

## Appendix D

### General Fund Revenue Budget 2026/27: Social Care Commissioning Budgets

#### Adult Social Care Commissioning

Adult Social Care / Primary Support Reason (PSR) & Age banding	Budget	Budget	Budget	Budget	Budget	Q3 Actuals	Q3 Actuals	Modelled	Modelled	Modelled	Modelled	2026/27
	2025/26 Expenditure	2025/26 Income	2025/26 Net Budget	2025/26 Client Numbers	2025/26 Average Unit Cost	Client Numbers	Average Unit Cost	2026/27 Client Numbers	2026/27 Average Unit Cost	Net Increase in Expenditure	Net Increase in Income	Net Revenue Budget
	£'000	£'000	£'000		£'000		£'000		£'000	£'000	£'000	£'000
Physical Support 18-64	3,495	(416)	3,080	162	21.58	165	18.98	176	22.14	400	(159)	3,321
Physical Support 65+	17,815	(6,658)	11,157	740	24.07	702	25.28	719	26.57	1,287	388	12,832
Sensory Support 18-64	286	(1)	285	9	31.77	11	27.35	11	29.82	42	(8)	318
Sensory Support 65+	228	(36)	192	7	32.57	7	23.30	8	16.52	(98)	4	98
Memory & Cognition 18-64	423	(67)	356	16	26.47	17	25.43	15	31.20	58	(8)	407
Memory & Cognition 65+	10,311	(3,444)	6,867	289	35.68	276	40.58	285	37.11	277	202	7,345
Learning Disability 18-64	29,245	(1,803)	27,442	441	66.31	426	68.00	463	67.41	1,948	(337)	29,053
Learning Disability 65+	3,745	(536)	3,210	67	55.90	57	63.55	58	66.23	68	43	3,320
Mental Health 18-64	5,643	(148)	5,495	192	29.39	180	35.76	197	38.23	1,872	(50)	7,316
Mental Health 65+	1,841	(141)	1,700	73	25.22	75	28.85	81	32.74	821	(61)	2,460
Other	1,499	(68)	1,431	107	14.01	124	12.00	131	12.46	128	7	1,567
<b>Totals</b>	<b>74,531</b>	<b>(13,316)</b>	<b>61,214</b>	<b>2,103</b>	<b>35.44</b>	<b>2,040</b>	<b>37.08</b>	<b>2,143</b>	<b>37.95</b>	<b>6,803</b>	<b>21</b>	<b>68,039</b>

The revenue provision in respect of the commissioning budget is generated through a model initially developed in financial year 2017/18 and refined in subsequent financial years. The model works on demographic trends of actual residents receiving services, alongside inflationary pressures incurred in the current financial year, projected for CPI + 1%. Included within the modelled data are savings generated through business-as-usual activities. Forecast savings built into the amounts above are as follows:

Commissioning Savings	£ms
Targeted Reviews of existing packages	2.17
Accessing Continuing Health Care Contributions	0.20
<b>Total Estimated Savings</b>	<b>2.37</b>

