requirements will reflect the revised proposed LGR timetable, subject to final confirmation.

19 CONSULTEES

Corporate Leadership Team

Cabinet

20 BACKGROUND PAPERS

Budget setting papers Council 25th February 2026
Medium Term Financial Strategy 2026-29

WYRE FOREST DISTRICT COUNCIL

REVENUE BUDGET TOTAL REQUIREMENTS - DISTRICT COUNCIL PURPOSES

SERVICE	2025/26		2026/27			2027/28			2028/29		
	Original Estimate £	Revised Estimate £	At Nov.24 Prices £	Inflation £	TOTAL £	At Nov.24 Prices £	Inflation £	TOTAL £	At Nov.24 Prices £	Inflation £	TOTAL £
CHIEF EXECUTIVE AND SOLICITOR TO THE COUNCIL	2,806,520	3,053,830	3,353,840	78,190	3,432,030	3,610,370	140,010	3,750,380	3,520,300	207,650	3,727,950
COMMUNITY AND ENVIRONMENT	6,255,000	6,583,120	7,139,980	259,620	7,399,600	7,653,970	481,180	8,135,150	7,965,550	692,860	8,658,410
ECONOMIC DEVELOPMENT & REGENERATION	564,200	452,190	368,840	51,060	419,900	148,690	98,330	247,020	(170,950)	139,680	(31,270)
RESOURCES	1,945,430	1,568,830	1,142,460	29,500	1,171,960	1,133,810	69,400	1,203,210	1,119,470	105,530	1,225,000
REVENUES, BENEFITS & CUSTOMER SERVICES	1,903,770	1,901,230	1,964,180	68,630	2,032,810	1,985,200	115,760	2,100,960	1,979,130	164,180	2,143,310
STRATEGIC GROWTH	2,619,230	2,589,730	2,719,350	90,620	2,809,970	2,689,550	150,040	2,839,590	2,631,840	208,580	2,840,420
	16,094,150	16,148,930	16,688,650	577,620	17,266,270	17,221,590	1,054,720	18,276,310	17,045,340	1,518,480	18,563,820
LESS: CAPITAL ACCOUNT	627,000	388,800	342,910	3,860	346,770	236,120	6,610	242,730	386,060	9,260	395,320
INTEREST RECEIVED	(1,036,110)	(1,236,110)	(838,350)	0	(838,350)	(780,220)	0	(780,220)	(780,220)	0	(780,220)
TOTAL NET EXPENDITURE ON SERVICES	**15,685,040**	**15,301,620**	**16,193,210**	**581,480**	**16,774,690**	**16,677,490**	**1,061,330**	**17,738,820**	**16,651,180**	**1,527,740**	**18,178,920**
CREATION OF EARMARKED RESERVE	0	719,730			600,000			600,000			0
LESS: RESERVES	(90,360)	293,060			(404,370)			(1,441,610)			(1,017,750)
NET BUDGET REQUIREMENT	**15,594,680**	**16,314,410**			**16,970,320**			**16,897,210**			**17,161,170**
LESS: REVENUE SUPPORT GRANT	(178,440)	(178,440)			(3,173,940)			(3,191,290)			(3,192,290)
GRANTS ROLLED INTO RSG (included in net budget requirement)	0	0			299,000			299,000			299,000
TRANSITIONAL FUNDING (additional RSG)	0	0			(65,350)			0			0
BUSINESS RATES INCOME	(4,973,800)	(4,973,800)			(2,789,840)			(2,854,000)			(2,911,400)
ADJUSTMENT SUPPORT GRANT	0	0			(332,030)			0			0
RECOVERY GRANT	(400,190)	(400,190)			(400,190)			(400,190)			(400,190)
COLLECTION FUND (SURPLUS)/DEFICIT	239,070	239,070			70,000			0			0
NEW HOMES BONUS	(312,990)	(312,990)			0			0			0
EXTENDED PRODUCER RESPONSIBILITY GRANT	(1,021,000)	(1,740,730)			(1,420,000)			(1,200,000)			(1,000,000)
NATIONAL INSURANCE GOVERNMENT FUNDING	(92,330)	(92,330)			0			0			0
GENERAL EXPENSES -											
COUNCIL TAX INCOME	**8,855,000**	**8,855,000**			**9,157,970**			**9,550,730**			**9,956,290**
COUNCIL TAX LEVY		**250.58**			**258.08**			**265.80**			**273.75**
COUNCIL TAX BASE		**35,338**			**35,485**			**35,932**			**36,370**

CAPITAL PROGRAMME 2026-27 - Quarter 2 Position (DRAFT)

Capital Scheme	Corporate Priority*	2025-26 Capital Programme Slippage £	2026-27 Original Budget £	2026-27 Latest Approved Budget including slippage from 2025-26 £	2026-27 Qtr 2 Actual £	Slippage to 2027-28 identified at Q2 £	Progress Notes at Q2 2026-27	Total Scheme (all years) £	Total spend (all years) £	% Complete (Full Scheme)
COMMUNITY AND ENVIRONMENTAL SERVICES										
Improvement to Car Parks (Replacement Parking Machines)	1,2,3	150,940	-	150,940	-	-	The tender process was completed in Q1, and the contract was signed in Q2. A project start-up meeting has been scheduled, and the project is anticipated to be completed within Q3.	594,500	443,560	75%
Stourport Riverside	3	36,440	-	36,440	-	-	Remainder of the budget will be spent in line with the Master Plan in this financial year.	150,000	113,560	76%
Brinton Park HLF Scheme	3	403,720	1,037,240	1,440,960	1,099,267	-	Major works under way. Scheme anticipated to complete in autumn 2026.	3,060,000	2,637,817	86%
Bewdley Museum - UKSPF	1,2,3	41,580	-	41,580	41,580	-	Scheme complete.	190,570	190,570	100%
Innovation Fund - Capital	2	7,080	249,250	256,330	-	-	Freighter has been delivered. Payment will be made in Q3.	431,000	174,670	41%
Community Safety CCTV Upgrade (Grant Funded)	2	910	-	910	-	-	The remaining budget is expected to be spent in Q3.	24,860	23,950	96%
Food Waste Collection (funded by Defra grant)	2	-	1,154,900	1,154,900	-	1,154,900	Weekly food waste collections for households in the district are not being introduced until the Government provides the funding needed to run the service. The position will be reviewed considering local government reorganisation and the arrangements being made by other districts in North Worcestershire, to see whether there is an affordable and value for money approach that can be adopted. WIll be slipped to 2027-28 as part of the revised budget process.	1,154,900	-	0%
Adaptive Play Equipment	3	58,890	-	58,890	-	-	Tender documentation to be issued shortly via a framework. Anticipated to complete by the end of Q3.	100,000	41,110	41%
SUB TOTAL		**699,560**	**2,441,390**	**3,140,950**	**1,140,847**	**1,154,900**		**5,705,830**	**3,625,237**	**64%**
HOUSING & PLANNING										
Housing Strategy:										
Better Care Fund (BCF) - Disabled Facilities Grants	3	292,260	2,455,900	2,748,160	632,635	248,160	Scheme ongoing. Shared service has commenced, so works anticipated to increase throughout the year.	Rolling programme		
BCF- Energy Efficiency	3	25,750	403,000	428,750	49,397	228,750	Scheme ongoing. This fund supplements and provides an alternative to government capital funding where it cannot be applied or homes need additional support.	730,000	350,647	48%
BCF- Disabled Adapted Units	3	240,000	-	240,000	-	240,000	Awaiting grant of planning permission and finalisation of contract. Will be slipped to 2027-28 as part opf the revised budget process.	300,000	60,000	20%
Housing Assistance - Private Sector Measures (including Decent Homes Grant)	3	10,970	179,030	190,000	3,940	115,000	Schemes ongoing with fire safety measures. Anticipate £75k spend for 2026-27 and the rest will slip to 2027-28.	2,376,120	2,190,060	92%
Castle Road Development	3	1,670	-	1,670	-	-	Scheme complete & retention accounted for in 2025-26; final account adjustments subject to approval.	3,860,210	3,858,540	100%
Stourport on Severn Property Conversion	3	690	120,000	120,690	-	60,690	Quotes received but over budget, so currently reviewing the scale of the work.	130,000	9,310	7%
Flood Relief	1,3	13,410	15,000	28,410	-	8,410	Grant approved for £10k and anticipate total expenditure of £20k for the year. Balance will slip into 2027-28.	199,000	170,590	86%
Warm Homes Local Grant	3	-	504,780	504,780	315,600	-	Scheme ongoing.	1,360,000	661,340	49%
Future Investment Evergreen Fund	1,2,3	921,210	-	921,210	-	-	Subject to business cases & due diligence.	1,363,090	441,880	32%
Acquisition of Land at Horsefair, Kidderminster	3	49,590	-	49,590	-	49,590	Start of project delayed as Registered Provider unable to commit resources at this time. Budget to slip.	50,000	410	1%
Capital Projects Fund	1,2,3	-	7,467,750	7,467,750	-	3,733,880	Subject to business cases & due diligence. 50% has been slipped to 2027-28.	8,267,750	800,000	10%
North Worcestershire Property Flood Resilience Project	3	28,220	1,166,530	1,194,750	27,670	694,750	Project underway; various grants already committed.	2,300,000	29,450	1%
Pride in Place Programme (Birchen Coppice)		-	120,000	120,000	-	70,000	No capital funding received to date.	12,470,000	0	0%
SUB TOTAL		**1,583,770**	**12,431,990**	**14,015,760**	**1,029,242**	**5,449,230**		**33,406,170**	**8,572,227**	**26%**

CAPITAL PROGRAMME 2026-27 - Quarter 2 Position (DRAFT)

Capital Scheme	Corporate Priority*	2025-26 Capital Programme Slippage £	2026-27 Original Budget £	2026-27 Latest Approved Budget including slippage from 2025-26 £	2026-27 Qtr 2 Actual £	Slippage to 2027-28 identified at Q2 £	Progress Notes at Q2 2026-27	Total Scheme (all years) £	Total spend (all years) £	% Complete (Full Scheme)
ECONOMIC DEVELOPMENT AND REGENERATION										
Levelling Up Fund	1,2,3	84,300 CR	85,000	700	-	-	Scheme complete.	17,900,000	17,899,300	100%
Capital Portfolio Fund (unallocated)	1,2,3	-	4,050,830	4,050,830	-	4,050,830	Subject to business cases & due diligence. Slipped to 2027-28.	20,805,450	16,754,620	81%
Future High Streets Fund - The Old Court	1,2	-	-	-	-	-	Scheme complete.	17,612,060	17,612,060	100%
Future High Streets Fund - Public Realm/Connectivity	1,2	155,670	106,190	261,860	126,235	-	Contract works completed in May 2026. Final invoices and contract retention to pay.	10,133,980	9,998,355	99%
Future High Streets Fund - Creative Hub (Capital Portfolio allocation)	1,2	-	1,250,000	1,250,000	-		No longer required - will be removed from the Capital Programme.	1,250,000	-	0%
Corporate Property Investment Programme	1, 2, 3	-	150,000	150,000	10,581	-	Planning application submitted for Block A (Hub); currently getting tender pack ready for advertising. Air conditioning system in Block B completed.	1,050,000	10,581	1%
Bridge Street Stourport Development	1, 2, 3	-	500,000	500,000	100,456	-	Full planning application has been submitted, with determination anticipated by mid-October 2026. Procurement arrangements for early contractor involvement have also been initiated. Contractor appointment is currently forecast for early 2027, with remediation works expected to commence in February 2027. Main construction works are planned to begin in July 2027. Budget will be reprofiled as part of the revised budget process.	4,000,000	100,456	3%
SUB TOTAL		**71,370**	**6,142,020**	**6,213,390**	**237,272**	**4,050,830**		**72,751,490**	**62,375,372**	**86%**
RESOURCES										
ICT Strategy	1,2,3	77,450	540,810	618,260	111,866	-	Various projects underway. May be some slippage due to fluctuations in project delivery timetable. Will be reviewed & reprofiled as part of the revised budget process.	6,003,120	5,306,536	88%
SUB TOTAL		**77,450**	**540,810**	**618,260**	**111,866**	**0**		**6,003,120**	**5,306,536**	**88%**
VEHICLE, EQUIPMENT & SYSTEMS RENEWAL SCHEDULE										
Vehicles & Equipment & Systems Renewal Schedule	1,2,3	2,479,370	2,633,980	5,113,350	3,478,125	238,700	Procurement of refuse freighters is complete. Procurement of other vehicles & equipment is underway with varying lead times. Some vehicle slippage identified as part of the revised budget process.	Rolling programme		
SUB TOTAL		**2,479,370**	**2,633,980**	**5,113,350**	**3,478,125**	**238,700**				
TOTAL COMMITTED EXPENDITURE		4,911,520	24,190,190	29,101,710	5,997,352	10,893,660				
				2026-27 Capital Budgets unspent at Q2		23,104,358				

This matrix summarises the principal financial risks to delivery of the Medium Term Financial Strategy, assessed by likelihood and financial impact after existing controls. The corporate risk register and budget monitoring reports provide detailed scores, controls, actions, owners and review dates.

Financial impact		Low likelihood	High likelihood
	High impact	**Quadrant 3 – Maintain controls and tested contingency plans** • Reserves fall below the prudent minimum, weakening financial resilience. • Lion Fields fails to secure a development partner, delaying regeneration and increasing holding or financing costs. • Shared arrangements fail to deliver planned financial or operational benefits. • Budget monitoring fails to identify pressures promptly, increasing overspend risk. • Prudential Code or borrowing non-compliance restricts borrowing or increases financing costs. • Fraud or corruption causes financial loss, regulatory action or reputational damage. • Continued use of reserves and internal borrowing weakens resilience and liquidity. • Further MMI claims create an unplanned liability. • Information governance failures result in penalties, remediation costs or reputational damage. • Workforce capacity pressures, including local government reorganisation, disrupt financial management, savings delivery or statutory duties. • Inadequate asset plans lead to deterioration or unplanned capital and maintenance costs. • Failure or distress of a key supplier disrupts services and creates replacement, insourcing or support costs.	**Quadrant 4 – Immediate management action and regular member oversight** • The Council cannot maintain a balanced Medium Term Financial Strategy, increasing the funding gap, reserve use and unplanned service reductions. • Inflation and pay exceed assumptions, widening the funding gap. • Inadequate cyber or business continuity controls cause disruption, financial loss and recovery costs. • Funding reform transition arrangements reduces or redistributes grant, weakening the funding baseline. • Business Rates appeals, pooling, reset or reform reduce retained income or increase volatility. • Transformation fails to deliver savings or income at the required pace or scale. • Council Tax or Business Rates collection falls below forecast, reducing income and increasing cash-flow pressure. • Business Rates growth is lower than assumed, weakening the funding position. • Council Tax base growth is lower than assumed, widening the funding gap. • Economic decline reduces income and increases service demand. • The Commercial Strategy fails to deliver planned savings or commercial income.

		• Uninsured or underinsured losses create unbudgeted costs and higher premiums. • Non-compliance with subsidy control, procurement, grant or tax requirements leads to clawback, penalties, liabilities or lost funding. • Counterparty failure or investment impairment threatens the security or liquidity of Council funds. • Severe weather, climate adaptation or emergencies create unrecovered response, recovery or asset costs. • Building safety, contaminated land or environmental liabilities require unfunded remediation or compliance expenditure. • Uninsured legal claims or enforcement result in significant legal, compensation or remediation costs. • Legislative, tax or accounting changes create unbudgeted costs or reduce financing flexibility. • Capital grants or contributions are delayed, reduced, lost or clawed back, requiring replacement funding, programme reductions or borrowing. • Failure of financial systems, specialist capacity or third-party support disrupts key financial services and statutory reporting.	• Local government reorganisation and devolution create transition costs, capacity pressures and uncertainty over assets and liabilities. • Car parking income falls below forecast, creating a recurring budget pressure. • Future LGPS valuations increase employer contribution rates, creating an ongoing revenue pressure. • Rising homelessness demand increases service and temporary accommodation costs. • Interest rates remain above assumptions, increasing borrowing and refinancing costs and service demand. • Base-rate movements reduce investment income below budget. • High or volatile energy prices increase Council and contracted-service costs. • Capital programme slippage, inflation or affordability pressures increase borrowing, delay outcomes or add revenue pressure. • Commercial, property or regeneration investments underperform, causing impairment, financing pressure or recurring shortfalls. • Collection Fund volatility creates material movements in retained income, cash flow or future budgets.
	Low impact	**Quadrant 1 – Keep under periodic review** • External funding or partner contributions are not secured or sustained, requiring limited reprioritisation. • The Capital Financing Requirement varies from forecast, creating manageable financing-cost changes. • Capital receipts are delayed or lower than forecast, reducing resources for planned expenditure.	**Quadrant 2 – Consider proportionate management action** • County Council budget proposals create recurring but limited financial or service pressures. • Fees and charges fail to keep pace with costs or demand, creating a manageable recurring shortfall.

Budget and Performance Monitoring Second Quarter 2026-27

ANALYSIS OF OUTSTANDING DEBT

Overall outstanding debt at 30 September 2026 was £2,405,699, an improvement on Quarter 2 2025-26. Housing Benefit Overpayments decreased by 10%, Sundry Debt by 5% and Property Debt by 14%. Debt more than three months overdue decreased by approximately 20%, with the largest proportional improvement arising in aged Property Debt. Recovery activity continues through benefit deductions, DWP recovery, repayment arrangements, Legal Services and, where appropriate, external debt collection.

