



Worcestershire County Council Budget 2023/24

How the money is spent: summary of gross expenditure and income

The planned costs of services are shown below:

2022-23 Gross Exp	2022-23 Income	2022-23 Net Exp		2023 - 24 Gross Exp	2023 - 24 Income	2023 - 24 Net Exp
£m	£m	£m	Services	£m	£m	£m
231.5	231.5	0.0	Schools budget	249.5	249.5	0.0
131.4	22.3	109.1	Supporting vulnerable children & Education	144.9	33.8	111.1
301.6	153.3	148.3	Adult social care and health	319.7	166.6	153.1
37.1	30.3	6.8	Libraries, museums & community services	39.4	32.5	6.9
87.0	30.2	56.8	Highways, planning, transport & waste disposal	100.1	30.9	69.2
71.6	19.4	52.2	Support services, capital financing & pensions	79.9	19.4	60.5
860.2	487.0	373.2	Total cost of services	933.5	532.7	400.8
2.2		2.2	Use of reserves			-5.9
862.4	487.0	375.4	Net budget requirement			394.9
Funded by:						
	2.9		Council Tax surplus/(deficit)		-0.6	
	301.3		Amount to be met by Council Tax payer		318.4	
	304.2		Council Tax Requirement		317.8	
	68.7		Business Rates		77.1	
	2.5		Other grants		0.0	
	375.4		Total		394.9	

Where the money comes from to pay for the 2023-24 Budget

The majority of the Council's funding is from Council Tax income with £317.8 million forecast for 2023-24. Alongside this, the County area is allowed to keep up to 50% of the business rate growth collected in Worcestershire since the introduction of the Business Rates Retention Scheme in April 2013. The Council only receives a very small general Revenue Support Grant, £26,278 in 2023-24.

We also receive grants from the Government for specific purposes including funding for schools and social care. The most significant is the Dedicated Schools Grant (DSG), and we expect to receive approx. £249.5 million for 2023-24. This grant provides funding for mainstream schools, special schools and statutory functions and can only be used for this purpose. Another Government grant that we receive is the Public Health Grant. We are awaiting final confirmation but expect to receive approx. £32 million which is ring-fenced to invest in a number of public health related activities across the County.

The budget for providing our services in 2023-24, net of specific grants, is £400.8 million.

Why spending has changed from 2022-23

The Council faces additional cost pressures in respect of inflation and increases in the demand for services such as the extra numbers of people needing social care. Some inflationary costs experienced by local authorities are significantly higher than the general rate of inflation.

The net budget requirement for 2023-24 has increased by £21.7 million to £394.9 million as shown in the following table.

Net Budget Requirement 2022-23	£375.4
Less transfer to reserves	-2.2
Revised Starting Position 2022-23	373.2
Adult social care demographics increase	18.5
Worcestershire Children First demographics increase	4.9
Investment to address 2023-24 pressures	3.8
Pay Inflation	11.6
Contract Inflation	17.0
Waste Plant Financing	6.1
Funding Capital investment including highways and footways improvements and tree maintenance	6.0
Social Care Grant	-15.7
Other Government Grants	-2.2
Transformation Reforms	-22.4
Transfer from Reserves	-5.9
Net Budget Requirement 2023-24	394.9

For further information on the above items please follow the link below to the February 2023 Council report:
(Public Pack) Agenda Document for Council, 16/02/2023 10:00AM (modern.gov.uk)

Council Tax

The council tax contribution towards our 2023-24 budget for a Band D property is £1,465.78, a rise of 4.94% or £1.33 per week from last year. The following list shows how much you will pay for our services for each property band.

Council Tax Bands



The 4.94% increase in council tax includes a 2% increase which will be ring-fenced to support adult social care. For a Band D property this is equivalent to £27.94 in 2023-24. This is due to a growing demand for adult social care and increased pressures on council budgets. In Worcestershire there is an ageing population, many of whom need some form of care or support. There are now more elderly and frail people living in the County than ever before. The 2.94% increase is to support general services.

Staffing

During 2023-24 we expect to employ the equivalent of 5,996 full-time equivalent staff, of which 3,127 are employed in schools.

Capital Investment

We plan to invest £119.9 million during 2023-24 in capital projects such as continuing improvements to roads, pavements, flood mitigation strategies and infrastructure across the whole County. Key projects include the next phases of the A38 Bromsgrove improvement projects, Redditch Station, Kepax river crossing in Worcester, Hampton river crossing in Evesham, street lighting LED rollout and continued investment in the provision of Super-Fast Broadband. There will also be investment in improving and extending parking facilities at various rail station locations in the County.