## Children's Social Care

Children's Social Care / Service Type	Budget	Budget	Budget	Budget	Budget	Q3 Actuals	Q3 Actuals	Modelled	Modelled	Modelled	Modelled	2026/27
	2025/26 Expenditure	2025/26 Income	2025/26 Net Budget	2025/26 Client Numbers	2025/26 Average Unit Cost	Client Numbers	Average Unit Cost	2026/27 Client Numbers	2026/27 Average Unit Cost	Net Increase in Expenditure	Net Increase in Income	Net Revenue Budget
	£'000	£'000	£'000		£'000		£'000		£'000	£'000	£'000	£'000
UASC	1,135	(1,622)	(487)	29	39.47	23	49.05	26	49.37	172	219	(97)
Residential Care	6,042	0	6,042	17	349.94	22	464.32	24	499.41	5,716	0	11,758
Care Leavers	2,067	0	2,067	35	58.83	25	37.12	28	38.83	(967)	0	1,100
Parent & Baby Residential Placements	158	0	158	1	146.13	1	241.21	1	252.79	12	0	169
UASC Post 18	1,174	(908)	266	44	26.64	32	21.63	37	20.27	(421)	(170)	(324)
InHouse Fostering allowances & support	1,446	0	1,446	52	27.97	57	27.30	62	28.61	340	0	1,786
Adoption Placements & Allowances	121	0	121	13	9.25	13	12.08	13	12.66	46	0	168
Kinship / Connected Person	1,039	0	1,039	50	20.96	58	20.97	58	21.98	243	0	1,282
Independent Fostering Agencies	1,185	0	1,185	20	57.84	22	56.30	22	57.60	61	0	1,246
Special Guardianship	1,230	0	1,230	106	11.60	104	11.95	106	12.53	102	0	1,333
Disability Support	1,355	0	1,355	105	12.91	93	7.92	93	8.05	(610)	0	746
Residential Disability	2,792	(50)	2,742	10	282.30	10	323.18	10	279.47	(19)	50	2,773
Additional Placement Costs	400	0	400				0.00	0	0.00	1	0	400
Residence / Child Arrangement Orders	97	0	97	11	8.48	11	10.20	11	10.69	15	0	113
<b>Totals</b>	<b>20,241</b>	<b>(2,580)</b>	<b>17,660</b>	<b>494</b>	<b>41.01</b>	<b>470</b>	<b>48.50</b>	<b>491</b>	<b>50.75</b>	<b>4,693</b>	<b>99</b>	<b>22,453</b>

The revenue provision in respect of commissioning budget is generated based on the adult social care model. The model works on demographic trends of actual residents receiving services, alongside inflation pressures incurred in the current financial year, projected for CPI + 1%. Included within the modelled numbers are savings generated through business and these amounts principally relate to demographic changes and placement adjustments:

Commissioning Savings	£ms
Placement reviews	0.95

## Appendix E

### General Fund Revenue Budget 2026/27: Non-Social Care Commissioning Investments

Two investments have been supported as part of the planned revenue budget:

<b>Investments into the Revenue Budget</b>	<b>£ms</b>
Children's Services: Conversion of successful CIN pilot into revenue	0.34
Adults: Investment into the Safeguarding Board	0.08
Total investment proposed:	0.42

In historic financial years, the Council has implemented ambitious savings plans, against the backdrop of escalating social care pressures. For financial year 2026/27, a number of historic savings, which upon review have been deemed to be unachievable due to either marketplace factors (outsourcing of care homes and resources centres, increases in planning income), or decreased due to escalating inflationary pressures (staff efficiencies, eroded through national living wage rises, employer NI contribution changes), have been rebased or removed from the base budget. Relevant accounting adjustments have been processed through the revenue, capital, and Dedicated Schools Grant budgets to ensure alignment with relevant overarching accounting guidance:

<b>Budget Realignments</b>	<b>£ms</b>
<b>Removal of Unmet Historic Savings Targets</b>	
Transformation savings	1.00
Care Homes - externalisation of service	1.48
Externalisation of Resource Centres	0.47
Development & Regulation - unachievable fee income	0.41
Community Services - removal of unachievable income contributions	0.07
Councilwide unachievable historic efficiency targets	0.67
<b>Adjustment of Accounting Treatment</b>	
Transfer of revenue costs from capital	1.01
Transfer of revenue from the Dedicated Schools Grant	0.32
Reallocation of costs to ASC Discharge Fund	-0.49
Reallocation of costs to Public Transport Grants	-0.38
Realignment of green waste income budget	-0.30
Realignment of consultants & subscription budgets	-0.02
Total realignments proposed:	4.25

## Appendix F

### General Fund Revenue Budget 2026/27: Non-Social Care Commissioning Savings

Specific non-social care commissioned savings are detailed below. Social care commissioning savings relate to business-as-usual package reviews and forecast demographic changes; these are detailed in Appendix D. Standard fees and charges are uplifted annually, and disclosure is within Appendix C.