The Council's total outstanding debt (including amounts within payment terms) stands at £2,405,699, comprising:

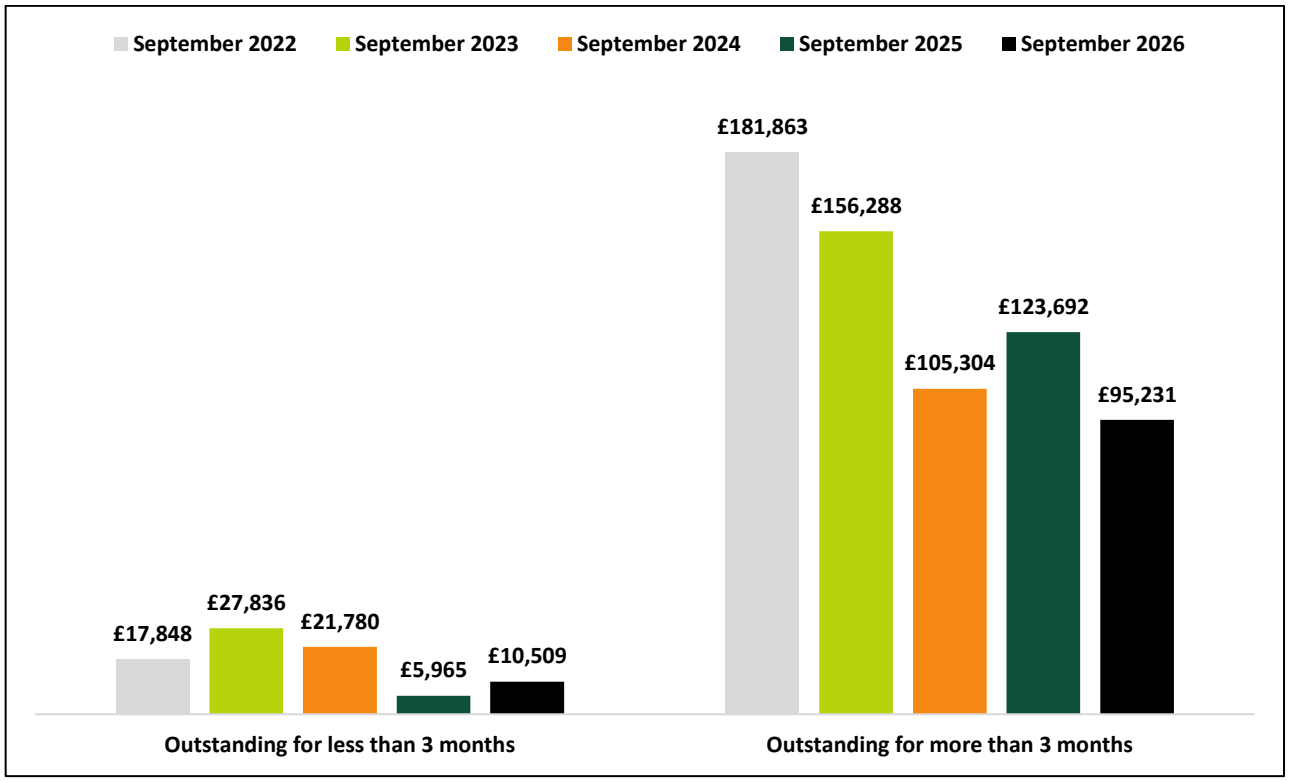
- Housing Benefit Overpayments: £712,611
- Sundry and Property Debt: £1,693,088

The detailed movements are explained in the relevant sections below.

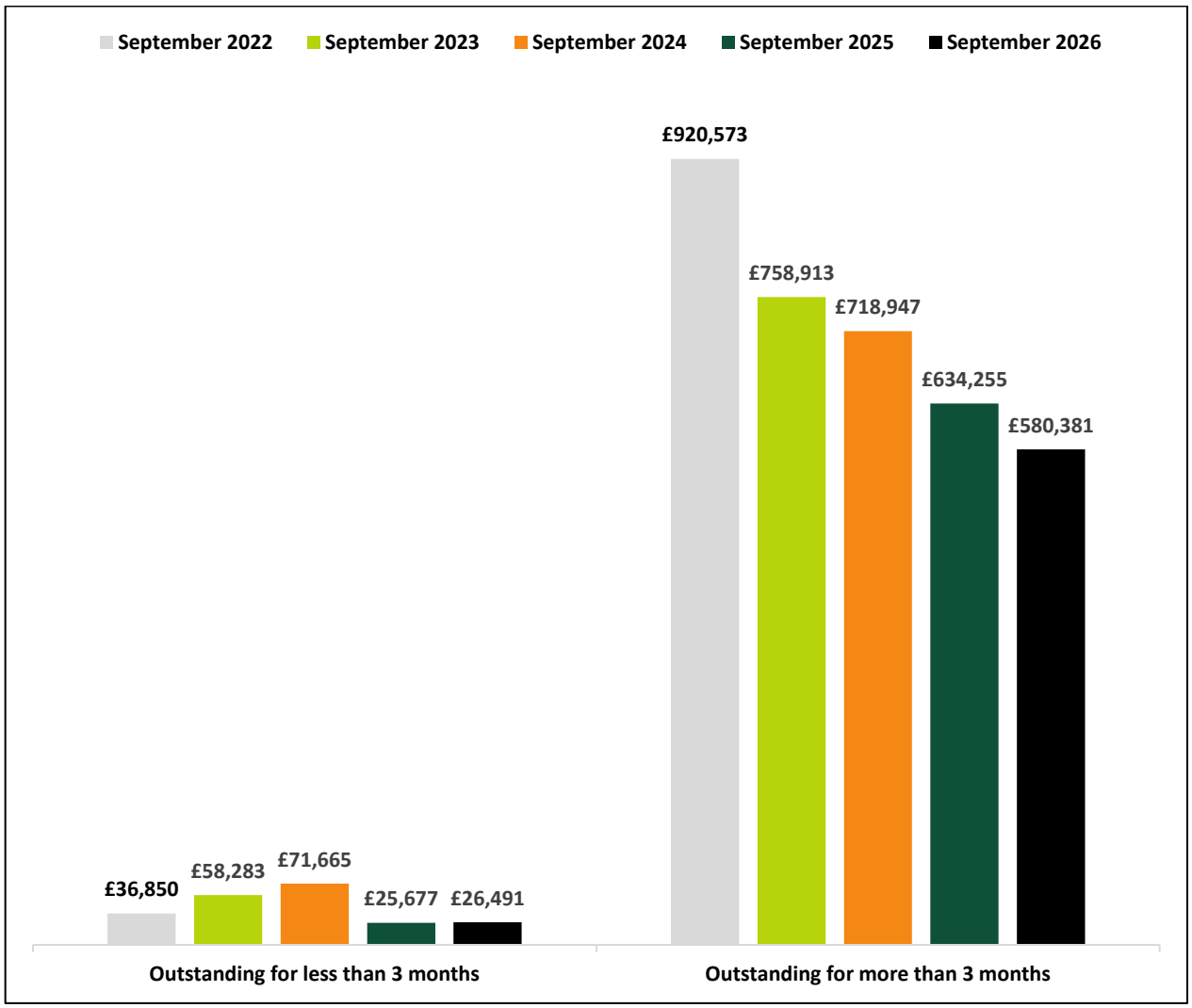
Housing Benefit Overpayment Recovery
Where a customer's circumstances change and the Council is notified after the event, the customer is expected to repay any Housing Benefit that has been overpaid.
Customers who remain on Housing Benefit after receiving an overpayment have an amount deducted from their ongoing benefit. Where a change in circumstances results in a customer transferring to Universal Credit, the overpayment is recovered through a customer invoice.

The arrears position relating to Housing Benefit overpayment is shown in the next two graphs:

Recovery by On-going Benefit

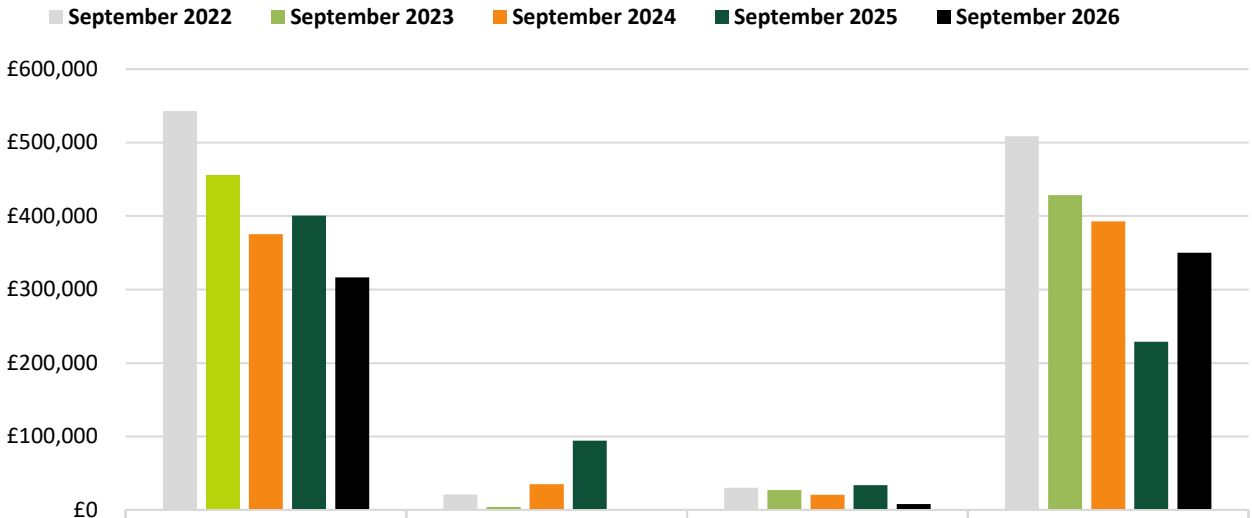


Recovery by Customer Invoice



Debts over three months old either have an agreement in place for repayment, have been referred to the Council's Legal Services, or remain with the Benefits Service for recovery. The Council refers debts to an external debt collection agency when other avenues have been exhausted. As at September 2026, no Housing Benefit debts had been recovered through the agency.
The following graph shows the number of accounts, the value outstanding and how the debt will be collected:

Value and Number of Housing Benefit Overpayments over 3 months and Status



	Septermber 2021 - No of Accounts - 486 Septermber 2022 - No of Accounts - 311 Septermber 2023 - No of Accounts - 273 Septermber 2024 - No of Accounts - 214 September 2025 - No of Accounts - 190 September 2026 - No of Accounts - 143 Agreed to Pay	Septermber 2021 - No of Accounts - 18 Septermber 2022 - No of Accounts - 22 Septermber 2023 - No of Accounts - 11 Septermber 2024 - No of Accounts - 24 September 2025 - No of Accounts - 49 September 2026 - No of Accounts - 1 With Debt Agency	Septermber 2021 - No. of Accounts - 34 Septermber 2022 - No. of Accounts - 34 Septermber 2023 - No. of Accounts - 30 Septermber 2024 - No. of Accounts - 27 September 2025 - No of Accounts - 25 September 2026 - No of Accounts - 10 With Legal Services	Septermber 2021 - No. of Accounts - 516 Septermber 2022 - No. of Accounts - 393 Septermber 2023 - No. of Accounts - 325 Septermber 2024 - No. of Accounts - 222 September 2025 - No of Accounts - 150 September 2026 - No of Accounts - 182 With Benefit Services
September 2022	£542,043	£21,348	£30,218	£508,827
September 2023	£455,021	£4,403	£27,072	£428,705
September 2024	£375,551	£35,139	£20,666	£392,895
September 2025	£400,502	£94,424	£33,848	£229,172
September 2026	£316,684	£1,083	£7,963	£349,882

At 30 September 2026, total Housing Benefit debt was £712,611, including amounts within payment terms. This was 10% lower than the balance at the end of Quarter 2 2025-26. The number of cases subject to a repayment agreement or being handled by the Benefits or Legal Services teams decreased by 30, from 365 in 2025-26 to 335 in 2026-27. Cases referred to an external debt collection agency decreased from 49 to 1 over the same period.

The introduction of Universal Credit in November 2018 has reduced the number of customers claiming Housing Benefit, the incidence of overpayments and the scope for collection through ongoing benefit deductions. Collection rates for debts overdue by more than three months continue to improve because these debts can now be recovered through the DWP.

Sundry/ Property Debt

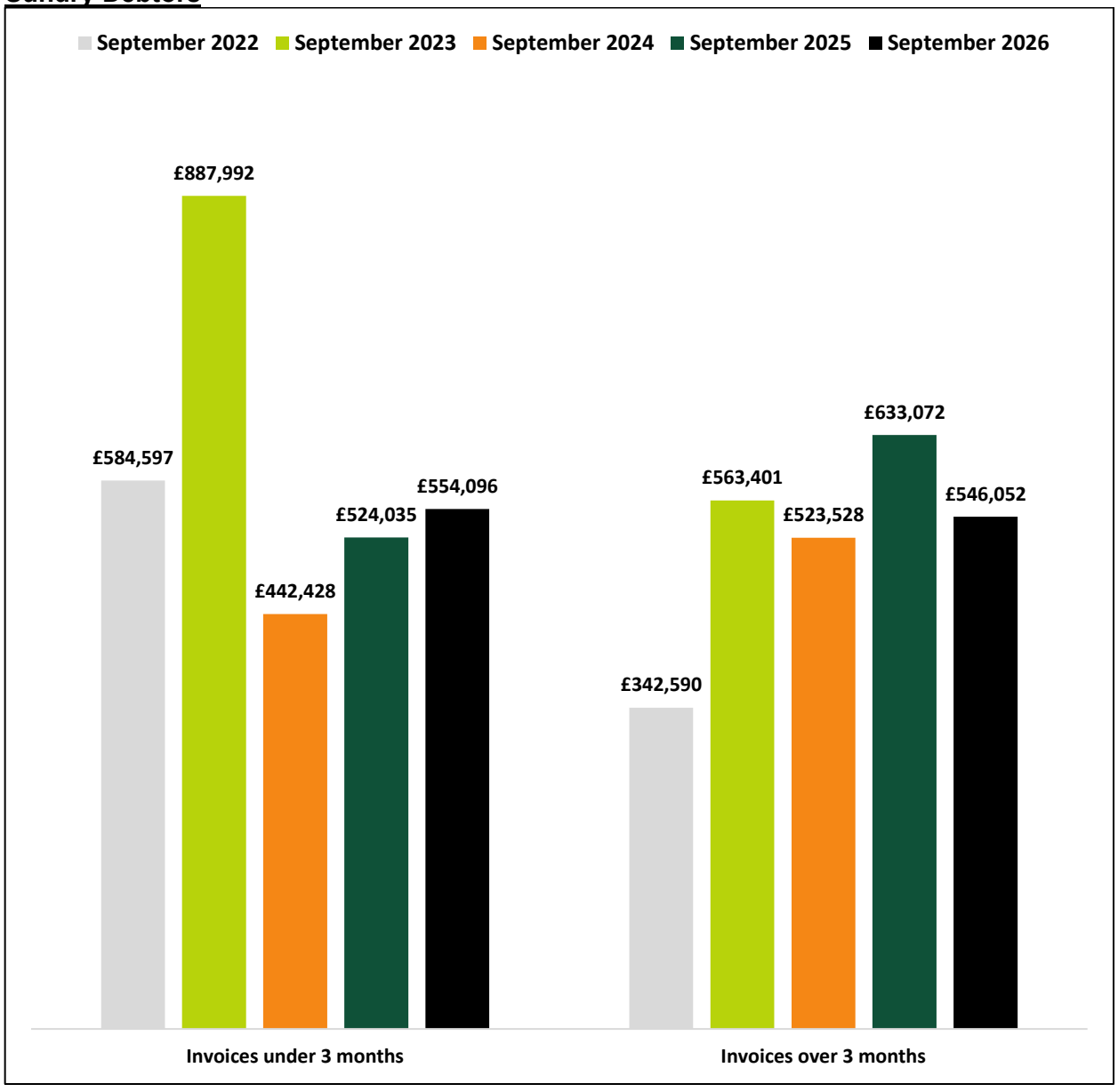
The total debt outstanding as at 30 September, including debt within payment terms, was £1,693,088, comprising Sundry Debt of £1,100,148 and Property Debt of £592,940. This represents an 8% decrease from the Quarter 2 2025-26 balance of £1,844,012, comprising Sundry Debt of £1,157,107 and Property Debt of £686,905.

Overdue debt more than three months old decreased by £175,123, from £879,261 in Quarter 2 2025-26 to £704,138 in Quarter 2 2026-27, a reduction of approximately 20%. The movement figures in the table below represent decreases between Quarter 2 2025-26 and Quarter 2 2026-27.

