

Corporate Services Directorate

(including Central Budgets)

2026/27 Budget Position Statement

Key pressures, challenges and savings proposals for 2026/27

Corporate Services Directorate

Key Revenue Budget Pressures (including Central Budgets)

- Interest rate uncertainty and impact on council's interest payable budget driven by timing of external borrowing requirements and overall cash position
- Increase in corporate insurance premiums reflecting changes across council services and asset base
- Increases in professional subscriptions and licences across the directorate

Key Savings Proposals

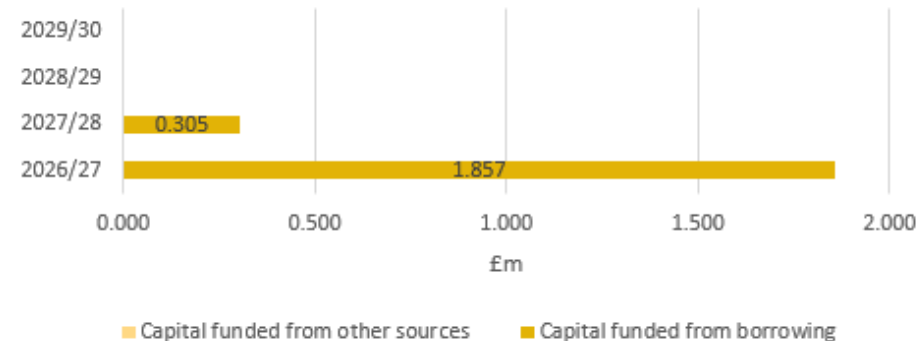
- Control of costs to secure reductions across Directorate budgets
- Review to deliver efficiencies in enabling teams aligned to wider council service delivery requirements and capital programme
- Maximising flexibility to use capital receipts to fund transformation costs
- Delivering efficiencies through increased use of technology and reshaping of services

Key Capital Projects

- Device and ancillary kit replacement programme
- Planning and regulatory services software upgrades
- Essential ICT system updates and upgrades

Revenue Budget	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Opening budget	41,277	47,749	58,159	62,161
Pressures:				
Demographic growth	8,283	9,724	3,439	1,683
Inflation	216	686	563	573
Other pressures	-	-	-	-
Savings				
Cost control	(1,449)	-	-	-
Increasing income	-	-	-	-
Managing demand	-	-	-	-
Delivering efficiencies	(578)	-	-	-
Closing budget	47,749	58,159	62,161	64,417

Capital Programme



Corporate Services Directorate

Strategic Priorities

The directorate aims to provide high quality corporate services to support and enable the council to deliver the priorities of the Council Plan.

Corporate Services teams ensure the council remains financially stable and resilient; safeguarding resources to support the delivery of capital and major projects and key services to residents. The Legal & Governance team lead and promote the council's internal control and governance framework, to ensure the council is carrying out its functions effectively and in accordance with relevant laws and regulations.

The directorate supports workforce development with a mission to create a lean and resilient organisation with organisational values and behaviours in place to develop an engaged, agile and resilient workforce.

The council is committed to embracing best practice to transform and be fit for the future; delivering innovation through technology to become an intelligence-led, efficient organisation.

Key Services

- Enabling services including:
 - Finance, Counterfraud, Risk and Assurance
 - HR & Organisational Development
 - Commercial & Procurement
 - Legal & Governance including Democratic and Member Services
 - Coroners & Registrars
 - Communications
 - Corporate Performance & Intelligence
 - IT, Transformation & Customer Services
 - Health & Safety

Key Challenges and Risks to Service Delivery

- Ensuring enabling corporate service teams are adequately resourced and skilled to enable delivery of council services, capital programme projects and support wider organisational transformation and improvement within required timeframes.
- Maintaining quality of internal controls and governance framework to support robust management of revenue budget and capital programme whilst enabling transformation.
- Ensuring an effective risk management framework across services, capital and major projects and transformation activity to enable Members and Officers to identify and manage financial, legal, service delivery and community impact risks arising and to support robust, informed decision making.
- Continuing to attract, recruit, retain and develop an effective and engaged workforce that enables delivery of Council Plan priorities.

Corporate Services Directorate

(including Central Budgets)

Appendices

Appendix A: Revenue Budget by Service
Appendix B: Revenue Budget Movements
Appendix C: 2026/27 Savings Proposals
Appendix D: Capital Projects

Appendix A: Revenue Budget by Service

Service Description – Corporate Services	Net Budget 2025/26 £'000	Gross Budget 2026/27 £'000	Income £'000	Earmarked Reserves £'000	Net Budget 2026/27 £'000	Net Budget 2027/28 £'000	Net Budget 2028/29 £'000	Net Budget 2029/30 £'000
Transformation	6,638	7,750	(798)	(600)	6,352			
Governance and Legal	6,382	7,946	(1,730)		6,216			
Strategic Finance	7,336	8,378	(345)		8,033			
Human Resources and Organisation Design	1,866	1,895	-		1,895			
Total	22,222	25,969	(2,873)	(600)	22,496	23,782	24,345	24,918