Saving	Saving Detail	2026/27
		£ms
Bone Lane Museum	Vacating the Bone Lane Museum Store (rental saving)	-0.02
Library Service	Deletion of vacant establishment hours and posts	-0.05
Resources Directorate	Deletion of establishment posts and vacant hours	-0.20
Economic Development	Removal of external consultancy budget	-0.04
Electric Vehicle Charge Points Income	Additional income through increased charges	-0.01
Garden Waste Charges Uplift	Additional income through increased charges	-0.05
Henwick Worthy - Additional Sports Hire Income	Additional income through increased charges	-0.03
Thatcham Town Council - Increased Contribution to Henwick Worthy	Additional income through increased charges	-0.03
Land Charges Income	Additional income through increased charges	-0.06
<b>Standardised Fees &amp; Charges Increases at CPI + 1%</b>		
Adult Social Care	See fees and charges	-0.03
Education	See fees and charges	-0.02
Community Services	See fees and charges	-0.05
Environment	See fees and charges	-0.44
Development & Regulation	See fees and charges	-0.04
Finance, Property & Procurement	See fees and charges	-0.04
Strategy & Governance	See fees and charges	-0.06
<b>Total Savings: Non Social Care Commissioning</b>		<b>-1.16</b>

## Appendix G

### General Fund Revenue Budget 2026/27: Revenue Capital Financing Requirement

The revenue capital financing requirement is the revenue budget required to fund the debt financing of historic capital programme content and the projects in the planned capital programme for 2026/27.

The scale of the revenue capital financing requirement is driven by:

- Availability of external resources to fund capital projects (external grants, Community Infrastructure Levy and Section 106 monies)
- Availability of Balance Sheet resources to fund projects (otherwise known as internal borrowing)

The availability of Balance Sheet resources to fund capital expenditure and minimise required external debt financing is being constrained via consumption by the H N HNB deficit held on the Balance Sheet in Unusable Reserves under statutory override accounting arrangements.

The 2026/27 capital financing revenue provision budget includes the financing of EFS, which is subject to prescribed MRP. The table below details the division of financing costs provided as part of the net revenue budget proposal:

	2025/26	2026/27
Capital financing of historic and planned capital programme £ms	£14.32	£14.17
Capital financing of exceptional financial support £ms	£1.25	£2.71
Additional borrowing required from HNB deficit £ms	£0.53	£1.26
<b>Total revenue budget requirement</b>	<b>£16.10</b>	<b>£18.15</b>
<b>Revenue pressure (budget investment required)</b>	<b>£3.30</b>	<b>£2.04</b>

In respect of capital financing, underpinning assumptions and key prudential indicators are documented in the Capital Strategy and the Treasury Management Strategy, which form part of the revenue budget papers for Council approval. Alongside the prudential indicators, the Council adopts fiscal rules, a key consideration being that capital financing is a percentage of net revenue stream (i.e. revenue funding available to support the net revenue budget). Historically, the Council has operated with a 10% revenue capital financing provision as a percentage of net revenue stream. For 2026/27, the actual percentage is 11% and more than the historic fiscal rule. The implications arising are referred to in the Council's Treasury Management Strategy.

## Appendix H

### Financial Year 2026/27: Dedicated Schools Grant (DSG)

The DSG is a ring-fenced grant which can only be spent on school/pupil activity. The DSG consists of four funding blocks:

#### Schools Block

The Schools Block funding received by a Local Authority is allocated to each school based on formula factors such as pupil numbers, deprivation, prior attainment, and school-specific elements like sparsity. Local Authorities cannot divert these funds for other purposes, ensuring that such amounts flow directly into school budgets.

DSG Schools Block acts as a pass-through funding mechanism, ensuring that financial resources are allocated directly to mainstream schools to support pupils' education.

#### Central Schools Services

The costs in this block are central Council staff and systems costs, which support schools in respect of centrally allocated services.

#### Early Years Block

The Early Years Block within the DSG provides funding to Local Authorities to deliver early years entitlements across all types of early years settings, including Private Voluntary and Independents, maintained nursery schools, and school-based nursery classes. It supports the delivery of funded hours for 0–5-year-olds, plus specific supplements such as Early Years Pupil Premium and Disability Access Fund. Funding levels are determined nationally and adjusted based upon census data.

#### High Needs Block

A specific ringfenced funding stream designed to support Authorities in meeting statutory duties for children and young people with special educational needs.