Invoices overdue (older than 3 months)	Quarter 2 2024	Quarter 2 2025	Quarter 2 2026	Movements
Sundry Invoices	£523,528	£633,072	£546,052	£87,020
Property Invoices	£221,357	£246,189	£158,086	£88,103
Total Invoices	£744,885	£879,261	£704,138	£175,123

The position relating to Sundry Debtor and Property Invoices are as follows:

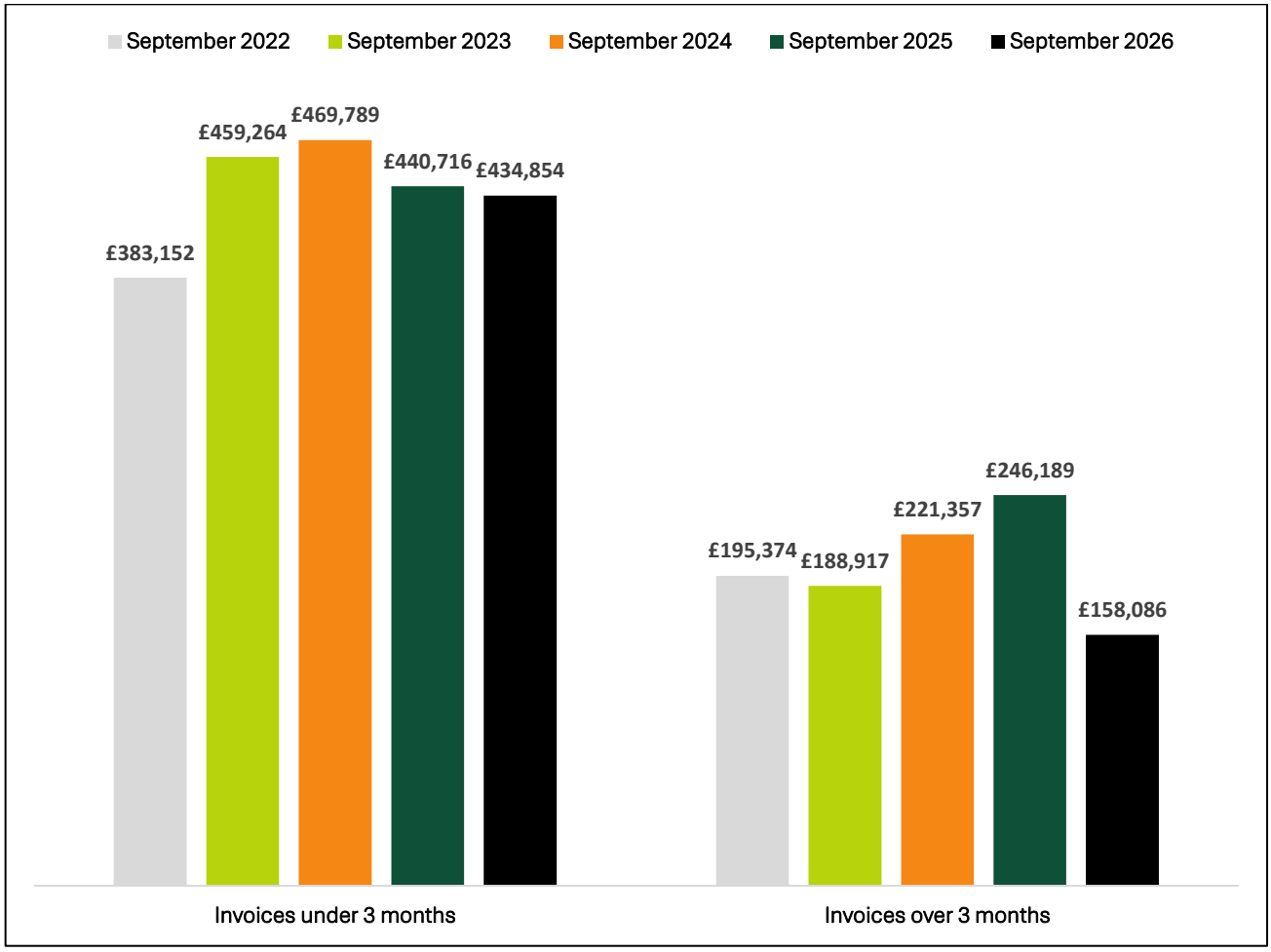
Sundry Debtors



Overall, Sundry Debt decreased by £56,959, from £1,157,107 at Quarter 2 2025-26 to £1,100,148 at Quarter 2 2026-27, a reduction of approximately 5%. This reflects bad-debt write-offs undertaken by officers.

Property Invoices and Debt

Overall, Property Debt decreased by £93,965, from £686,905 at Quarter 2 2025-26 to £592,940 at Quarter 2 2026-27, a reduction of approximately 14%. The reduction was concentrated in older balances: Property invoices more than three months overdue fell by £88,103, from £246,189 to £158,086, a decrease of approximately 36%. This indicates that most of the year-on-year improvement arose from the clearance, recovery or write-off of aged Property Debt, rather than solely from changes in invoices that remained within payment terms.



Corporate Action plan 2026-27

Economic growth and regeneration

Title	Description	Managed By	Due Date	Title	Latest Note	Progress Bar	Status Icon
B. Redevelop former Crown House site, Lion Fields and other brownfield sites we own – mainly for housing	Delivery of Lion Fields Housing scheme Delivery of the former Crown House site Delivery of Market Street site	Ostap Paparega	31-December-2026	Delivery of Lion Fields Housing scheme	Stage 1 tender closed and evaluation completed. Stage 2 tender issued on 31st July 2026 with a closing date of 14th October 2026	30%	
				Delivery of Market Street site	Not yet progressed.	25%	
C. Progress the redevelopment of Bridge Street site, Stourport	Explore options for redeveloping the site.	Ostap Paparega	31-Mar-2028	Bridge Street car park redevelopment	The project is progressing. Pre-application advice has been sought, and a planning application is expected to be submitted in early October 2026. Design works continue and are due to be completed in November 2026. Following this, contractor market testing and pricing will be undertaken.	30%	
D. Work with High Streets Task Force to develop and implement a vision for the regeneration of central Stourport	Develop and implement a vision for the regeneration of central Stourport	Ostap Paparega	31-November-2026	Implementation plan to be developed Autumn 2026	The Stourport Vision Working Group has met twice this year, with a third meeting scheduled for October. Partners are considering the draft implementation plan with a view to agreeing the delivery schedule later in the year.	70%	
E. Work with partners to improve skill levels and make sure they are the skills employers need	Approval of UKSPF Projects	Ostap Paparega	31-Mar-2027	Careers Worcestershire	Following approval from Cabinet, WFDC is supporting Careers Worcester through 2026-28. Delivery will continue from the Point of Kidderminster College. Q2 reports are due shortly; Q1 performance was ‘on track’.	50%	
F. Make sure business support services are available	Finance support from WFDC to	Ostap Paparega	31-Mar-2027	BetaDen	Further delivery was planned for summer 2026 at the Old Court. A new cohort began on 8th September and will run until the end of the year.	50%	

Title	Description	Managed By	Due Date	Title	Latest Note	Progress Bar	Status Icon
to help businesses grow	provide business support initiatives			Worcs Growth Hub	Following Cabinet approval, WFDC has agreed to fund directly the delivery of the Growth Hub until 2028. Q1 performance was on track; the Q2 report is due shortly.	50%	

Securing financial sustainability for services communities value

Title	Description	Managed By	Due Date	Title	Latest Note	Progress Bar	Status Icon
G. Increase net income from our commercial activities	Rental reviews and actions to obtain extra income	Faye Parrett	31-Mar-2027	Rent Reviews – complete all outstanding rent reviews and ensure current and future rent reviews are completed on time	Limited progress over the Summer due to capacity issues, although data is clear about sites due a rent review and work will be prioritised based on financial gain.	20%	
				Reduce number of vacant units	Active engagement with prospective tenants continues across all sites, with several opportunities currently being explored. We are observing active churn in the industrial portfolio, which is normal for the nature of our tenants. Vacancies are monitored, and we enjoy strong demand for our units, pursuing opportunities to refill them at the earliest opportunity. The Rightmove commercial advertising platform has now been implemented and listings are live. While it is too early to assess the full impact, the platform is expected to increase market visibility and enquiries, supporting efforts to reduce vacancy levels. Very low vacancies across the industrial portfolio	20%	
				Review service charge accounts for each property and create efficiencies where possible	This work is being undertaken on an estate-by-estate basis. Wyre Forest House, Unity Park, Forest Industrial Estate, Space and Hoobrook Enterprise Centre 2025/6 financial year accounts have been reviewed and analysed. General themes are emerging. Analysis of earlier and current years' budgets is required to confirm the extent of recovery. Work remains to rationalise future reporting to ensure accountable recovery of the correct service charge at each estate. All properties managed as part of the MK2 contract have been reviewed.	60%	

Title	Description	Managed By	Due Date	Title	Latest Note	Progress Bar	Status Icon
				Let office space and F&B units in the Piano Building	New marketing material has been produced and engagement with the agents is ongoing. A potential joint agency for the office units is being explored to widen the agency net. Active engagement with a prospective tenant continues, with heads of terms issued and several opportunities currently being explored.	10%	
				Let office space in The Old Court	SpacetoCo, an online booking and venue hire platform, has been implemented at The Old Court to pilot short-term occupancy opportunities and increase utilisation of vacant space. The marketing agent is actively engaged across the whole building, heads of terms have been issued to a prospective tenant, and active engagement with other prospective tenants continues.	40%	
H. Increase the visits to our nature reserves and make them more accessible	Delivery of the Wyre Forest Wild project.	Adam Hamilton	31-Mar-2027	Wyre Forest Wild project - to enhance local nature reserves through branding, improved visitor facilities, and sustainable commercial opportunities	Funding has been secured to continue the rollout of the new signage. One new sign is due to be installed, and six more have been ordered through a new supplier after running a quotation process.	70%	
				Development / Accessibility of Nature Reserves - to include paths, signage, transportation links, inclusive access, habitat improvement, etc.	New gates are due to be installed at Britannia Gardens to improve site security and prevent fly-grazing, along with a new interpretation panel. Discussions are taking place with SSC to create a route between their site and Burlish Meadows.	65%	
I. Complete the redevelopment of Brinton Park, funded by the National Lottery Heritage Fund.	Deliver Brinton Park project as per National Lottery Heritage Fund plan	Kathryn Underhill	31-Mar-2027	Complete the redevelopment and open the park to the public	Work has progressed. Handover is expected in Q3.	80%	
				Launch of the park event	The event date has moved from 12th September 2026 to 31 October 2026.	75%	

Title	Description	Managed By	Due Date	Title	Latest Note	Progress Bar	Status Icon
J. Investigate options for developers to make biodiversity contributions on alternative sites	Biodiversity Net Gain (BNG) unit sales – Secure the legal framework, identify the areas of land to be allocated and develop the sale and promotion of these units	Adam Hamilton	31-Mar-2026	Investigate options for developers to make biodiversity contributions on alternative sites	On hold until reorganisation	20%	
				Undertake financial assessment of these assets	Options are still being explored for the piece of land that would be put forward, linked to Burlish Meadows. This work is linked to investigating options and is on hold pending an LGR update.	40%	
				Appoint a governing body for land management	This work is linked to investigating options and is on hold pending an LGR update.	20%	
				Confirm and approve sale units and locations; align with corporate policy	Options are still being explored for the piece of land that would be put forward, linked to Burlish Meadows.	40%	
				Develop a market-ready, credible product for promotion and trade	The Director of Commercial Services has been talking to other local authorities to investigate the best way forward. Work on this has been delayed due to other pressures and consideration of the impact of LGR.	20%	

A clean, safe and green place to live, work and visit

Title	Description	Managed By	Due Date	Title	Latest Note	Progress Bar	Status Icon
K.Secure housing growth through the local plan	Support Sustainable Housing Delivery via Local Plan Implementation	Kate Bailey	31-Mar-2027	Local Plan Review and Housing Delivery	The Local Plan Review Panel has been re-established, with its first meeting at the end of May, and has met to review the initial feedback from the scoping questionnaire. The Bewdley Conservation Area Character Appraisal went out to re-consultation prior to adoption to amend its boundaries. Six new affordable housing units were delivered in Q2 and 27 units were granted planning permission.	50%	
N. Work with town councils and community groups to improve parks and open spaces.	Support localism by empowering town councils and community groups to lead improvements in parks and open spaces, ensuring developments reflect community needs and priorities	Kathryn Underhill	31-Mar-2027	Transfer of assets to Worcestershire Football Association	Heads of terms have been drafted and are being negotiated with Worcestershire FA. Approval in principle to dispose of the land was agreed by Cabinet on 09/07/2026. Notice of the proposed disposal of open space land has been given. An officer decision will be issued once negotiations are complete.	50%	
				Transfer of assets of Kidderminster Town Council	Transfers are scheduled to be completed in April 2027.	75%	
				Transfer of assets of Stourport Town Council	Transfers are scheduled to be completed within Q3 2026	75%	
				Transfer of assets of Bewdley Town Council	Transfers are scheduled to be completed within Q3 2026	75%	

Title	Description	Managed By	Due Date	Title	Latest Note	Progress Bar	Status Icon
Q. Produce and implement a carbon reduction plan for the district and for the council	To deliver the 2026/27 climate change action plan	Kate Bailey	31-Mar-2027	Deliver the Climate Change and Carbon Reduction Action Plan	The installation of electric vehicle charge points commenced at council offices and will shortly commence in council-owned car parks. Regular meetings have been held with the Green Alliance, and officers have attended the cycle forum. A review of the Climate Change and Carbon Reduction Plan will commence in Q2 to update the strategy in early 2027	50%	
R. Help people make their homes more energy efficient	Use the Warm Homes Local Grant to assist residents in enhancing their homes' energy efficiency	Kate Bailey	31-Mar-2026	Complete a minimum of 41 properties in 2026-27	The Warm Homes funding has supported the delivery of measures into 16 properties in quarter two, and a further ten properties were assisted through the Council's Energy Efficiency funding, bringing the total to 35 Warm Homes properties and 11 through the Energy Efficiency Funding.	50%	
S. Install electric charging points in car parks in all three towns	Install Electric Vehicle Charging Points across car parks in Kidderminster, Stourport and Bewdley	Ian Miller	31-Mar-2026	All EV charging points installed	Electric vehicle charging infrastructure at Green Street Depot and Wyre Forest House remains fully operational and continues to be actively used by the Council's electric vehicle fleet and other authorised users. Progress towards the installation of public EV charging points across the district is dependent on network connection works. There continue to be delays with NGED in providing electricity connections for public car parks. It is hoped that some initial installations may be possible during Q3, although Q4 seems more likely. The viability of the required electrical connections has been confirmed across the district, and a detailed plan is now in place identifying the parking spaces that will be equipped with EV charging points.	10%	

Corporate Plan Priority	Corporate Action	Code	Measure	2024-25	2025-26	Q1 26-27	Q2 26-27	Q3 26-27	Q4 26-27
Securing financial sustainability for services that local communities value	Monitor council tax base to increase income	LA103	Percentage of council tax collected	97.04%	96.23%	29.29%	57.30%		
		LA104	Percentage of business rates collected	96.93%	96.0%	28.37%	57.23%		
Securing financial sustainability for services that local communities value	Monitor customer contacts to improve service provision	LA116	Number of customer contacts via hub (phone, email & visit)	45,406	42,437	10,352	10,316		
		LA117	% customer contacts that are of value	82%	81%	80%	81%		
		LA112	Number of complaints received	111	139	42	55		
		LA8	Number of compliments received	89	72	11	10		
A clean, safe and green place to live, work and visit	Secure housing growth through the local plan	LA045	Number of people presenting in need of housing advice	11,762	10,405	2,428	2,241		
		LA054a	Number of new housing units approved in planning applications **open market and affordable housing*	191	1,655	56	27		
		LA039	Number of affordable new build houses completed	199	93	73	6		
		LA106	Percentage of applicable planning applications approved that will deliver Green Infrastructure	16.66%	10.20%	100%	35.5%		

Corporate Plan Priority	Corporate Action	Code	Measure	2024-25	2025-26	Q1 26-27	Q2 26-27	Q3 26-27	Q4 26-27
		LA115	Percentage of non-major planning applications decided within 8 weeks or with an extension of time agreement	97.52%	94.02%	80%	92.3%		
		LA118	Percentage of major planning applications decided within 13 weeks or with an extension of time agreement	100%	96%	97%	100%		
		LA120	Number of planning appeal decisions received	25	21	7	1		
		LA127	Percentage of planning appeal decisions not upheld	26.2%	43.5%	58%	0%		
		LA128	Number of biodiversity net gain units secured by planning permission	0	4.586	2.183	1.58		
		LA130	Number of open planning enforcement cases	251	276	135	182		

Corporate Plan Priority	Corporate Action	Code	Measure	2024-25	2025-26	Q1 26-27	Q2 26-27	Q3 26-27	Q4 26-27
A clean, safe and green place to live, work and visit	Support provided to low-income households	LA102	Amount spent on hardship/welfare support	£577,827	£406,617	£21,579	£52,576		
		LE144	Number of households on council tax reduction scheme	-	7,459	7,520	7,457		
		LE145	Number of households on housing benefit	-	2,309	2,285	2,288		
		LA146	Average days to process new housing benefit claims	24.59 days	19.3 days	24.59 days	21.17 days		
		LA147	Average days to process new council tax reduction scheme claims	72.58 days	25 days	30.80 days	31.70 days		
		LA148	Average days to process housing benefit changes of circumstances	9.68 days	6 days	9.04 days	9.99 days		
		LA149	Average days to process council tax reduction scheme changes of circumstances	22.26 days	10.9 days	15.42 days	16.07 days		
A clean, safe and green place to live, work and visit	Contribute to making the district a clean, safe and green place to live, work and visit	LA150	Number of cyber security incidents detected from various sources and systems *including emails, endpoints and web browsing*	-	1,825,491	1,134,970	51,144		
Corporate Plan Priority	**Corporate Action**	**Code**	**Measure**	**2024-25**	**2025-26**	**Q1 26-27**	**Q2 26-27**	**Q3 26-27**	**Q4 26-27**
A clean, safe and green place to live, work and	Contribute to making the district	LA107	Number of Fixed Penalty Notices issued (total)	110	96	26	15		

visit	a clean, safe and green place to live, work and visit	LA071	Number of Fly-tipping Incidents	832	1,023	61	111		
		LA107f	Number of Fly-tipping Prosecutions Secured	-	0	0	0		
		LA107d	FPN – Fly Tipping	3	7	2	2		
		LA107a	FPN – Littering	55	58	18	10		
		LA107c	FPN – Duty of Care	1	0	0	1		
		LA107e	FPN – Waste Carriers	9	0	0	0		
		LA107f	FPN – WTN/Duty of Care	-	-	0	0		
		LA107g	FPN – Abandoned Vehicle	-	-	3	1		
		LA107h	FPN – Breach of CPN	-	-	0	1		
		LA107i	FPN – Distribution	-	-	0	0		
		LA107j	FPN – Fly Post/Graffiti	-	-	0	0		
		LA107k	FPN – Nuisance Parking	-	-	0	0		
		LA107l	FPN – PSPO Dog Control	-	-	0	0		
		LA107m	FPN – PSPO Drinking ASB	-	-	3	0		
		LE011a LE011b	Number of Penalty Charge Notices issued Off street On street In total	 2,528 3,585 6,113	 1,869 3,811 5,680	 536 955 1,491	 591 938 1,529		
		LE016	Number of visitors to Bewdley Museum	220,245	221,578	59,660	73,168		

Corporate Plan Priority	Corporate Action	Code	Measure	2024-25	2025-26	Q1 26-27	Q2 26-27	Q3 26-27	Q4 26-27
A clean, safe and green place to live, work and visit	Contribute to making the district a clean, safe and green place to live, work and visit	LE032	Number of visitors to Wyre Forest Leisure Centre	596,305	597,596	151,614	148,347		
		LA108	Number of new trees planted	10,270	3,608	0	0		
		LA044	Number of residents who experience a positive health outcome because of a housing improvement intervention	275	252	37	41		
		LA152	Tonnes of CO2 equivalent from WFDC fleet and operations – yearly	-	916.17 tCO_2e	-	-		
		LA153	Number of homes and businesses receiving flood risk reduction measures	-	25	0	0		
		LA154	Total household waste collected monthly, kg per household.	38	37.03	56.31	52.69		
		LA155	Total household recycling, kg per household.	15	15.9	14.66	16.22		
		LA065	Percentage of household waste reused/recycled/composted – (annual)	35%	33%	-	-		

Explanatory note:

***LA054a & LA039 (New housing units and new builds) :** The lower figures reported this quarter reflect a reduction in the number of planning applications received for new dwellings. In addition, the *Local Plan* has been in place since 2022, and many allocated housing sites have already secured planning permission, resulting in fewer new approvals and completions being recorded during the period.