In addition, there is further investment in the County's schools including the building of a new secondary school at Worcester, as well as increasing place numbers and improving conditions in key areas across existing schools.

We will continue to invest in the maintenance of the Council's building stock and invest in the Council's technology transformation programme.

Borrowing

We borrow money to pay for some of our capital investment. The total borrowing at 31 March 2023 is estimated to be approximately £532 million.

General Balances

We plan to keep a general reserve of around £14.3 million to pay for emergencies and other unforeseen expenditure.

Adult Social Care Precept

The council tax for Worcestershire County Council has increased in total by 4.94% in 2023-24 to £1,465.78 for a Band D property (£1,396.78 in 2022-23). This increase is made up of a 2% increase for Adult Social Care (ASC) and 2.94% for general services.

Regulations set by the Government state that cash and percentage figures must be shown on the face of the council tax bill for the ASC precept and for the council tax amount charged for general services.

However, the amount for ASC must include the amount set in the current year and previous years added together to show a cumulative amount. This is because the ASC precept is a charge that accumulates in value over the years and local authorities are expected to keep spending all of the additional council tax they have charged for the ASC precept in previous years on ASC services.

For a Band D property this is:

2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Total
£21.60	£22.45	£34.66	£12.12	£25.21	£13.11	£40.31	£27.94	£197.40

The total is the amount shown on the council tax bill.

The table below details Worcestershire County Council's council tax figures for 2016-17 to 2023-24 for a Band D property:

Band D Property	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24		2023-24 Total (as per Council Tax Demand)
	(As per Council Tax Demand)	(As per Council Tax Demand)	(As per Council Tax Demand)	(As per Council Tax Demand)	(As per Council Tax Demand)	(As per Council Tax Demand)	(As per Council Tax Demand)	Increase from 2022-23		
	£	£	£	£	£	£	£	£	%	£
Total Due is Split as follows:										
Worcestershire County Council	1,100.71	1,111.26	1,133.67	1,169.92	1,195.01	1,214.68	1,227.32	41.06	2.94	1,268.38
WCC Adult Social Care (ASC) Precept	21.60	44.05	78.71	90.83	116.04	129.15	169.46	27.94	2.00	197.40
Total Due to WCC	1,122.31	1,155.31	1,212.38	1,260.75	1,311.05	1,343.83	1,396.78	69.00	4.94	1,465.78

The 2% Adult Social Care increase is calculated on the previous year's Band D total, £1,396.78 x 2% = £27.94

The council tax bill shows for a Band D property for 2023-24:

	£	% change
Worcestershire County Council	£1,268.38	2.9%
Worcestershire County Council*	£197.40	2.0%

(Please note percentages are rounded to 1 decimal place on the council tax bill).

* The council tax attributable to Worcestershire County Council includes a precept to fund adult social care.

The percentage amount for the ASC precept is the percentage that relates to the current year only, i.e. 2%, and is not a cumulative amount over 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24. The cash amount is a cumulative amount.

The amount of council tax that relates to general services is the total amount minus the cumulative amount for the ASC precept i.e. for a Band D property this is £1,268.38 (£1,465.78 - £197.40).

Details for all council tax bands are as follows:

Band	Total WCC council tax	ASC precept 2016 - 17	ASC precept 2017 - 18	ASC precept 2018 - 19	ASC precept 2019 - 20	ASC precept 2020 - 21	ASC precept 2021 - 22	ASC precept 2022 - 23	ASC precept 2023 - 24	ASC precept*	WCC council tax less ASC precept (Non-ASC charge)
A	£977.19	£14.40	£14.97	£23.10	£8.08	£16.81	£8.74	£26.87	£18.63	£131.60	£845.59
B	£1,140.05	£16.80	£17.46	£26.96	£9.43	£19.60	£10.20	£31.35	£21.73	£153.53	£986.52
C	£1,302.92	£19.20	£19.95	£30.81	£10.78	£22.41	£11.65	£35.83	£24.84	£175.47	£1,127.45
D	£1,465.78	£21.60	£22.45	£34.66	£12.12	£25.21	£13.11	£40.31	£27.94	£197.40	£1,268.38
E	£1,791.51	£26.40	£27.44	£42.36	£14.81	£30.82	£16.02	£49.27	£34.15	£241.27	£1,550.24
F	£2,117.24	£31.20	£32.43	£50.06	£17.51	£36.41	£18.94	£58.23	£40.36	£285.14	£1,832.10
G	£2,442.97	£36.00	£37.42	£57.76	£20.20	£42.02	£21.85	£67.18	£46.57	£329.00	£2,113.97
H	£2,931.56	£43.20	£44.90	£69.32	£24.24	£50.42	£26.22	£80.62	£55.88	£394.80	£2,536.76