#### Proposed Dedicated Schools Grant Budget Financial Year 2026/27

The proposed budget is supported by the following Central Government funding (settlement issued December 2025). The funding streams detailed below are inclusive of allocations for academy schools and these amounts are passported by the Authority to the schools:

<b>DSG School Block</b>	
<b>Categories</b>	<b>(£'m)</b>
Schools block	147.14
Central school services block allocation	1.11
High needs block allocation	29.00
Early years block	32.92
<b>Total DSG allocation</b>	<b>210.16</b>

The following table summarises the forecast budget per block for financial year 2026/27:

DSG Income By Block	Budget 2025/26	Q3 Forecast	Budget 2026/27	Budget % Growth	Forecast % Growth
		Outturn 2025/26			
Schools Block	84.73	84.73	74.09	-12.56%	-12.56%
Central School Services Block	1.07	1.06	1.18	10.22%	11.04%
Early Years Block	27.37	27.03	32.26	17.87%	19.37%
High Needs Block	41.24	41.74	49.45	19.90%	18.48%
High Needs Block Shortfall	-14.05	-14.55	-16.98	20.88%	16.74%
<b>Total (Excluding Academies)</b>	<b>140.36</b>	<b>140.01</b>	<b>139.99</b>	<b>-0.26%</b>	<b>-0.01%</b>

The schools block consists of the passported individual school budgets, after accounting for the transfer of academy funds. The budget for the School Block after Academy Recoupmnt is £74.09m.

### Central Schools Block (CSSB) Proposed Budget:

Central Schools Block (CSSB) Budget Requirement	Budet 2025/26 £m	Budget Requirement 2026/27 £ m	Change £ m	Change %
School admissions	0.24	0.24	0.00	1%
National Copyright Licences	0.18	0.20	0.02	11%
Servicing of Schools Forum	0.06	0.06	0.00	1%
Education Welfare	0.25	0.25	0.00	1%
Support for Inclusion	0.00	0.07	0.07	
Statutory & Regulatory duties	0.00	0.00	0.00	
Provision of Education Data	0.19	0.20	0.01	6%
Finance Support for the Educations service	0.09	0.09	0.00	5%
Strategic planning of the Education Service	0.07	0.07	0.00	6%
Support for Inclusion	0.00	0.00		
<b>Total Budget Requirement</b>	<b>1.07</b>	<b>1.18</b>	<b>0.11</b>	<b>10%</b>
<b>Income from DSG</b>	<b>-1.07</b>	<b>-1.11</b>	<b>-0.04</b>	<b>4%</b>
<b>Net Surplus / Deficit</b>	<b>0.00</b>	<b>0.07</b>	<b>0.07</b>	<b>1%</b>

### Early Years Block Proposed Budget:

The passthrough rate has increased to 97% from 96% in 2026/27. This has resulted in providers receiving an increased funding rate and the Local Authority retaining less than anticipated in respect of central cost. Despite this, the early years block has a budgeted surplus of £0.1m.