***LA108 (Tree planting) :** No tree planting activity was undertaken during Quarter 2. Tree planting is typically seasonal and is generally carried out during the autumn and winter planting season. As a result, no new trees were planted during the reporting period.

***LA107 (FPN Issued)**: The number of fly-tipping incident reports received through My Wyre Forest can vary significantly. Fluctuations may be due to multiple reports of the same incident, increased public awareness and reporting, or changes in offender behaviour, such as targeting quieter locations.

***LA146-LA149 (Benefits Processing Performance):** With the exception of LA146, Q2 performance was below Q1 and continues to reflect the usual increase in workload at the start of the financial year which continued into July. However, performance recovered strongly in August and September, with sustained improvements demonstrating that service delivery returned to expected levels. While the overall quarterly position continues to be affected by the impact of July's performance, the quarter concluded with a clear and positive upward trend, providing confidence in continued improvement during Q3.

***LA071 (Fly-Tipping Incidents):** The issuing of an FPN for the offence will only ever be done if the evidence we have is irrefutable.

***LA154 & LA155 (Household Waste and Recycling):** Quarter 2 data has now been received from Worcestershire County Council and included in the results. Updated Quarter 1 figures have also been provided and the table has been revised accordingly**.**

Local Outcomes Framework (LOF) Q2

Purpose

The Local Outcomes Framework (LOF) has been adopted to provide a consistent set of outcome measures that allow Wyre Forest District Council to benchmark performance against CIPFA nearest neighbours and identify areas where local interventions are having a positive impact or where further improvement is required.

Quarter 2 is reporting on LOF Groups 4-12 (Multiple Disadvantage, Best Start in Life, Every Child Achieving and Thriving, Keeping Children Safe and Family Security, Health and Wellbeing, Adult Social Care, and Neighbourhoods). Measures will be reported by exception only, focusing on indicators where Wyre Forest is identified as an outlier against CIPFA nearest neighbours. The phased reporting approach ensures a manageable review of the 16 LOF groups across the year.

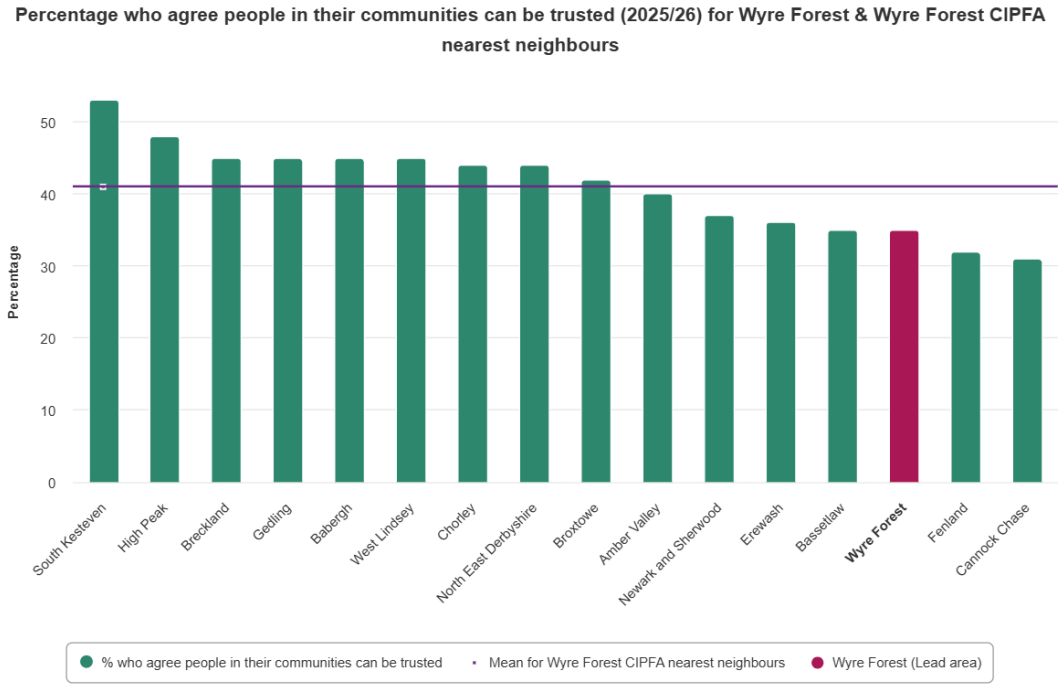
Groups 4-11 have not been included in the Q2 LOF report as the measures within these themes primarily relate to county-level services such as education, children's services, public health and adult social care, which are not directly delivered by the Council. As a result, relevant and meaningful data is not currently available for reporting. Group 12 (Neighbourhoods) has been included as it contains measures that are more closely aligned to the Council's responsibilities and priorities.

Note: Some indicators, such as resident satisfaction with the area, are influenced by a wide range of factors beyond the District Council's direct control, including the actions of partner organisations, wider economic conditions, and individual experiences. As a result, performance against these measures cannot be attributed solely to the Council's services and activities.

Neighbourhoods

1. **Percentage of people who agree adults in their communities can be trusted**
2. **Percentage of people who feel they can influence local decisions**
3. **Percentage of people who are satisfied with community / cultural facilities in their local area**
4. **Percentage of people who are satisfied with their local area as a place to live**
5. **Percentage of people who agree that people from different backgrounds get on well together in their local area**
6. **Percentage of people experiencing loneliness**
7. **Percentage of people who have engaged in volunteering recently**
8. **Percentage of people who reported in-person cultural engagement within the past 12-months**

9. **Anti-social behaviour [Placeholder] – no data**
10. **Crime in your neighbourhood [Placeholder] – no data**
11. **Rate of fly-tipping enforcement actions per incident**
12. **Access to green and blue spaces**



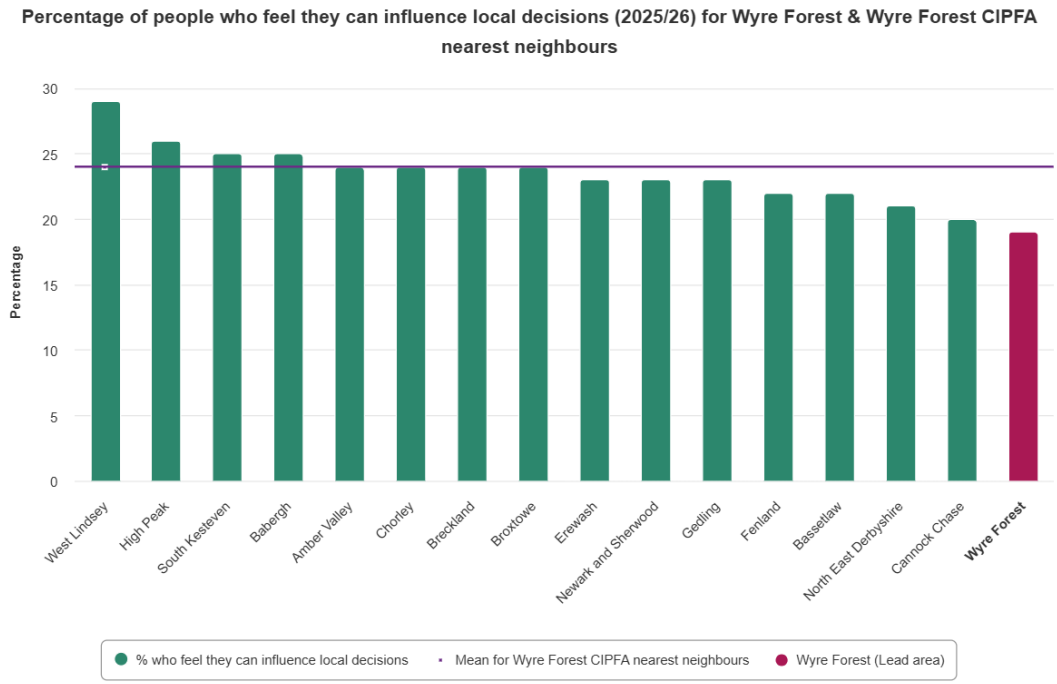
Comments: Polarity - High value is good.

Percentage of people who agree adults in their communities can be trusted (DCMS)

In 2025/26, the percentage of adults who agree that people in their communities can be trusted in Wyre Forest was 35%, which is below the Wyre Forest CIPFA nearest neighbours mean percentage of 41%.

This is the proportion of respondents aged 16 and over in agreement that people in the neighbourhood can be trusted. Respondents who answered "don"t know" and/or those with missing answers are excluded. Respondents who answered "Just moved here" are excluded.

This data is sourced from the Department for Culture, Media & Sport.



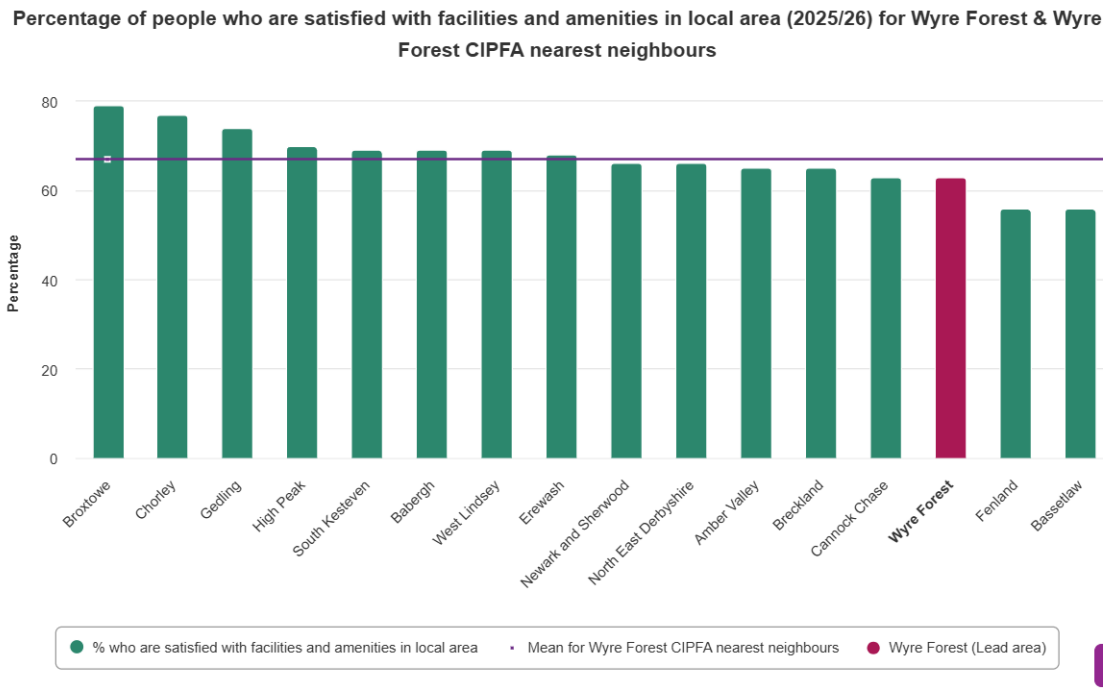
Comments: Polarity - High value is good.

Percentage of people who feel they can influence local decisions (DCMS)

In 2025/26, the percentage of adults who feel they can influence decisions affecting the local area in Wyre Forest was 19%, which is below the Wyre Forest CIPFA nearest neighbours mean percentage of 24%.

This is the proportion of respondents aged 16 and over in agreement that you can personally influence decisions affecting the local area. Respondents who answered "don"t know" and/or those with missing answers are excluded.

This data is sourced from the Department for Culture, Media & Sport.



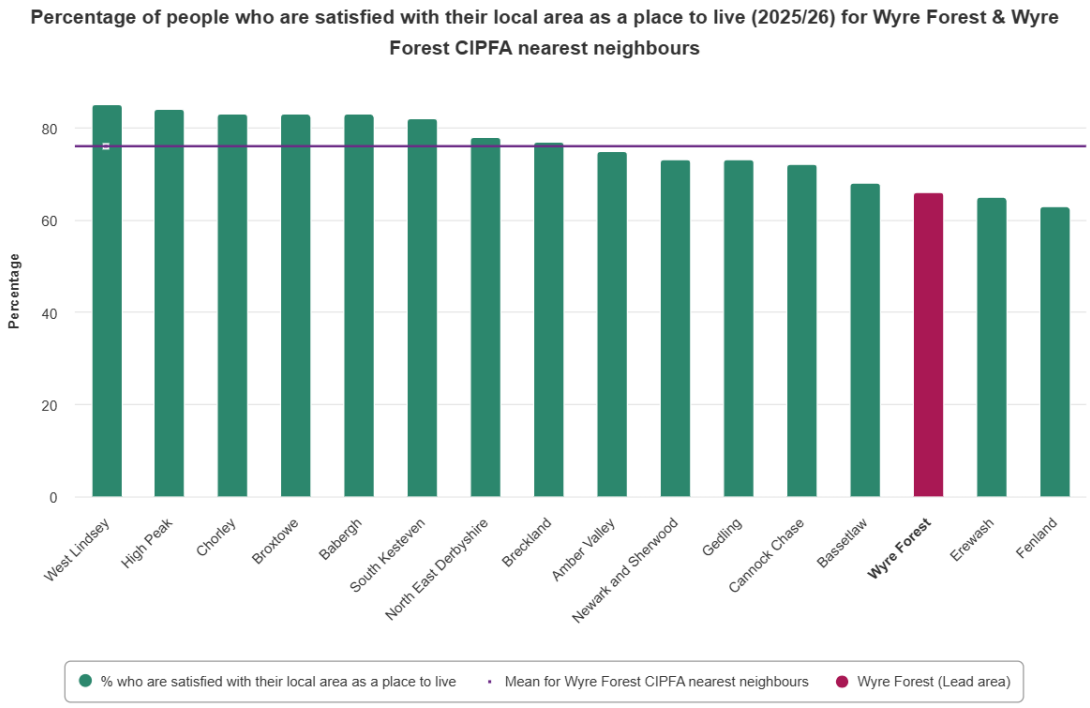
Comments: Polarity - High value is good

Percentage of people are satisfied with community / cultural facilities in their local area (DCMS)

In 2025/26, the percentage of people who are satisfied with the local services and amenities in Wyre Forest was 63%, which is below the Wyre Forest CIPFA nearest neighbours mean percentage of 67%.

This is the proportion of respondents aged 16 and over who are satisfied with facilities and amenities in their local area, when asked the question "Generally how satisfied are you with the facilities and amenities in your local area?". Local facilities include the following: grocery store, pub/bar, park, library, restaurant/cafe, community centre/hall, sports facilities, health centre/GP, chemist or pharmacy, post office, place of worship, and public transport links. Respondents who answered "don"t know" and/or those with missing answers are excluded.

This data is sourced from the Department for Culture, Media & Sport.