* Includes amounts charged for adult social care in 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24.

Statement concerning adult social care funding

The following paragraphs are required to be included with information to be made available to Council Taxpayers. They explain that the County Council can raise an additional amount of Council Tax for Adult Social Care without holding a referendum:

The Secretary of State made an offer to adult social care authorities. ("Adult social care authorities" are local authorities which have functions under Part 1 of the Care Act 2014, namely county councils in England, district councils for an area in England for which there is no county council, London borough councils, the Common Council of the City of London and the Council of the Isles of Scilly).

The offer was the option of an adult social care authority being able to charge an additional "precept" on its council tax without holding a referendum, to assist the authority in meeting expenditure on adult social care from the financial year 2016-17. It was originally made in respect of the financial years up to and including 2019-20. If the Secretary of State chooses to renew this offer in respect of a particular financial year, this is subject to approval of the House of Commons.

Environment Agency

The Environment Agency, as a levying body for its flood and coastal erosion risk management (FCERM) functions, provides the following information.

FCERM money is spent on flood defence schemes, maintenance of the river system, a flood warning system and coastal erosion risk management.

	Severn & Wye, and Trent Regional Flood and Coastal Committees	
	2022/23 '000s	2023/24 '000s
Gross Expenditure	£103,968	£112,428
Levies Raised	£3,445	£3,513
Total Council Base	2,877	2,921

A change in the Gross Budgeted expenditure between the years reflects the programme of works for both capital and revenue needed by the Regional Flood and Coastal Committees. The total Local Levy raised has increased by 2.0%.

The local flood defence levy included in the County Council's budget for 2023/24 is £0.27m (2022/23 £0.26m).

Worcestershire County Council Budget 2023/24



2023/24 expenditure

- Adult Social Care, Public Health and Communities (**£161m**)
- Children's Services (**£111m**)
- Economy, Infrastructure and Environment (**£69m**)
- Support Services including Finance and Legal (**£60m**)

Total: **£401m Net budget**

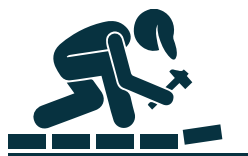
We continue to invest in what you have told us is important:

A further **£19.4m** for highways in addition to the **£36m** agreed last year to improve roads and **£12m** to improve pavements.

£3m to renew highways drainage and flood mitigation works and **£500,000** for minor highways works.



Additional **£3.5m** to maintain bus services.



150,000 trees to be planted to develop sustainable woodlands.



£53m on a new secondary school and new school places across the county.

£6m to improve street lights.





I recognise this year will be a tough one for many people across the County. The Council is facing similar challenges too from the impact of inflation on costs and increasing demand for services adding significantly to the pressure on our budget.

With more vulnerable people needing our support than ever before, and with the cost of this care increasing significantly, our budget reflects this added pressure.

Government is providing much-needed additional funding, and we have a programme of further efficiencies and reform, however the rising costs and demand on our key services have meant we need a rise in council tax to be able to continue to fund essential services.

Our council tax is one of the lowest of any County Council in the country and, with most councils increasing their council tax due to similar pressures, we will remain one of the lowest.

The additional funding will mean we can continue to deliver vital children's and adult social care to protect the most vulnerable in our communities.

It will also enable us to maintain our capital commitments to invest in the priorities that are most important to our residents. These include better roads and pavements, tackling congestion and improving public transport alongside investments in the economy, environment and extra school places.

**Councillor Simon Geraghty,
Leader, Worcestershire County Council**

With a Gross Budget from Council Tax and Government Grants, we will be spending a record amount to help protect the most vulnerable people in our communities:

£268m for those who need Adult Social care in 23/24



£146m to improve the lives of Children and Young People



£91m to support people to live independently for longer through Public Health and Communities

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