

**Agenda item no. 5 - Questions from Councillors**

Question No.	Questioner	Question	Question to
MQ 1.	Cllr Woodall	<p><b>Given the increasing volatility and unpredictability of global energy markets arising from geopolitical instability, including recent US military actions in the Middle East, how is the Cabinet assessing and managing the resulting cost pressures on council services, contracts like the phase 1 bypass, and suppliers during the current financial year? What contingencies are in place should energy prices escalate further, and would these include additional cost-reduction measures or project deferrals?</b></p>	<p><b>Councillor Stoddart, Cabinet Member for Finance and Corporate Services</b></p>
<p><b>Response:</b></p> <p>Cabinet is aware of the potential impact of rising fuel costs and inflation on the costs of service delivery particularly in transport and energy budgets. These costs will be monitored by reference to the approved revenue budget and capital programme in 2026/27 and where pressures are identified, mitigations will be required to manage spend in year as part of expenditure control measures. A centrally managed Contract Inflation Fund has been established for 2026/27 to provide additional oversight of inflationary uplifts in contracts for goods and services and monitor variances. Capital budgets include an element of contingency relevant to the individual project to manage cost pressures.</p> <p>The council is a joint owner of West Mercia Energy, a local purchasing organisation, which provides cost-effective, risk managed energy solutions. This arrangement means the council is able to benefit from efficient and economic arrangements for the purchase and supply of energy.</p>			
<p><b>Supplementary Question:</b></p>			
<p><b>Supplementary Response:</b></p>			