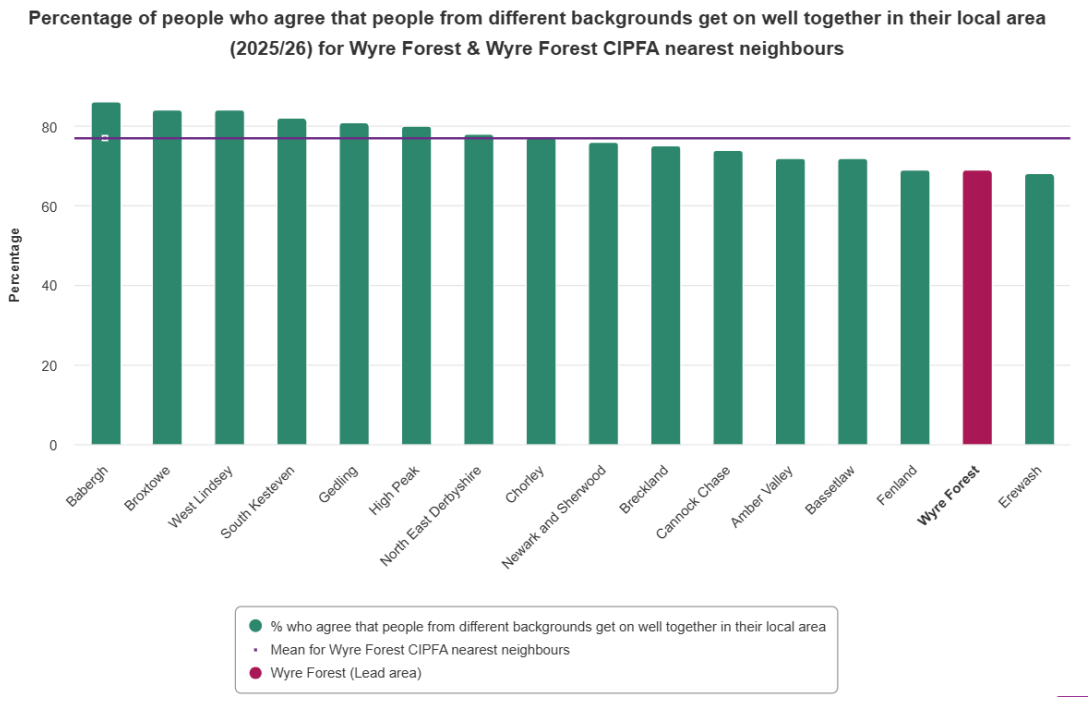
Comments: Polarity - High value is good

Percentage of people who are satisfied with their local area as a place to live (DCMS)

In 2025/26, the percentage of adults satisfied with their local area as a place to live in Wyre Forest was 66%, which is below the Wyre Forest CIPFA nearest neighbours mean percentage of 76%.

This is the proportion of respondents aged 16 and over who are satisfied with their local area as a place to live. Respondents who answered "don"t know" and/or those with missing answers are excluded.

This data is sourced from the Department for Culture, Media & Sport.



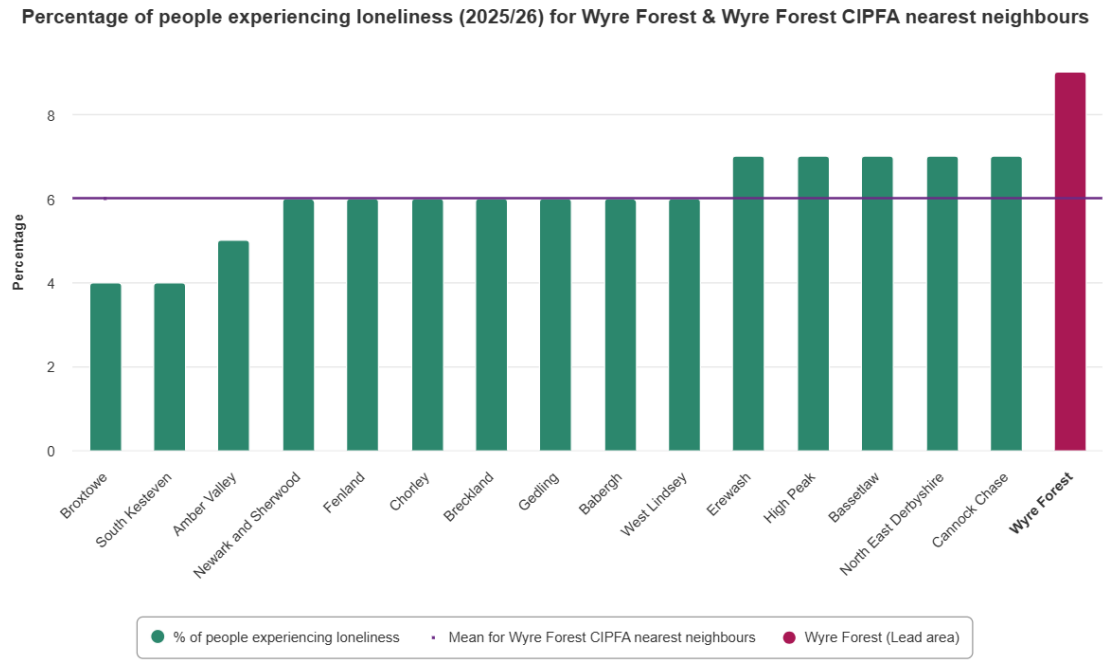
Comments: Polarity - High value is good

Percentage of people who agree that people from different backgrounds get on well together in their local area (DCMS)

In 2025/26, the percentage of people who agree that people from different backgrounds get on well together in their local area in Wyre Forest was 69%, which is below the Wyre Forest CIPFA nearest neighbours mean percentage of 77%.

This is the proportion of respondents aged 16 and over who agree that people from different backgrounds get on well together in their local area. Respondents who answered "don"t know" and/or those with missing answers are excluded.

This data is sourced from the Department for Culture, Media & Sport.



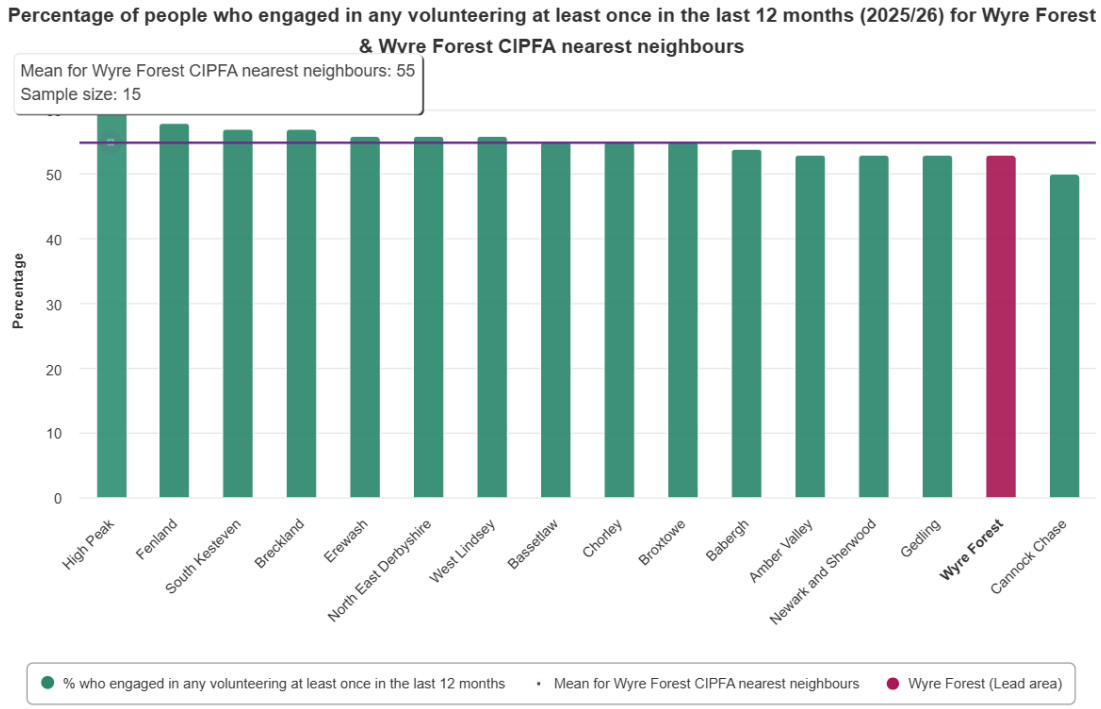
Comments: Polarity - Low value is good

Percentage of people experiencing loneliness (DCMS)

In 2025/26, 9% of people in Wyre Forest reported experiencing loneliness, compared with a CIPFA nearest neighbour average of 6%. As a lower percentage indicates better performance, this suggests that loneliness levels in Wyre Forest are higher than the average of comparable authorities

This is the proportion of respondents aged 16 and over who answered "Often/Always" to the question How often do you feel lonely? The question was asked to measure the frequency of feelings of loneliness of adults in England. The options are Often/Always, Some of the time, Occasionally, Hardly ever and Never. Respondents who answered "don"t know" and/or those with missing answers are excluded. Respondents who answered "Just moved here" are excluded.

This data is sourced from the Department for Culture, Media & Sport.



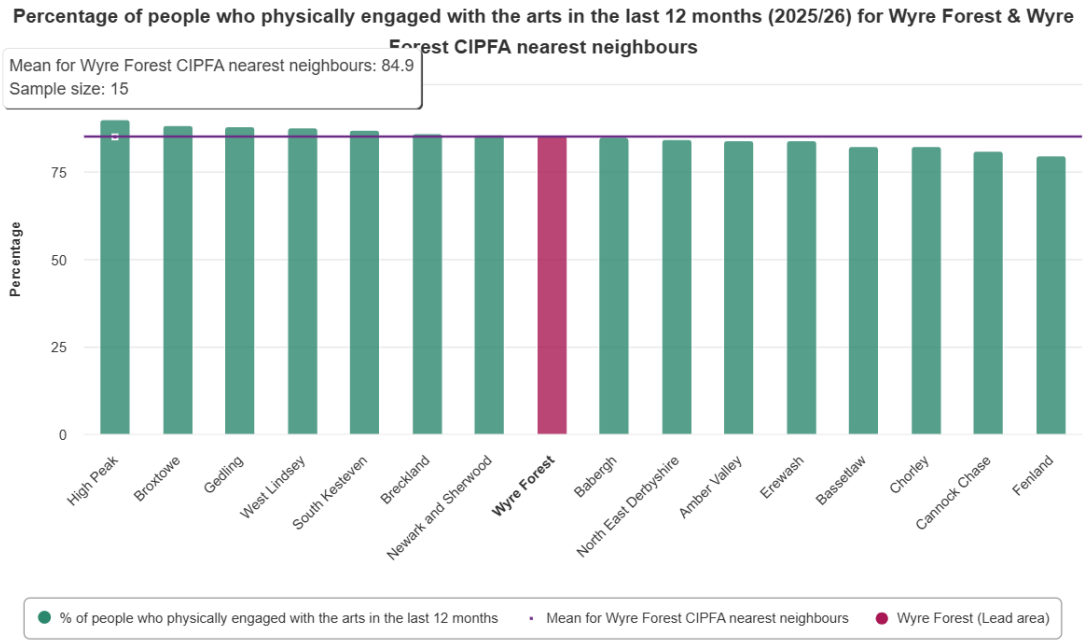
Comments: Polarity – High value is good

Percentage of people who have engaged in volunteering recently (DCMS)

In 2025/26, the percentage of people who engaged in any volunteering at least once in the last 12 months in Wyre Forest was 53%, which is below the Wyre Forest CIPFA nearest neighbours mean percentage of 55%.

This is the proportion of respondents aged 16 and over who engaged in any volunteering at least once in the last 12 months. Respondents who answered "don"t know" and/or those with missing answers are excluded.

This data is sourced from the Department for Culture, Media & Sport.



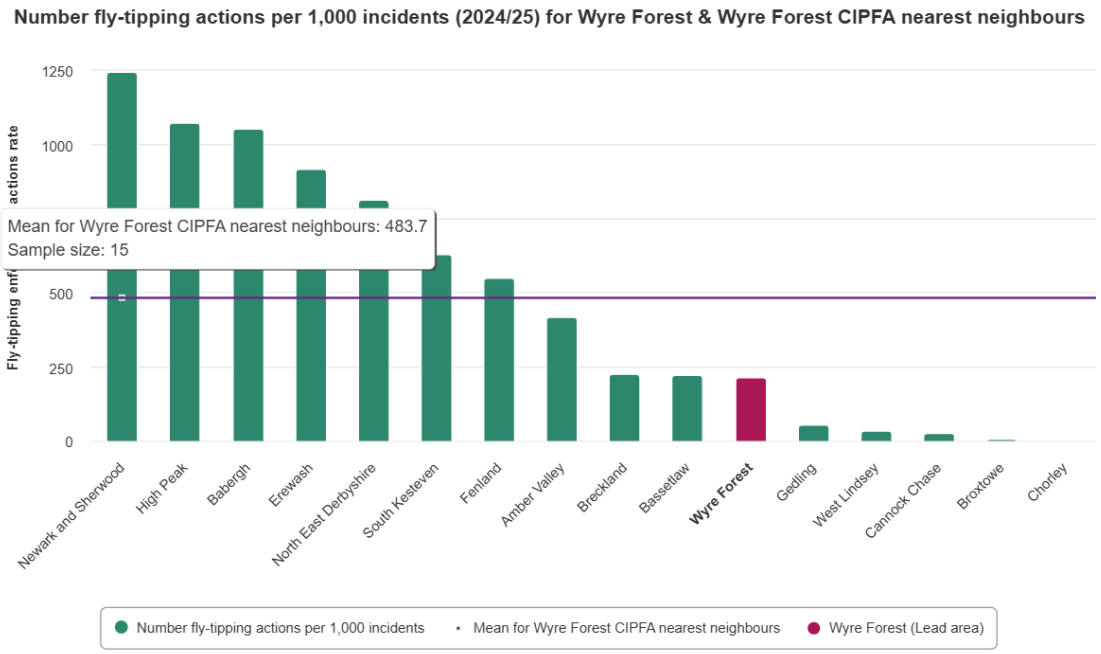
Comments: Polarity – High value is good

Percentage of people who reported in-person cultural engagement within the past 12-months (DCMS)

In 2025/26, the percentage of people who reported in-person cultural engagement within the past 12-months in Wyre Forest was 85.1%, which is above the Wyre Forest CIPFA nearest neighbours mean percentage of people who reported in-person cultural engagement of 84.9%.

This is the proportion of respondents aged 16 and over who reported having physically engaged with any arts activity in the last 12 months. This includes arts events attended or activities participated in person such as reading or attending a live comedy event. Digital engagement is not counted.

This data is sourced from the Department for Culture, Media & Sport



Comments: Polarity – High value is good

Rate of fly-tipping enforcement actions per incident (Defra)

In 2024/25, the number of fly tipping enforcement actions in Wyre Forest was 214.0 per 1000 incidents, which is below the Wyre Forest CIPFA nearest neighbours mean number of fly tipping enforcement actions of 483.7 per 1000 incidents.

This is the total number of fly-tipping enforcement actions carried out by the local authority per thousand incidents.

Fly-tipping is the illegal deposit of waste on land, contrary to Section 33(1)(a) of the Environmental Protection Act 1990. Local authorities and the Environment Agency both have a responsibility in respect of illegally deposited waste. This includes local authorities and the Environment Agency collecting and reporting data on fly-tipping in their area, this dataset however, only includes LA collected data.

Note: that some of the figures reported by other councils seem unusual – they are reporting more enforcement actions (over 1000) than the number of fly-tipping incidents, as the bar chart shows enforcement actions for each 1000 incidents.

This data is sourced from the Department for Environment, Food and Rural Affairs.

Agenda Item No. 7.2

WYRE FOREST DISTRICT COUNCIL

CABINET

11TH NOVEMBER 2026

FINANCIAL FRAMEWORK FOR THE 2027-30 MEDIUM TERM FINANCIAL STRATEGY, STRATEGIC OPTIONS ANALYSIS AND BUDGET SETTING PRINCIPLES

OPEN	
CABINET MEMBER:	Councillor David Ross Cabinet Member for Finance and Capital Portfolio
RESPONSIBLE OFFICER:	Director of Resources and Chief Executive
CONTACT OFFICERS:	Helen Ogram Ext. 2907 Helen.Ogram@wyreforestdc.gov.uk Ian Miller Ext 2700 Ian.miller@wyreforestdc.gov.uk
APPENDICES:	None

1. PURPOSE

1.1 This report establishes the framework for preparing the Council's 2027-28 budget and refreshing the 2027-30 Medium-Term Financial Strategy (MTFS). As the first stage of the budget-setting process, it sets out the strategic principles, financial context and approach to developing and prioritising proposals. Planning will reflect the Government's announcement of 29 October 2026 that it is minded to proceed with two Worcestershire unitary councils, with shadow elections in May 2028 and a proposed vesting date of 1 April 2029, subject to representations, a final decision and the necessary legislation.

1.2 Cabinet is asked to agree the principles, budget timetable and consultation arrangements, and to note the emerging financial position. This report does not seek approval of the final budget, MTFS or individual investment allocations. Consultation, scrutiny, updated funding information and detailed affordability and deliverability assessments will inform the proposals brought forward for final decisions in February 2027.

2. RECOMMENDATIONS

The Cabinet is invited to approve:

2.1 the integrated strategic principles that will underpin the Medium-Term Financial Strategy and support the s151 Officer's duty to advise on a prudent, balanced and sustainable 2027-28 budget, as set out in paragraph 4.4;

2.2 the timetable for agreeing the 2027-28 budget and Medium-Term Financial Strategy;

2.3 the arrangements for consultation set out in paragraphs 4.24 to 4.26 and the inclusion of the Cabinet's draft investment proposals in Table 5 for consultation. This approval does not authorise expenditure or inclusion of any proposal in the final budget; the final package will be informed by consultation responses and overall affordability.

