

Supplemental Item for Budget Council

Thursday 27 February 2025 at 5.30 pm
in Council Chamber Council Offices
Market Street Newbury

Part I

Page No.

8. Proposed Amendments

3 – 6

Sarah Clarke.

Sarah Clarke

Interim Executive Director - Resources

For further information about this/these item(s), or to inspect any background documents referred to in Part I reports, please contact Darius Zarazel (Principal Democratic Services Officer) on (+44)1635519778

e-mail: Darius.Zarazel1@westberks.gov.uk

Further information and Minutes are also available on the Council's website at

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Agenda Item 8.

Proposed Budget Amendments – 27 February 2025

Item 6: Capital Strategy - Financial Years 2025/26 – 2028/29

Minority Group Proposed Amendments:

Proposer: Councillor David Marsh

Seconder:

Original Text:

Planned Capital Programme: Financial Year 2025/26

Proposed amendment:

1. Social care management system replacement: remove from the programme. Saving: £959,694.
2. Procurement and implementation of new financial management system: remove from the programme. Saving: £750,000.
3. West Berkshire Museum damp conditions improvement. Reduce by 50% to £191,625. Saving: £191,625.
4. Microsoft Co-pilot feasibility study. Reduce by 50% to £27,500. Saving: £27,500.

Total reduction in capital programme as per the above: £1,928,819.

We propose that the resultant savings in borrowing be used to support the 2025/26 revenue budget.

Section 151 Officer opinion on the implications for the budget:

The replacement of the social care management system is a project that is currently underway in 2024/25 and scheduled for completion in 2025/26. The Council is contractually bound, and contract termination would be likely to incur costs that offset capital financing savings.

Removal of projects from the capital programme would potentially produce capital financing savings during financial year 2025/26 (depending on interest rates at the time of borrowing).

Estimated capital financing savings:

Finance system	£42,675
Museum damp works reduction	£10,903
Microsoft co-pilot reduction	£1,564

Item 7: Revenue Budget: 2025/26

Minority Group Proposed Amendments:

Proposer: Councillor David Marsh

Seconded:

Original Text:

Planned Revenue Budget: Financial Year 2025/26

Proposed amendment:

Adult social care resource centres: remove this item from the budget, pending further information. If the council's bid for EFS is successful, the claimed savings can, if necessary, be supported by the EFS.

Section 151 Officer opinion on the implications for the budget:

The 2025/26 revenue budget is proposed with £3m use of Exceptional Financial Support and £2m of efficiencies over and above identified savings of £6.3m, which is inclusive of the £469k resource centre saving.

The Council has specifically requested and been approved for £3m of Exceptional Financial Support to support the balancing of the 2025/26 revenue budget.

Not pursuing the saving will place an additional £469k pressure on the balanced budget position. Any additional pressure on the balanced budget position will need to be funded through identification of alternative savings or via utilisation of reserve balances (which are supported by Exceptional Financial Support provided in 2024/25). Additional pressures to the balanced budget position for 2025/26 are not recommended.

Item 6: Capital Strategy - Financial Years 2025/26 – 2028/29

Conservative Group Proposed Amendments

Proposer: Councillor Ross Mackinnon

Seconder:

Original Text:

Planned Capital Programme: Financial Year 2025/26

Proposed amendment:

Remove from the Capital Strategy:

- a) Social Care management system replacement for Care Director v6, £959,964
- b) Procurement & implementation of new financial management system, £750,000
- c) Playing Pitch Action Plan, £340,000

Removal of these items from the Capital Strategy will reduce the Council's borrowing requirement by £2,049,964, resulting in a reduction in capital financing costs in the Revenue Budget of £116,643.

Section 151 Officer opinion on the implications for the budget:

The replacement of the social care management system is a project that is currently underway in 2024/25 and scheduled for completion in 2025/26. The Council is contractually bound, and contract termination would be likely to incur costs that offset capital financing savings.

Removal of projects from the capital programme would produce capital financing savings during financial year 2025/26 (depending on interest rates at the time of borrowing).

Estimated capital financing savings:

Finance system	£42,675
Playing Pitch Action Plan	£19,346

Item 7: Revenue Budget: 2025/26

Conservative Group Proposed Amendments

Proposer: Councillor Ross Mackinnon

Seconder:

Original Text:

Planned Revenue Budget: Financial Year 2025/26

Proposed amendment:

Remove savings from the Revenue Budget, Appendix E:

- a) Three-weekly general refuse collection from households, £150,000
- b) Reduction in winter gritting, £40,000

Removal of these savings will cost £190,000.

Reduce Capital Financing costs by £116,643.

Capital financing cost savings of £116,643 will arise from the amendments to the Capital Strategy detailed above, leaving £73,357 to be funded.

Reduce Communications and Performance costs by a total of £73,357.

The Council's Communications and Performance units together cost £990,400 before recharges in the 2024-25 Revenue Budget. It is proposed that £73,357 of efficiencies are found in these areas.

Section 151 Officer opinion on the implications for the budget:

The above proposal is linked to the capital programme proposal which is responded to separately.

The performance and communications team collectively (post inclusion of recharges), account for £856.4k of revenue budget, of which £589.2k (net of recharges) relates to salaries. Feasibility of a review of service provision in year, with full and part year impacts (i.e. supplies and services verses part year salary savings), could be investigated to generate the proposed replacement saving of £73,357.

The amendment is proposed on the basis that the capital programme amendment is supported. There is a risk that the suggested changes to the capital and revenue budgets may not fully cover the cost of this proposed amendment. Additional pressures to the balanced budget position for 2025/26 are not recommended.