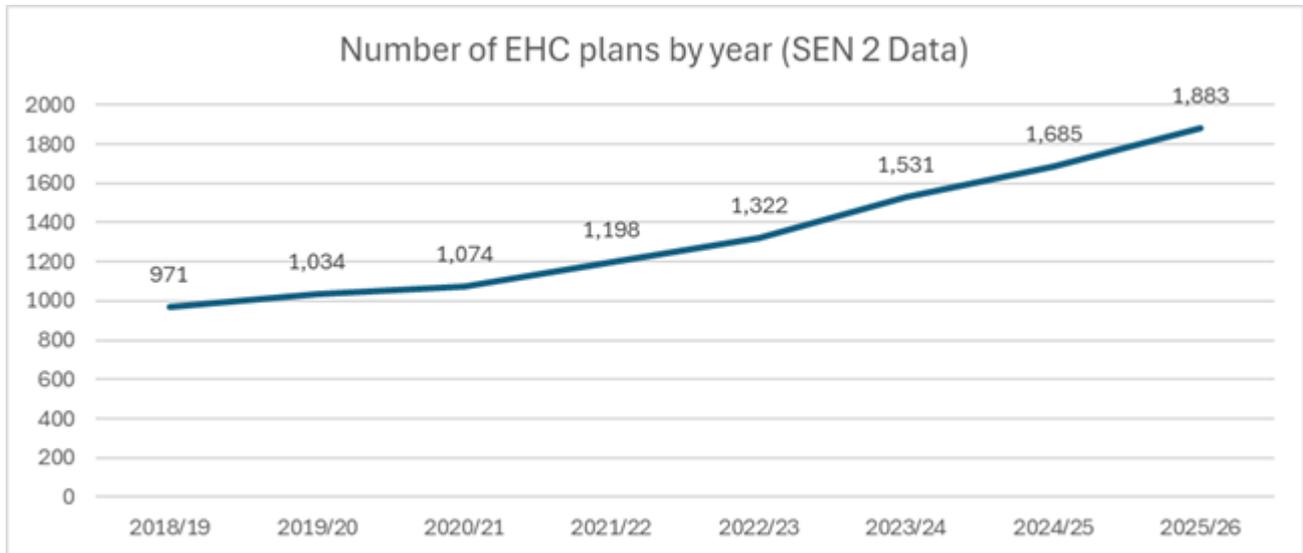
<b>Early Years Block Budget</b>		<b>£m</b>
<b>Funds Delegated to Early Years Providers</b>		
PVI Providers		8.03
Nursery classes in Mainstream Schools		2.17
Maintained Nursery Schools		1.21
2 Year Old Funding		0.76
2 Year old working parents		6.33
Additional 2 year old working parents hours to adjust for new 30 hour entitlement		2.21
Under 2's		8.47
Additional under 2 year old working parents hours to adjust for new 30 hour entitlement		1.77
Pupil Premium Grant and deprivation funding		0.42
<b>Total Delegated Funds</b>		<b>31.37</b>
<b>Centrally Managed Funds</b>		
Centrally Managed Funds		0.00
Central Expenditure on Children Under 5's		0.46
Early Development Intervention Team (EDIT)		0.11
SEN Inclusion Fund		0.11
Disability Access Fund		0.12
SSRs		0.09
<b>Total Centrally Managed Funds</b>		<b>0.89</b>
<b>Total Expenditure</b>		<b>32.26</b>
<b>Early Years DSG Block Funding In Year</b>		<b>-32.56</b>
In year surplus		-0.30
Early Years DSG Block Funding carried forward		0.18
<b>Overall Net Surplus Position</b>		<b>-0.12</b>

### High Needs Block:

The table below summarises the variance between the income and expenditure on the HNB. The forecast deficit for 2026/27 is £16.98m. When combined with the Q3 2025/26 outturn forecasted closing balance (being £14.55m), the expected closing balance of the HNB is forecast to be a deficit of £31.53m as of 31 March 2027:

<b>High Needs Block</b>	<b>2025/26 Budget £m</b>	<b>2025/26 Forecast £m</b>	<b>2026/27 Estimate £m</b>	<b>% Growth From 2025/26 Budget</b>	<b>% Growth from 2025/26 Forecast</b>
Place Funding	7.19	7.10	7.08	-2%	0%
Top Up Funding	30.16	30.50	33.83	12%	11%
PRU Funding (Top Ups only)	2.45	2.43	2.62	7%	8%
Other Statutory Services	2.89	3.19	3.68	27%	15%
Non Statutory Services	1.99	1.87	2.02	2%	8%
Support Service Recharges	0.18	0.18	0.22	23%	23%
<b>Total expenditure</b>	<b>44.87</b>	<b>45.27</b>	<b>49.45</b>	<b>10%</b>	<b>9%</b>
HNB Allocation	-30.83	-30.72	-32.48	5%	6%
<b>In year Overspend</b>	<b>14.04</b>	<b>14.55</b>	<b>16.98</b>	<b>21%</b>	<b>17%</b>

High Needs Block (HNB) cost pressures remain a national issue, with many Local Authorities, including West Berkshire, having significant overspends and therefore setting deficit budgets. The HNB continues to be under considerable strain, due to an increased demand for independent and non-maintained special school placements and increased EHCPs (Educational Health Care Plan), in mainstream schools. The graph below shows the upward trend in Educational Health Care Plans on an annual basis.



The Heads Funding Group and Schools Forum have reviewed and support the proposed budget, including the HNB deficit, which for 2026/27 is budgeted to be £16.98m in addition to a Central School Services block deficit of £0.07m. A deficit recovery plan is currently being developed to mitigate the scale of the deficits, however, the HNB deficit is a national issue with many upper tier Authorities holding significant deficits on their Balance Sheets. The statutory accounting override applied to the HNB has been extended by Central Government until 31 March 2028.

## **Appendix I**

# **Financial Year 2026/27: Budget Consultation Responses**