The Cabinet is invited to note:

2.4 the emerging financial position within which the 2027-28 budget and 2027-30 Medium-Term Financial Strategy will be developed; and

2.5 the requirement for the Authority to set a sustainable and balanced budget which shows how income will equal expenditure over the short- and medium-term.

3. BACKGROUND

Funding Reform

3.1 The Government implemented a major programme of local government finance reform through Fair Funding Review 2.0 from 1 April 2026, representing the most significant change to the distribution of local government funding in over a decade. The reforms updated the assessment of relative need and resources to better reflect current service demands, deprivation levels and councils' ability to raise income locally. Alongside this, the Government undertook a full reset of the Business Rates Retention System, establishing new funding baselines and redistributing retained business rates growth across the sector in line with the revised funding formula. These changes formed part of the first multi-year Local Government Finance Settlement since 2016, covering the period 2026/27 to 2028/29, and were intended to provide greater certainty for councils' medium-term financial planning while ensuring that funding was more closely aligned to need. The reforms have had varying impacts across authorities, particularly in relation to the balance between deprivation, demand pressures, sparsity and local tax-raising capacity.

3.2 The Government's transitional funding arrangements were designed to phase in the financial impacts of Fair Funding Review 2.0 and the Business Rates Retention Reset, thereby avoiding significant year-on-year changes in funding allocations. Whilst this provided greater stability and supports medium-term financial planning, it also means that the full effects of the reforms will emerge gradually over the life of the Settlement and beyond. Consequently, the Council's medium-term forecasts will need to reflect both the temporary protection afforded by transitional arrangements and the potential movement towards the authority's longer-term funding position as these arrangements are withdrawn. A particular concern is that Income Protection Grant is for one year only and is worth £65k to this Council.

3.3 The Autumn Budget was delivered on 28 October 2026, alongside updated OBR forecasts and a Fiscal Devolution Roadmap. Announcements relevant to the Council include changes to business rates reliefs, proposals for increased local retention of business rates, additional housing and regeneration funding, and a Household Energy Payment to be delivered through councils. These measures require assessment alongside the existing 2026-27 to 2028-29 Local Government Finance Settlement. Council-specific allocations,

grant conditions, implementation costs and any changes to transitional arrangements remain subject to confirmation. Wider developments affecting county services, including social care and SEND, also remain relevant to the Council's financial planning and proposed reorganisation.

3.4 The Autumn Budget announced an additional £1.5bn nationally for social and affordable housing and a £125m Derelict Buildings Fund for 60 English local authorities. WFDC has not been awarded an allocation from the Derelict Buildings Fund, and this funding is therefore not available to support the Council's investment proposals. Opportunities arising from the additional housing funding will be assessed against programme criteria, deliverability, match-funding requirements and ongoing revenue consequences before being incorporated into the capital programme or MTFS.

3.5 The Autumn Budget announced a one-off £100 Household Energy Payment for eligible households in council tax bands A to D, with council payments expected to begin in January 2027, together with a national £100m discretionary fund. Government has stated that scheme funding will be provided in advance, eligible payments reconciled after delivery and councils fully funded for new burdens. The Council will assess the staffing, systems, payment, fraud-prevention and assurance requirements when detailed guidance and local funding allocations are available. Scheme receipts will be distinguished from resources available to support the Council's general budget.

3.6 The Labour Party Conference in September 2026 provided further policy signals relevant to the Council's financial and strategic planning. The Government reaffirmed its intention to expand council and social housebuilding, including greater support for councils to build on unused public land, changes intended to protect newly built council homes from future Right to Buy sales, and stronger local authority powers in relation to long-term empty homes and the acquisition of social housing being disposed of by registered providers. The conference also maintained the emphasis on housing-led regeneration, reindustrialisation, devolution and closer collaboration between local authorities, businesses and skills providers. These announcements indicate potential opportunities for housing delivery and economic development but, pending detailed policy, legislation, funding allocations and eligibility criteria, no additional income or expenditure has been included in the MTFS.

3.7 The context in which the 2027-30 refresh of the MTFS is being prepared also includes a number of other risks and opportunities:

- the effects of changes in housing growth, the council tax base and interest rates on income, borrowing costs and debt repayments;
- higher inflation than was projected when the three-year settlement for 2026-27 onwards was determined, including inflationary pressures arising from the ongoing conflict between the USA, Israel and Iran. In the 12 months to September 2026, CPI rose by 3.5%, up from 3.1% in August, while CPIH rose by 3.6%, up from 3.3%. These increases heighten the risk that expenditure assumptions and available budget provision will require further review;
- continuing cost-of-living pressures affecting communities and residents, contributing to increased demand across key service areas;
- wider economic inflation feeding through into wage pressures, alongside the announced 3.9% increase in the National Living Wage to £13.21 an hour from April 2027. The Council will assess the implications for statutory pay compliance, pay

differentials and commissioned services, together with recruitment, retention and service resilience. This statutory increase does not determine the NJC pay award;

- increased demand for temporary accommodation and wider housing supply pressures, together with the potential operational and financial implications of proposed strengthened homelessness referral arrangements, local authority acquisition powers and the Government's increased emphasis on direct council and social housebuilding;
- reductions in some sales, fees and charges income compared with previous budget assumptions, including income relating to the Council's property estate, the Waste Transfer Station and Land Charges;
- potential opportunities arising from the Labour Party Conference emphasis on reindustrialisation, infrastructure investment and closer collaboration between local authorities, employers and skills providers, including the potential to align regeneration and economic development activity with local employment, apprenticeships, workforce development and local supply-chain benefits, subject to confirmation of national programmes, funding arrangements and local eligibility;
- significant demand and financial pressures affecting public sector partners, including the county council, creating additional operational and financial risks for the Council;
- capital programme pressures arising from the cost and capacity implications of procuring and delivering projects, including the risk of increased capital financing costs, additional revenue consequences, slippage and the need to reprioritise or rescope schemes;
- dependency on locally collected Business Rates, together with the effects of the Business Rates Retention Reset, Budget changes to reliefs and proposed increases in local retention, and future changes in the local tax base. The net impact will depend on compensation, redistribution and replacement-grant arrangements; higher retention is unlikely to represent an equivalent increase in spending power. Prudent forecasting and sufficient reserves remain essential to manage income volatility;
- the challenging requirement to deliver savings of £1.5m to balance the MTFS, including the risk that any existing savings or income targets that prove undeliverable will require alternative proposals to be identified; and
- transition risks arising from the Government's minded-to proposal for two Worcestershire unitary councils from April 2029, including the need to maintain financial sustainability and service continuity, assess transition costs and capacity, and retain flexibility pending the final decision and implementation arrangements.

3.8 From 31 March 2026, English local authorities became subject to the Government's Simpler Recycling requirements, which mandate the separate weekly collection of household food waste. The policy was introduced to increase recycling rates, reduce the volume of food waste sent for disposal and support the production of renewable energy through anaerobic digestion. To support implementation, Government provided capital funding for containers, vehicles and service mobilisation; however new burdens funding to operate weekly food waste collections was distributed via the provisional settlement for 2026-27 even though this seemed to contradict the new burdens protocol and has meant that individual councils are not compensated for the estimated specific cost they incur.

3.9 For Wyre Forest the funding was insufficient to meet the full cost of implementation and operation, creating additional pressure on already constrained local authority budgets which led to Cabinet resolving not to proceed with implementation, a decision supported by Council. The funding initially identified for the introduction of the service in the draft MTFS (£600k) was earmarked to a risk reserve to address risks associated with local government reorganisation and future compliance with the new duty.

3.10 A significant number of authorities also reported difficulties in meeting the implementation deadline due to vehicle procurement delays, supply chain constraints, workforce requirements and contractual commitments within existing waste collection arrangements.

3.11 The Cabinet has reviewed the position, and an update report was considered by Overview and Scrutiny Committee on 5th November. The existing 2026-29 MTFS includes budget provision of £1.2m for implementation in 2028-29. The proposed April 2029 vesting date means that the future service arrangements and associated funding require reassessment. Any proposed change to the existing budget provision will be reported through the MTFS process; the LGR announcement does not itself change the Council's statutory responsibilities.

4. KEY ISSUES

Framework for a Robust, Sustainable and Financially Resilient Council

4.1 An effective MTFS ensures the Authority has the financial strategies, plans and financial decision-making framework in place that will deliver a financially resilient and sustainable council over the short, medium and long term. The Council will retain a three-year financial planning horizon for 2027-30. On the Government's proposed April 2029 vesting timetable, 2027-28 and 2028-29 would fall before reorganisation, while 2029-30 would provide indicative information relevant to successor-authority planning rather than a budget approved on its behalf. Pending the final decision and legislation, the Council remains responsible for setting balanced budgets, managing financial risks and ensuring the sustainable delivery of services.

The key components are:

- a 3-year Revenue Plan to balance annual funding and expenditure;
- a Capital Strategy and Capital Investment Programme to optimise the way in which we generate, manage and allocate the capital funds at our disposal;
- a Reserves Strategy and an associated programme of reserves reviews to make sure the money we hold is effectively managed to meet the financial risks and uncertainties; and
- Treasury Management and Investment Strategies that govern how, and to what extent, we can use our cash reserves and balance sheet strength (internal borrowing) to invest in the Council's priorities and plans.

4.2 The MTFS framework set out in this report will cover all these components. It will determine the likely levels of resources available over the medium term, the level of spending priority commitments arising from the Council's ambitions over the medium term and their subsequent prioritisation and the impact on the Council's cash resources; and, given that there is likely to be a gap, identify additional options to deliver budget reductions that can be evaluated alongside spending priorities. For 2027-28, particular weight will be given to decisions that support service continuity, maintain financial resilience and avoid creating unfunded or unclear commitments in advance of any future reorganisation.

4.3 The 2027-30 MTFS is likely to provide Members with some difficult choices about priorities and the risk appetite around the potential significance and volatility of our assumptions requiring scenario planning and sensitivity analysis.

4.4 Cabinet is asked to agree a set of key strategic principles as a starting point within which the 2027-30 MTFS will be developed. The proposed strategic principles are:

Principle 1: The MTFS should continue to provide for the Bank of England target inflation rate, with a nuanced approach to individual spending areas where contractual, market or demand pressures justify a different assumption. Pay inflation is expected to be above the target inflation rate and the existing 2026-29 MTFS pay assumption for the April 2027 award of 3% will be maintained at this level for 2028-29 before falling back to 2% in 2029-30. All inflation assumptions for 2027-28 should be clearly evidenced and reviewed against the latest available information to ensure that the budget remains prudent and sustainable ahead of reorganisation.

Principle 2: Already planned Council Tax increases, assumed at 3% a year in 2027-28 and 2028-29, are prudent and will remain the basis of the MTFS. If the Government sets a higher referendum limit any increase above 3% will be subject to a separate decision by Members through the annual budget-setting process.

Principle 3: All fees and charges, and the scope for charging for discretionary activities that are currently provided free of charge, will be reviewed at least annually. In general, fees and charges income from discretionary services should recover the full cost of delivery except where the Council is prevented by legislation from doing so, where lower charges demonstrably avoid more costly service demand, or where there is a clear community benefit that contributes to the Corporate Plan.

Principle 4: Generally existing fees and charges should increase by at least 5% or CPI plus 3%, whichever is lower, in line with the assumptions in the approved MTFS 2026-29. Any decision to freeze, reduce or introduce charges below this assumption must identify offsetting savings, additional income or a clear and affordable policy rationale, including a demonstrable community benefit that contributes to the Corporate Plan. Notwithstanding the general principle of increasing fees and charges, where appropriate, steps may be taken to support future alignment in preparation for local government reorganisation, provided this does not have a significant adverse impact on WFDC's financial position.

Principle 5: There is a clear expectation that existing planned budget reductions and increases in net commercial income will be delivered, and that the impact of budget pressures that exist in 2026-27 will be managed in year through robust budget management and, where necessary, the use of earmarked reserves. Where existing savings cannot be delivered, alternative deliverable savings must be identified so that unfunded pressures are not carried into 2027-28 or the wider MTFS period.

Principle 6: Given the estimated inflationary, demand, market and reorganisation impacts, a compelling justification is required for new permanent budget allocations, permanent reductions in current income assumptions, or other decisions that create ongoing financial commitments. Proposals must be affordable, deliverable, transparent, supported by evidence, aligned with the Corporate Plan, and capable of being managed safely within the Council's MTFS and any future transition arrangements.

Principle 7: Substantial increases in the cost of existing and new capital projects, together with demands on staff resources and the uncertainty created by Local Government Reorganisation, mean that the Council cannot afford to provide capital funding for all pipeline projects that meet its ambitions. The focus should be on affordable and achievable projects that are unavoidable, externally funded, spend-to-save, contractually committed, revenue neutral, or capable of being completed or governed effectively within current arrangements. This may require existing approved projects to be paused at design stage, stopped or rescoped where capital budgets will buy less than originally expected or where unfunded revenue consequences would arise.

Principle 8: The 2027-28 budget will be prepared on a prudent basis, reflecting the Government's minded-to proposal for two Worcestershire unitary councils from April 2029, subject to a final decision and the necessary legislation. It must preserve service continuity, maintain strong financial governance, provide for transition requirements and protect the Council's financial resilience. Planning assumptions will remain flexible until the implementation arrangements are confirmed.

Principle 9: Reserves will be managed prudently across the MTFS period and particularly during 2027-28. They should not be used to support recurring expenditure, except where there is a clear transition rationale, an exit strategy, and assurance that the use of reserves will not weaken the Council's financial resilience. The reserves review will therefore consider risk, transformation, transition costs and the need to preserve financial resilience in the context of ongoing uncertainty around Local Government Reorganisation.

Principle 10: The budget process will include clear documentation of assumptions, risks, dependencies, contractual commitments, earmarked reserves, transformation plans, transition costs, capital financing, internal borrowing and deliverability assessments. This evidence base should support member decision making, audit assurance, effective budget monitoring and readiness for any future reorganisation.

4.5 All of the elements of a sustainable and financially resilient MTFS will require a range of activity, information and intelligence gathering and reports that will need to be brought together before final decisions on the 2027-30 MTFS. The overall objective is to ensure a transparent approach, taking into account the full risks and implications for services and communities, to meet the overarching aim of being a robust, sustainable and financially resilient Council well-placed to rise to the challenge of meeting the ambitions set out in the Corporate Plan.

Starting financial position and budget preparation assumptions

4.6 The starting assumption for the 2027-30 MTFS is that pressures arising in 2026-27 can be managed in-year through robust budget management and, where necessary, use of the reserves set aside for this purpose in the budget approved in February 2026. However, early indications are that pressures are increasing and are currently being offset by MRP savings resulting from capital programme delays and additional investment income arising because the Bank Rate has fallen more slowly than anticipated. The Quarter 2 Budget Monitoring Report elsewhere on this agenda sets out the emerging position. If these pressures crystallise, the approach and financial discipline set out in this report will become increasingly important.

Table 3: Current estimate of reserves position/funding gap (MTFS 2026-29 assumption updated for Q2 variances) is shown in the table below:

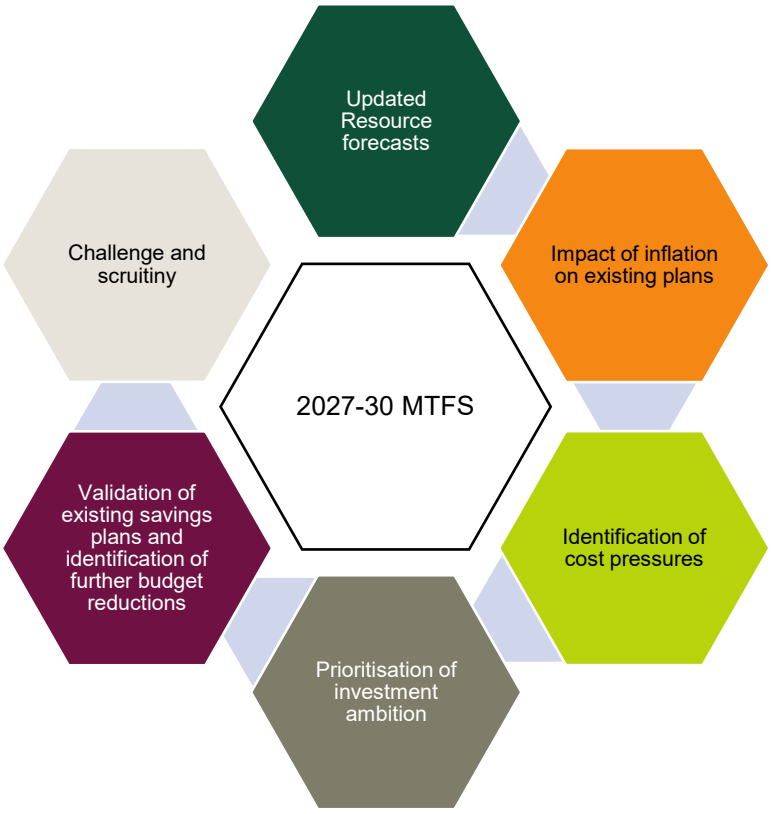
Projection of reserves per MTFS adjusted for Draft Outturn 2025-26

Reserves Statement	Original Budget 2026-27	2027-28	2028-29
	£	£	£
MTFS assumed reserves as at 1st April 2026	5,262,010		
2025-26 Outturn adjustment (Pre-audit)	124,852		
Reserves at 1st April	**5,386,862**	**5,978,942**	**5,137,332**
MTFS assumed contribution to/(from) Reserves	(404,370)	(1,441,610)	(1,017,750)
Budgeted Release of Earmarked to Unallocated (General) Reserves	300,000	600,000	0
Esitmated Outturn variance	696,450		
Contribution (from)/to Reserves	**592,080**	**(841,610)**	**(1,017,750)**
Reserves as at 31st March	**5,978,942**	**5,137,332**	**4,119,582**

4.7 The Council holds a consolidated risk reserve with a current balance of £1.584m. The minimum recommended balance will be reviewed as part of the 2027-28 budget preparation.