Service Description – Central	Net Budget 2025/26 £'000	Gross Budget 2026/27 £'000	Income £'000	Earmarked Reserves £'000	Net Budget 2026/27 £'000	Net Budget 2027/28 £'000	Net Budget 2028/29 £'000	Net Budget 2029/30 £'000
Total	19,055	53,675	(30,422)	2,000	25,253	34,377	37,816	39,499

Appendix B: Revenue Budget Movements

Title – Corporate Services	Detail	2026/27 £'000
Transformation	2025/26 Capital receipts funding for eligible expenditure	600
Insurance	Increase in the insurance premiums	549
Pay Inflation	Estimated pay award	216
Access/Pay-suite	Transaction costs and increased banking charges	180
Customer Services	ICT additional licence costs	111
Movement in Pay estimates	Various	74
Elected Members Budget	Ward member allocations (community groups/projects)	53
Health and Safety	Contract funded from reserves in 2025/26	39
Legal	Increased licences and subscriptions costs	34
Miscellaneous	Various	(53)
Total		1,803

Title – Central	Detail	2026/27 £'000
Increased IP	Requirements of capital programme and DSG deficit	3,939
Collection fund surplus	To repay business rates risk reserve	2,000
Remove central income budgets	For interest receivable and business rates pooling	650
West Mercia Energy Dividend	Moved from Corporate funding	(500)
Increased MRP	Requirements of capital programme	385
Council Tax discretionary fees budget	Council Tax discretionary fees budget	167
Miscellaneous	Increased Housing Benefit administration and IT costs	55
Total		6,696

Appendix C: 2026/27 Savings Proposals £2,027k (£1,529k Corporate Services and £498k Central)

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
CONTROL COSTS £1,449k					
C1	Revenue cost reduction: capitalisation of Finance Team costs for staff activity supporting delivery of capital projects	Capitalisation of costs in respect of Finance Team staff supporting the delivery of the capital programme to bring assets into use.	75	75	-
C2	Revenue cost reduction: capitalisation of Legal Service costs for staff activity supporting delivery of capital projects	Capitalisation of costs in respect of Legal Team staff supporting the delivery of the capital programme to bring assets into use.	150	150	-
C3	Staffing costs reduction: reduced staffing costs in ICT/Transformation budgets following removal of Director of Transformation & Strategy post and reallocation of budget to Chief Digital & Information Officer post	Base budget funding for the vacant Director of Transformation & Strategy will be removed and base budget added to fund the new Chief Digital & Information Officer post which will support the council's work in this area.	96	96	-
C4	Revenue cost reduction: application of capital receipts to fund eligible transformation expenditure permitted via Flexible Capital Receipts permissions	As proposed in the Capital Programme for 2026/27, the application of capital receipts is proposed to fund qualifying expenditure to deliver transformation change programmes across the organisation.	600	600	-
C5	Revenue cost reduction: reduction in employers' deficit pension contributions linked to actuarial valuation	Following the triennial valuation of the pension fund, a reduced rate for employers' deficit pensions contributions has been confirmed by the actuary.	498	498	-
C6	HR & OD Services: review to deliver service efficiencies	The priorities and structure of the service will be reviewed to ensure we maximise efficiency whilst continuing to support council objectives.	30	30	-
DELIVER EFFICIENCIES £578k					
E1	Corporate Performance & Intelligence Service review and reshape: to deliver service efficiencies	The work of the Corporate Performance & Intelligence team will be re-prioritised with a focus on analysis and insight. The planned changes also reflect changes in Directorate needs including reduced application support requests and increased opportunities for self-service, using tailored reporting and technology, by staff across the council.	200	100	100
E2	Communications review and reshape: to deliver service efficiencies	The work of the Communications team will be reprioritised in line with a new operating model delivering support for all statutory communication functions alongside key internal communications, external publications and engagement.	198	198	-

Ref	Savings Description	Proposed activity	TOTAL 2026/27 £'000	On 01/04/26 £'000	Over 2026/27 £'000
E3	Vacancy management: review of service delivery and deletion of vacant posts in Legal & Democratic Services	Deletion of vacant posts across Legal & Democratic Services and service reviews to maximise efficiency whilst continuing to enable delivery across council Directorates.	180	134	46
			2,207	1,881	146

Appendix D: Capital Projects 2026/27 to 2029/30

Project	2026/27		2027/28		2028/29		2029/30	
	Total £'000	Funded by borrowing £'000	Total £'000	Funded by borrowing £'000	Total £'000	Funded by borrowing £'000	Total £'000	Funded by borrowing £'000
Windows Server Upgrades*	-	-	-	-	-	-	-	-
Device and Ancillary kit replacement programme	578	578	185	185	-	-	-	-
M365 E5 Implementation*	-	-	-	-	-	-	-	-
Planning & Regulatory Services software	923	923	120	120	-	-	-	-
Contact Centre Telephony Replacement*	-	-	-	-	-	-	-	-
Wide Area Network (WAN) Replacement*	-	-	-	-	-	-	-	-
School Route Planning Software*	-	-	-	-	-	-	-	-
IT System Upgrades & Server Replacements 25-26	182	182	-	-	-	-	-	-
Essential system updates and upgrades	174	174	-	-	-	-	-	-
CCTV Equipment Upgrades*	-	-	-	-	-	-	-	-
Total	1,857	1,857	305	305	-	-	-	-

*Spend in prior years