4.8 **Diagram 1: Areas of Activity to Deliver a Refreshed MTFS**

2027-28 Budget Strategy and Local Government Reorganisation Planning



Updated Resource Forecasts

4.9 The key variables in the resource forecasts are the annual growth in the council tax base, inflation assumptions, business rates income, any referendum principles for Council Tax increases and central government grant allocations and funding streams announced with the Local Government Finance Settlement and assumptions about fees and charges.

4.10 The 2027-28 budget and MTFS forecasts will reflect the Council's anticipated reorganisation costs, distinguishing one-off transition requirements from ongoing service expenditure. Assumptions will be reviewed as implementation arrangements are confirmed.

4.11 The level of uncertainty this year means that we will need to plan for a range of potential resource scenarios and assumptions.

Table 4: Current resourcing assumptions 2026-29 MTFS

	2026-27 £	2027-28 £	2028-29 £
Net Expenditure on Services	**16,774,690**	**17,738,820**	**18,178,920**
Creation of Earmarked Reserve	600,000	600,000	
Contribution (from)/to Reserves	(404,370)	(1,441,610)	(1,017,750)
Net Budget Requirement	**16,970,320**	**16,897,210**	**17,161,170**
Funded by:			
Revenue Support Grant	3,173,940	3,191,290	3,192,290
Grants rolled into RSG (included in net budget requirement)	(299,000)	(299,000)	(299,000)
Transitional Funding (Additional RSG)	65,350	0	0
Business Rates	2,789,840	2,854,000	2,911,400
Adjustment Support Grant	332,030		
Extended Producer Responsibility Grant	1,420,000	1,200,000	1,000,000
Recovery Grant	400,190	400,190	400,190
Collection Fund Deficit	(70,000)	0	0
Council Tax Income	9,157,970	9,550,730	9,956,290
WFDC Council Tax: 2.99% increase per annum	**258.08**	**265.80**	**273.75**
Percentage increase in Council Tax	2.993%	2.991%	2.991%

4.12 These resource assumptions will determine the level of further budget reductions or additional income generation the Council will need to plan for. The 2026-29 MTFS included Extended Producer Responsibility (EPR) funding as an additional revenue source. The 2027-30 MTFS will assume that EPR funding continues, using the latest available assessments with a risk adjustment. PackUK had planned to issue 2027-28 Notices of Assessment by November 2026; however, on 30 October it advised authorities of a delay in issuing notices, without confirming a revised date or identifying the assessment year affected. The Council will therefore not assume a fixed notification date for its 2027-28 allocation. The £1m annual provision for 2027-28 and subsequent years remains a risk-adjusted planning assumption, not a confirmed allocation or guaranteed minimum. It will be reviewed when the relevant assessment and grant determinations are available, taking account of funding conditions and the costs of managing household packaging waste.

4.13 **Council Tax Referendum principles** (Key Principle) The MTFS planning assumption remains a Council Tax increase of 3% a year in 2027-28 and 2028-29, subject to the referendum principles applicable to the Council and the annual budget decision. This is a local planning assumption, not confirmation of the permitted increase for either year. The Autumn Budget gave no indication of the Government's proposals. These may emerge in the local government finance policy statement expected later in November. Office of Budget responsibility documents indicate slightly slower growth in council tax income than in the current year, which may reflect an assumption that the Government will continue to limit councils' powers to set council tax. Any change required by the published principles, or any proposal to use additional flexibility, will be reported to Members through the budget-setting process, having regard to the Autumn Budget, the provisional Local Government Finance Settlement and local circumstances.

4.14 **Council Tax Base** – The current approved MTFS assumes annual taxbase growth of 447 band D equivalent properties for 2027-28 and 438 for 2028-29. The assumptions will be reviewed based on the latest expected Housing growth and the formal tax base calculation.

4.15 **Reserves policy**

Table 3 shows that the final 2025-26 accounts provided a stronger opening reserves position than the planning assumption; however, emerging budget pressures could fully erode that improvement by the end of 2026-27. Continued delivery of the savings and income growth assumed in the approved budget is therefore essential to financial sustainability. Robust reserves support the Council's ability to manage financial risk and respond to economic shocks, but they cannot substitute for recurring savings. The 2027-30 MTFS will continue to reflect the transformation efficiencies and commercial income growth planned through the Commercial Strategy and the Transformation and Financial Sustainability Plan. Cabinet and officers must continue to progress the Transformation and Financial Sustainability Savings Programme to protect the Council's financial resilience during the period of uncertainty.

Impact of inflation on existing plans

4.16 The MTFS approved in February 2026 included provision for £3.171m inflationary uplift over the next three years, of which £581k relates to 2026-27, based on an assumption that inflation would average circa 3%. ONS figures published on 21 October show that CPI rose by 3.5% in the 12 months to September 2026, up from 3.1% in August, while CPIH rose by 3.6%, up from 3.3%. The OBR forecasts published with the 28 October Budget indicate that inflation will remain above the Bank of England's 2% target in the near term. The budget refresh will test the existing assumptions against these forecasts and subsequent inflation releases, distinguishing observed inflation, forecast inflation and the medium-term target. Individual expenditure assumptions will reflect contractual, market and service-specific pressures rather than applying a national inflation measure uniformly. The resulting cost pressures and sensitivity analysis will inform the proposed budget provision.

4.17 The Bank of England's target inflation rate will remain a medium-term reference point for the Council's cost assumptions, rather than a forecast of its actual costs. Consistent with Principle 1, budget assumptions will reflect the latest economic evidence, the type of expenditure and the contractual basis for securing each good or service, with a nuanced approach where contractual, market or demand pressures justify a different assumption. The approach taken for each expenditure head will remain a matter of judgement and will be refreshed as more information emerges between now and February. The position will be kept under close review as work on the 2027-30 MTFS continues to ensure that our financial strategy remains strong.

4.18 Any need to provide for increased inflationary costs in 2026-27, above the level provided for in the MTFS will be a first call on reductions in service cost. Only as a last resort will inflationary growth be met from risk reserves.

4.19 The 2026-29 MTFS assumed a 3% pay award in 2026-27, followed by 3% in 2027-28, falling to 2% for the remaining year of the MTFS. The actual pay award was 3.3%, 0.3 percentage points above the assumption. The pressure of circa £50k will be contained within the overall cost of pay due to higher-than-anticipated vacancies in the first two quarters but will be an additional budget pressure for the remaining years of the MTFS. The proposed planning provision is 3% in 2027-28 and 2028-29 before falling back to 2% in 2029-30. These assumptions will be tested against the latest inflation outlook, NJC negotiations and the statutory minimum wage changes announced for April 2027. Any additional cost arising from statutory compliance or pay-scale differentials will be separately quantified; the minimum wage increase is not an agreed NJC pay award.

4.20 The impact of inflation extends beyond costs. The approved 2026-29 MTFS assumed that in general Services increase fees and charges at a rate of 5% or CPI + 3%, whichever is the lower each year. Any decision to increase charges below the existing assumptions would increase the level of savings required. The cost increases assumed to be funded from the income would still need to be funded and we would also need to put in place plans to accommodate the loss of income.

Identification of unavoidable cost pressures

4.21 The identification of unavoidable cost pressures has two elements:

- a review of those pressures already indicatively approved in the MTFS and
- identification of any new pressures that have emerged since the 2026-29 MTFS was approved.

4.22 A robust, evidence-based approach to both elements will be put in place that will cover the cause of the need for an additional budget allocation, the actions the service has put in place to manage the cost and the implications for service delivery if the allocation is not supported, as well as a detailed calculation of the expected cost and how the funding will be used. This will be accompanied by any further opportunities for “right-sizing” or rebasing the budget, identified through in year budget monitoring and an in-depth review of the 2025-26 outturn savings.

Investment ambition (Cabinet proposals)

4.23 Given the size of the funding gap, further costs arising from demand and market pressures, and the uncertainty created by Local Government Reorganisation, new permanent budget allocations will require a compelling, evidence-based justification and a clear assessment of affordability. This includes ongoing revenue consequences of capital projects that cannot be covered by new income, an investment return or service efficiency savings, and permanent reductions in current fees and charges. One-off expenditure on a “spend to save” basis may be supported, but resources within the Revenue Innovation Fund and staff capacity are limited. Proposals will therefore need to be prioritised to make the best use of available resources, with clear, deliverable and measurable outputs and expected outcomes that contribute to the priorities in the Corporate Plan. The MTFS will assume a Council Tax increase of 3% in each year, subject to the applicable referendum principles and Members’ annual budget decisions. Any additional flexibility provided by Government will be considered when its availability and financial implications are confirmed.

4.24 The Council has a responsibility to consult with residents and businesses on its annual budget. Under section 3 of the Local Government Act 1999, local authorities must consult widely to determine how the Best Value duty should be fulfilled when reshaping services. Consultation should enable interested organisations, service users and the wider community to put forward options in response to the Council’s savings proposals or spending decisions. The type and scale of consultation must be proportionate to the potential impact of the proposal or decision being taken. Case law provides that consultation should take place while proposals are at a formative stage, provide sufficient information to permit intelligent consideration and response, and allow adequate time for consideration and response. The results must be conscientiously taken into account in finalising any proposal.

4.25 It is proposed that consultation will run from 24 November 2026 to 5 January 2027, using online surveys and providing a six-week consultation period. The outcome of the public consultation will be shared with Cabinet members and the Strategic Review Panel in mid-

January to inform the Panel's recommendations to Cabinet on alternative budget proposals.

4.26 The Council's business and financial planning is underpinned by the Corporate Plan 2023-27, which sets out its aspirations and priorities and provides a framework for spending decisions. Table 5 presents investment options for consultation, rather than an approved or fully funded programme. Taken together, the proposals are unaffordable within the Council's current funding position. Choices will therefore be required about which proposals can be taken forward, their scope and timing, having regard to consultation responses and the overall affordability of the budget and Medium-Term Financial Strategy.

Consultation with residents, local businesses and other stakeholders will help identify priorities and shape the proposals. The final package recommended for approval will reflect consultation responses alongside the latest funding position, the full capital and ongoing revenue costs, deliverability and the need to maintain financial resilience. Inclusion in Table 5 does not commit the Council to funding or delivering a proposal. Some proposals may need to be reduced in scope, phased, deferred or not progressed.

Table 5: Cabinet investment proposals for consultation — subject to prioritisation and affordability

Key: Year 1 = 2027-28; Year 2 = 2028-29; Year 3 = 2029-30. £ = £10k–£25k per year; ££ = over £25k–£100k per year; £££ = over £100k per year. These are indicative annual revenue cost bands, not capital project values. "–" means no additional allocation proposed for that year, not that the service or scheme has no cost.

Council Plan Priority	Investment proposal	Detail – including measurable outputs and outcomes	Estimated Value (YR1/2/3)
Economic Growth and Regeneration	Revenue implications of capital plans	Asset Management Strategy – revenue implications of proposed additional capital investment of £250k per year to improve and extend the useful life of the Council's property assets • addressing essential condition survey works • substantial refurbishment of the Brinton Park splash pad and • drainage works at Bull Ring car park where the drainage consultant's recommendations identify a requirement for capital works, subject to scope and cost confirmation.	£/£/£
Economic Growth and Regeneration	Bewdley Museum café proposal	Provide revenue funding to develop and cost a proposal to enclose and upgrade the outdoor seating area at Bewdley Museum café. The work would assess feasibility and the business case for year-round operation and increased museum and town centre footfall. Output: a costed proposal and assessment of feasibility and the business case.	£/-/-

Council Plan Priority	Investment proposal	Detail – including measurable outputs and outcomes	Estimated Value (YR1/2/3)
		This would support scheme development only, not approval of construction. Potential capital funding would comprise the existing Capital Projects Fund where additional net revenue covers associated external interest and minimum revenue provision (MRP), with the balance from Section 106 monies or new borrowing, subject to funding availability and overall affordability.	
Economic Growth and Regeneration	Growth Hubs	Extend core funding for Growth Hubs to maintain economic development and business support activity within the District previously funded through the UK Shared Prosperity Fund. Outputs: businesses supported, advice sessions delivered and referrals to specialist support or funding, reported quarterly. Intended outcomes: improved business resilience and productivity, increased investment and jobs created or safeguarded. Progress measured through business feedback and follow-up monitoring of investment and employment outcomes. Annual targets to be agreed using existing delivery data, with funding coordinated with other provision to avoid duplication and maximise value for money.	- /££/-
Economic Growth and Regeneration	Overnight car parking charges	Remove overnight parking charges in Council car parks to support the night-time economy across the three towns. Outputs: car parks covered and hours of free parking provided. Intended outcomes: increased evening visits and support for local hospitality, leisure and cultural businesses, contributing to more active town centres. Progress measured through evening car park usage, town centre footfall where data is available, and feedback from local businesses. The car parks covered, charging hours to be removed and associated loss of parking income to be confirmed before implementation, with baselines and proportionate monitoring arrangements agreed to assess impact.	£/£/£
A clean safe and green place to live work and visit	Riverside splash pad proposal	Provide revenue funding to assess feasibility and develop a costed proposal for a new splash pad at Riverside, Stourport. Output: a feasibility assessment and costed proposal. Intended outcomes of a future scheme: enhanced outdoor play, improved health and wellbeing and a stronger visitor economy. This would support scheme development only, not approval of construction. Progression would depend on affordability and securing capital funding, potentially through Section 106 contributions, passported government grant and public sector partner contributions, with	£/-/-

Council Plan Priority	Investment proposal	Detail – including measurable outputs and outcomes	Estimated Value (YR1/2/3)
		ongoing operating and maintenance costs assessed before a decision to proceed.	
A clean safe and green place to live work and visit	Environmental Protection Officers	Continue funding the current staffing level until 31 March 2029 to tackle antisocial behaviour and support residents to feel safe in their communities. This would maintain the doubling of officer numbers since the last local elections. Outputs: patrol hours, incidents investigated, cases resolved and enforcement actions, reported quarterly alongside response times. Intended outcomes: fewer repeat incidents, faster case resolution and improved perceptions of safety, measured through incident rates, median resolution times and resident feedback. Baselines, annual targets and the response standard to be agreed before the funded period begins.	-/£££/-
A clean safe and green place to live work and visit	Inclusive Playground Improvements	To provide additional funding to upgrade existing playgrounds with accessible and adaptive play equipment and associated access improvements, enabling more children to play together. Outputs: playgrounds improved, inclusive play features installed and access improvements completed within agreed budgets and programmes. Intended outcomes: increased participation in active outdoor play, improved family wellbeing and social interaction, and fewer barriers to using local play facilities. Progress measured through usage observations and feedback from families on accessibility, participation and satisfaction. Baselines and targets to be agreed for each scheme before grant approval, with ongoing inspection and maintenance responsibilities confirmed as part of the grant conditions.	£/£/-
A clean safe and green place to live work and visit	On-street Recycling and Litter Bins – Extended Roll-out	Extend the provision of on-street recycling and litter bins in the three Town Centres, subject to a successful evaluation of the 2026–27 pilot. Outputs: additional bins installed and locations served within the agreed budget and programme. Intended outcomes: cleaner public spaces, increased recycling and reduced recyclable material in general litter waste. Progress measured through recycling quantities, contamination rates and litter monitoring at participating locations. Baselines and annual targets to be agreed using the pilot findings, with collection and maintenance requirements confirmed before further roll-out.	£/£/£
A clean safe and green	More support for Cultural events	Provide additional support for cultural events across the three towns to strengthen the visitor offer,	£/£/-

Council Plan Priority	Investment proposal	Detail – including measurable outputs and outcomes	Estimated Value (YR1/2/3)
place to live work and visit		support creative industries and celebrate residents' diversity and local heritage. Outputs: events supported, attendance and participation by local creative businesses, reported annually. Intended outcomes: support for tourism, town centre footfall and spending with local shops, restaurants and service providers, alongside contributions to improved wellbeing, reduced social isolation and stronger community pride and belonging. Progress measured through attendance counts, town centre footfall data and feedback from attendees and participating businesses. Baselines and annual targets to be agreed before the funded programme begins.	
A clean safe and green place to live work and visit	Street Scene – invest in more Litter Pickers	Extend the increased funding for additional litter picking during the tourist season in Bewdley and Stourport to support cleaner, safer and more welcoming town centres and help address antisocial behaviour. Outputs: additional litter-picking hours delivered and locations covered during the tourist season. Intended outcomes: improved town centre cleanliness, stronger community pride and a more attractive environment for visitors, supporting footfall, the visitor economy and high street businesses. Progress measured through litter monitoring and feedback from residents and visitors. Baselines and annual targets to be agreed before the funded period begins.	-/£/-

4.27 Taking into account financial reserves and expected capital receipts, the current affordable and achievable pipeline of regeneration and housing projects is set out below. Consistent with Principles 6, 7 and 8, proposals will be assessed for affordability, deliverability and their capital financing and ongoing revenue implications, including beyond reorganisation. Where an asset transfer to a town or parish council is considered under the Localism Policy, advice to Members will explain how the investment's benefits and associated costs would be shared, including any continuing financing commitments falling to the new unitary council and its taxpayers. This will inform consideration of the funding and transfer arrangements alongside the intended local benefits.

Table 6: Regeneration and housing pipeline — current position and financial implications

Council Plan Priority	**Project, current status and indicative capital requirement**	**Intended outputs and outcomes**
Economic Growth and Regeneration	**Lion Fields, Kidderminster.** The principle of housing development was supported by Cabinet on 8 April 2025, with procurement arrangements for a joint venture partner agreed in September 2025. A Stage 2 tender submission was received on 14 October 2026 and is subject to clarification and evaluation. Indicative WFDC investment remains **£4m–£6m**, subject to confirmation through procurement, financial appraisal and the relevant approvals.	Redevelopment of a brownfield town-centre site to provide a high-quality residential neighbourhood, meet local housing need and support wider regeneration. Intended outcomes include improved public realm and land quality, construction employment and increased economic activity. The number and mix of homes, delivery programme and measurable outputs will be confirmed through the preferred scheme and business case.
Economic Growth and Regeneration	**Bridge Street, Stourport.** Redevelopment of the former car park to provide a flexible community pavilion and associated public realm. The capital programme includes a provisional allocation of up to £4m, subject to the business case, due diligence and relevant approvals. A planning application was submitted on 7 October. Design and cost planning are progressing, with design completion anticipated in November 2026, followed by contractor market testing and pricing.	Provision of flexible space for community events, meetings, exhibitions and other activities, alongside public-realm improvements and better connections between the town centre and historic canal basins. Intended outcomes include increased use of the site, greater footfall and support for local businesses and heritage-led regeneration. The final business case will establish measurable targets for use, attendance, operating performance and delivery.

Both projects are currently proposed to be financed from capital receipts. The revenue financing implication will be foregone investment interest, with the amount and annual profile dependent on programme cash flow and the timing of capital receipts and expenditure. This will be reflected in the MTFS as the delivery programmes are refined. For Lion Fields, any additional service costs and associated Council Tax income will be assessed separately. For Bridge Street, operating income, maintenance and lifecycle costs will be assessed alongside ownership and management arrangements. Both assessments will identify any continuing implications for the new unitary council.

The following additional capital projects will be presented to the public, local businesses and other stakeholders for consultation.

Table 7: Additional capital investment proposals for consultation — subject to prioritisation and affordability

Council Plan Priority	Investment proposal and Capital value	Detail – including measurable outputs and outcomes
All Council Plan priorities	Asset Management Strategy - property condition works - Brinton Park splash pad refurbishment - Bull Ring car park drainage. An additional capital allocation supplementary to the existing £100k per year in the approved programme of £250k p.a.	Additional capital funding of £250k per year is proposed to enhance or extend the useful life of Council assets. This would support essential works identified through the commissioned CIPFA property condition surveys, substantial refurbishment of the Brinton Park splash pad and capital drainage works at Bull Ring car park, subject to scope and cost confirmation. Works will be prioritised within this allocation according to condition, statutory compliance, health and safety, service-critical need and deterioration risk. Outputs: an annual prioritised works programme, completion of agreed refurbishment and drainage works, and reduction in high-priority condition items. Intended outcomes: safer, more resilient assets, extended useful lives and improved value for money. Scope and phasing will be adjusted to the available allocation.
Economic Growth and Regeneration	Bewdley Museum café – potential enclosure and upgrade of the outdoor seating area. Capital cost and delivery programme to be confirmed through feasibility and the business case; construction is not approved by the Table 5 allocation.	Develop a costed proposal and assess feasibility and the business case for year-round operation and increased museum and town centre footfall. Potential capital funding would comprise the existing Capital Projects Fund where additional net revenue covers external interest and minimum revenue provision (MRP), with the balance from Section 106 monies or new borrowing, subject to availability and overall affordability. Measurable construction and operating targets will be established before any decision to proceed.
A clean safe and green place to live work and visit	Riverside splash pad, Stourport – potential new facility. Capital cost and delivery programme to be confirmed through feasibility; construction is not approved by the Table 5 allocation.	Produce a feasibility assessment and costed proposal. Intended outcomes of a future scheme: enhanced outdoor play, improved health and wellbeing and a stronger visitor economy. Progression will depend on affordability and securing capital funding, potentially through Section 106 contributions, passported government grant and public sector partner contributions. Measurable delivery and usage targets and ongoing operating and maintenance costs will be assessed before a decision to proceed.

The indicative revenue implications of the proposals in Table 7 are already shown in Table 5 and do not represent additional allocations. For the Asset Management Strategy programme, detailed financing and any ongoing operating costs will be confirmed through the MTFS once funding, scope and programme cash flow are established. For Bewdley Museum café and Riverside splash pad, the revenue allocations support scheme development only; any subsequent construction financing, operating and maintenance implications remain to be assessed. The dashes in Table 5 do not indicate that completed schemes would have no ongoing costs.

Internal Borrowing

4.28 Internal borrowing is a treasury management practice whereby the Council delays external borrowing to finance capital expenditure by temporarily using its own cash flow and cash-backed reserves and balances. The Council will continue this strategy while it is financially beneficial to do so. However, diminishing reserves limit the scope to continue internal borrowing indefinitely. The Council currently has circa £17m of internal borrowing.

4.29 As part of the 2027-28 budget, the Council will review internal borrowing, investment balances, capital financing costs and treasury assumptions to ensure that they remain affordable during the MTFS period and are clearly documented. Any decision to continue, increase or unwind internal borrowing will be assessed against liquidity, reserve adequacy, interest rate assumptions, capital programme deliverability and the need to preserve financial flexibility.

Validation of Existing Savings Plans and the identification of Further Budget Reductions

4.30 Even before the impact of changes to resource forecasts and inflationary and demand pressures the existing MTFS requires the delivery of £1.5m of savings over the life of the MTFS. It is therefore essential to validate that the plans and savings being targeted are deliverable. The 2027-30 MTFS refresh will require action plans for the delivery of planned savings across the MTFS period, building on the work undertaken during the current year by the Transformation and Commercial Board.

4.31 The Council aims to ensure that its medium-term financial strategy remains sustainable and resilient. Cabinet has made clear that decisions should protect the Council's financial position and avoid creating unfunded commitments in advance of any future reorganisation.

4.32 Any shortfall in the level of budget reductions delivered, whether as a result of deliverability or acceptability, will increase the level of new savings that need to be identified. The working assumption is that, where existing MTFS savings cannot be delivered, or existing budgeted income levels cannot be delivered, alternative deliverable savings will be brought forward for consideration. These alternative savings would be in addition to the budget reductions needed to balance the MTFS.

4.33 The need for additional budget reductions will be identified through an approach that ensures they are the most appropriate spending reductions for the organisation over the medium-term. During the year, any decisions with favourable financial implications will be reviewed so that any cost reductions can be incorporated into the MTFS and savings targets adjusted to reflect achievements.

4.34 Benchmarking and comparative information will be used to identify potential areas where value for money could be enhanced further and to provide strategic insight to potential target areas for reduced spending. The Revenue Innovation Fund will be used to invest in sustainable change that will impact towards the end of the MTFS period.

4.35 Alongside this work on identifying budget reductions there will be a review of reserves carried out during the year, to see if we can free up further capacity to allow the lead-in time for any transformation and innovation activity to be delivered. This may also need to include choices about the balance between using reserves for investment and short-term off-setting of savings not delivered as planned.

Challenge and Scrutiny

4.36 The challenge and scrutiny of proposals will continue to be delivered via the Strategic Review Panel. The Panel considers the Cabinet's proposals for the Medium Term Financial Strategy, capital strategy and budget options, and provides recommendations to Cabinet for the meeting in February each year in respect of any alternative budget proposals put forward by opposition groups. The work of the Panel is undertaken within the context of the Council's approach to transformation and takes account of the latest information about the Council's financial position and revised projections of future Government funding in formulating its recommendations. The panel will analyse proposals against Corporate Plan objectives and use evidence, such as benchmarking information, to support the proactive challenge of both spending and savings proposals.

4.37 Consultation on the Cabinet's budget proposals, including the principles set out in this report for the Medium-Term Financial Strategy and savings to be delivered through the Transformation and Financial Sustainability Plan, will run from 24 November 2026 to 5 January 2027, before presentation of the MTFS to Cabinet in February. Consultation will take the form of an online survey promoted through social media, WyredIn and other channels.

Capital Strategy

4.38 The Council's approach to capital investment has three core elements:

- The Capital Strategy
- The resulting Capital Programme
- The Capital Framework which demonstrates the Council's compliance with the Prudential Code and sets out the governance and resourcing arrangements needed to deliver and administer the programme.

4.39 Local authorities are required to approve a Capital Strategy on an annual basis. The annual refresh will ensure the Strategy is consistent with the priorities and outcomes of the Council Plan. The strategy will continue to cover a 10 year period to provide a strategic focus to the Council's approach to capital investment.

4.40 Capital investment must be affordable, deliverable and support the Council's long-term financial resilience. Proposals should meet at least one of the following criteria, with borrowing costs, revenue consequences, delivery risks and capacity fully assessed:

- unavoidable (renewals programme, maintenance); or
- essential to avoid a significant escalation in revenue costs; or

- deliver the corporate plan priorities, but also deliver a return on investment or reduction in service delivery costs, in order to off-set the borrowing costs; or
- funded 100% by external grant, capital receipts (Evergreen Investment Fund) or reserves and do not give rise to unreasonable ongoing additional revenue costs.

The pipeline of regeneration and housing projects is summarised in paragraph 4.27 above and the draft capital strategy presented to Cabinet in December will reflect the latest funding position.

5 FINANCIAL IMPLICATIONS

The need for a Balanced Budget

5.1 In putting forward their proposals Members are reminded that local authorities are required by law to have a balanced budget. However, what is meant by 'balanced' is not defined in law. A prudent definition of a sustainable balanced budget is a financial plan based on sound assumptions which shows how income will equal spend over the short and medium term. For the purposes of the proposals being developed, the medium term has been taken as the three years 2027-28 to 2029-30. Pending the final LGR decision and legislation, the proposed April 2029 vesting date will be treated as a planning assumption. The 2029-30 forecasts will inform transition and successor-authority planning without purporting to determine the successor authority's budget.

5.2 To avoid the risk of setting an unbalanced budget, the Council has to be financially resilient. Setting a clear MTFS helps clarify expected income and expenditure. Awareness of the funding available in forthcoming years means the Council is better placed to balance the budget. Reserves are a useful option in the short term, but they can only be used once. Consequently, proposals will be developed on the basis that reserves should not be used to pay for day-to-day recurring expenditure, except in the controlled transition circumstances set out in Principle 9. For 2027-28, this discipline is particularly important because the budget will form part of the Council's medium-term financial baseline.

6 LEGAL AND POLICY IMPLICATIONS

6.1 The Local Government Act 2003 (sections 25–29) placed additional duties on Local Authorities on how they set and prioritise budgets.

6.2 Section 28 places a statutory duty on an authority to review its budget from time to time during the year. If the Budget Monitoring Report shows that there has been deterioration in the Authority's financial position, the Authority must take such action as it concludes necessary. The Cabinet currently reviews performance and spend against the Budget on a quarterly basis.

6.3 Our External Auditor Bishop Fleming makes an assessment based on the annual programme of external audit work. The focus is on ensuring there are proper arrangements in place for securing financial resilience and that the organisation has proper arrangements for challenging how it secures economy, efficiency and effectiveness.

6.4 The Council has a responsibility to consult residents and businesses on its annual budget. Section 65 of the Local Government Finance Act 1992 requires the Council to consult representatives of non-domestic ratepayers on its expenditure proposals before determining the budget requirement. Consultation arrangements must allow sufficient

information and time for informed responses, and the responses must be conscientiously considered before final decisions are taken. The Council must also have due regard to its Public Sector Equality Duty when developing and assessing budget proposals. In addition, a duty to consult may arise from a legitimate expectation created by a promise or established practice, or from the general public law duty of fairness.

6.5 Under section 3 of the Local Government Act 1999, authorities must make arrangements to secure continuous improvement in the exercise of their functions, having regard to economy, efficiency and effectiveness, and must consult specified groups for the purpose of deciding how to fulfil that duty. Where services are being reshaped or savings proposals developed, consultation should enable interested organisations, service users and the wider community to put forward views and alternatives. The nature and scale of consultation should be proportionate to the potential impact of the proposal or decision.

7. IMPACT ASSESSMENTS

7.1 Equality, Climate Change and Health and Wellbeing Impact Assessments will be undertaken as appropriate as part of reviews of service delivery arrangements and the implementation of new models. This report establishes the financial framework, strategic principles and consultation arrangements for development of the 2027-30 MTFS. Any specific proposals arising through the budget process will be assessed at the appropriate stage.

8. RISK MANAGEMENT

8.1 The ability to deliver a balanced budget is one of the Council's key corporate risks and has been adversely impacted by high inflation in recent years, which is now feeding through to current year procurements. The Government's minded-to proposal for reorganisation from April 2029 introduces risks relating to implementation costs, staff capacity, savings delivery, service continuity and the transfer of financial commitments, alongside continuing uncertainty pending the final decision and legislation. This increases the importance of robust assumptions, clear documentation, strong budgetary control, prudent reserves management and early escalation of any decision that could affect the Council's medium-term financial position.

9. CONCLUSIONS

9.1 This report establishes the framework for developing the 2027-28 budget and refreshing the 2027-30 MTFS. Cabinet is asked to agree the strategic principles, timetable and consultation arrangements, and to note the emerging financial position. It does not approve the final budget or individual investment allocations.

9.2 The additional investment proposals presented for consultation in Tables 5 and 7 are collectively unaffordable within the current funding position. Consultation responses, scrutiny, detailed costings and assessment of affordability and deliverability will inform which proposals are recommended for inclusion in the final budget, and their scope and timing.

9.3 Budget preparation will test funding and expenditure assumptions, validate savings plans and assess reserves, capital financing and continuing commitments. The Quarter 2 Budget

and Performance Monitoring report provides the starting financial position. Planning will also reflect the proposed April 2029 reorganisation timetable, subject to a final decision and legislation, while protecting service continuity and financial resilience.

9.4 The draft MTFS and Capital Strategy will be presented to Cabinet in December 2026. Updated funding information, consultation findings and scrutiny recommendations will inform Cabinet's final recommendations to Council in February 2027. The proposed timetable is set out below.

Table 8: Key stages and timetable for consultation, scrutiny and budget approval

Date	Report
11 November 2026	Report to Cabinet on the Quarter 2 Budget and Performance Monitoring
11 November 2026	Scene setting report – Budget assumptions and Strategic options analysis and Funding gap refresh (with draft Cabinet proposals)
19 November 2026	Strategic Review Panel meeting to consider Autumn budget announcements, Strategic options analysis and budget consultation
24 November 2026	Budget consultation issued (6 weeks)
Late November 2026	Further MHCLG funding and policy announcements
Late November – early January	Political Groups work on their budget and MTFS proposals
Mid December	Provisional Settlement
16 December 2026	Report to Cabinet on the draft 2027-30 MTFS (including fees and charges) and Capital Strategy.
5 January 2027	Budget consultation closes
6 January 2027	Presentation to Strategic Review Panel on draft MTFS including Government announcements & early sight of budget consultation feedback (verbal update)
14 January 2027	Opposition Groups provide any amendments to the Administration's proposals for consideration by Strategic Review Panel – circulated 5 working days ahead of SRP panel (21 January)
21 January 2027	Opposition Groups present amendments to the Administration's proposals to the Strategic Review Panel
2 February 2027	Strategic Review Panel meets to consider budget proposals and to provide recommendations to Cabinet for the meeting in February in respect of any alternative budget proposals
Early February 2027	Final Settlement
10 February 2027	Cabinet recommends the 2027-28 budget and Council Tax, the 2027-30 MTFS, the Capital Strategy and the 2027-28 Treasury Management and Investment Strategies to Council for approval.
25 February 2027	Council sets the 2027-28 budget and council tax, 2027-30 MTFS, the Capital Strategy and the 2027-28 Treasury Management and Investment Strategies (TMSS)

10. CONSULTEES

Cabinet
Corporate Leadership Team

11. BACKGROUND PAPERS

Medium Term Financial Strategy 2026-29 (February 2026 Council)
Q2 budget and performance report, 2026-27 (on this Cabinet agenda, November 2026)
HM Treasury: Budget 2026; Fiscal Devolution Roadmap; and Budget 2026 Fact Sheet: Delivering for Every Region (28 October 2026).
Office for Budget Responsibility: Economic and fiscal outlook – October 2026 (28 October 2026; corrected 30 October 2026).
Office for National Statistics: Consumer price inflation, UK: September 2026 (21 October 2026).
Ministry of Housing, Communities and Local Government: Local government reorganisation: minded to decision letters to council leaders – Worcestershire (29 October 2026); and Worcestershire councils' joint statement, Update on Local Government Reorganisation in Worcestershire (29 October 2026).
Ministry of Housing, Communities and Local Government: Council tax information letter 6/2026: Household Energy Payment 2027 (letter dated 28 October 2026; published 29 October 2026); and Derelict Buildings Fund: interim guidance, including Annex A allocations (28 October 2026).
Low Pay Commission: Minimum wage rates for 2027 (28 October 2026).

Hyperlink to Committee Reports
http://www.wyreforest.gov.uk/council/meetings/main.htm