

# Worcestershire County Council

## Budget

**2018-19**

# How the money is spent:

## Summary of gross expenditure, income and staffing

The planned costs of services are shown below:

2017-18 Net Exp £m		2018 - 19 Gross Exp £m	2018 - 19 Income £m	2018 - 19 Net Exp £m	Staffing Number
0.0	Schools budget	226.2	-226.2	0.0	4,060
76.4	Supporting vulnerable children & Education	117.3	-26.5	90.8	820
131.0	Adult social care	193.5	-68.1	125.4	943
0.1	Public Health	26.7	-27.5	-0.8	38
9.3	Libraries, museums & community services	23.3	-14.3	9.0	288
64.9	Highways, planning, transport & waste disposal	88.8	-28.3	60.5	305
42.0	Support services, capital financing & pensions	60.4	-21.1	39.3	436
<b>323.7</b>	<b>Total cost of services</b>	<b>736.2</b>	<b>-412.0</b>	<b>324.2</b>	<b>6,890</b>
-5.2	Contribution from earmarked reserves	0.0	0.0	0.0	0
<b>318.5</b>	<b>Net budget requirement</b>	<b>736.2</b>	<b>-412.0</b>	<b>324.2</b>	<b>6,890</b>
<b>Funded by:</b>					
2.6	Council Tax surplus			2.1	
236.2	Amount to be met by Council Tax payer			251.5	
<b>238.8</b>	<b>Council Tax Requirement</b>			<b>253.6</b>	
59.8	Business Rates			61.2	
19.9	Revenue Support Grant			9.4	
<b>318.5</b>	<b>Total</b>			<b>324.2</b>	

# Where the money comes from to pay for the 2018-19 Budget

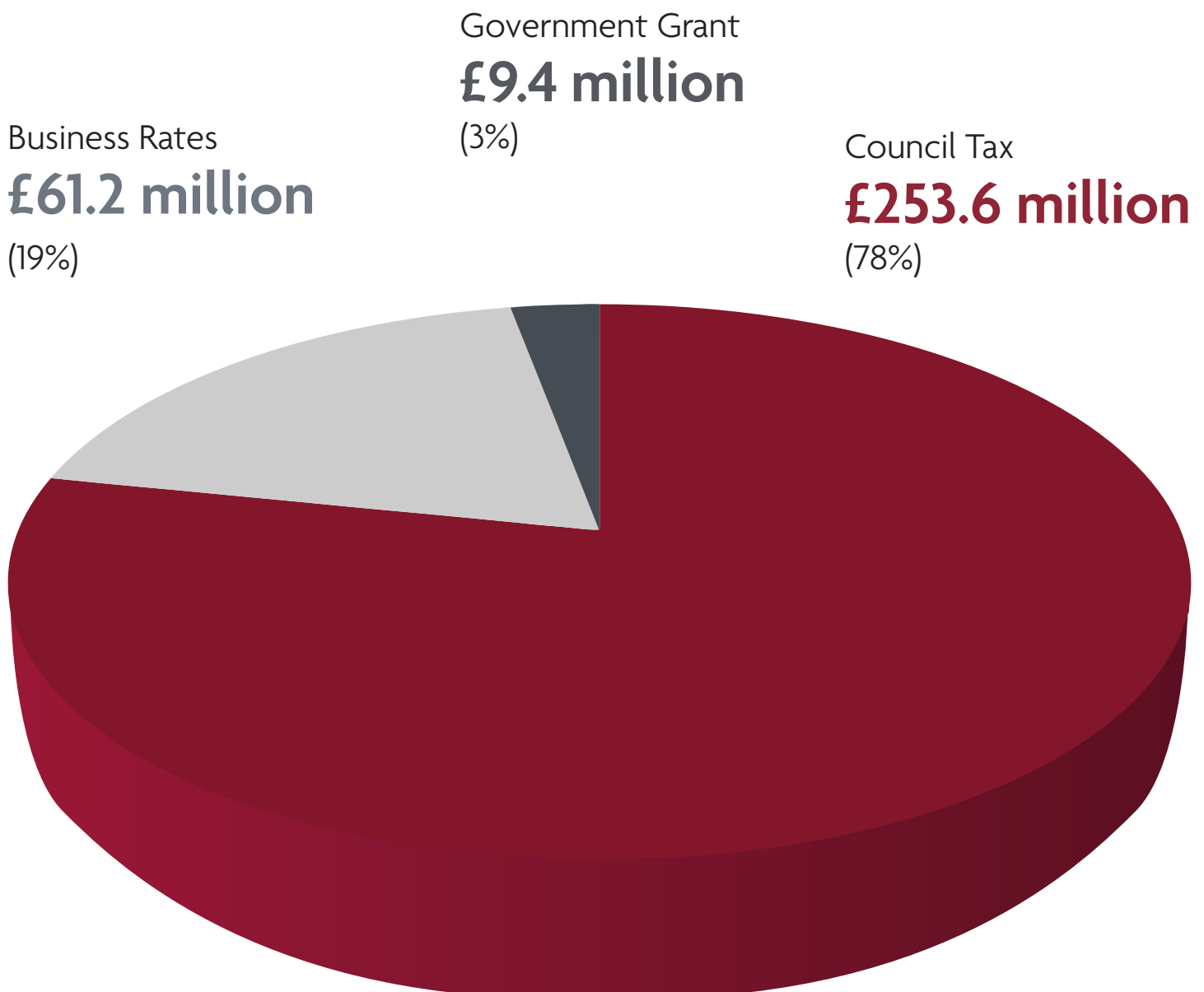
---

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 continues to receive funding through specific grants; however 2018-19 will be the last year that the Council will receive any general Revenue Support Grant.

Worcestershire's funding from Government grant and through business rates in 2018-19 is £70.6 million or £121 per person.

We also receive other grants from the Government for specific purposes. The most significant is the Dedicated Schools Grant (DSG) that provides £208.4 million funding for mainstream schools and statutory functions in 2018-19 and can only be used for this purpose, and £29.1 million Public Health Grant.

The cost of providing our services in 2018-19, net of specific grants, is £324.2 million.



# Why spending has changed from 2017-18

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 2018-19 has increased by £0.6 million over last year, as shown in the following table.

	£m
<b>Net budget requirement 2017-18</b>	<b>318.5</b>
Plus transfer to earmarked reserves in 2017-18	5.2
<b>Revised starting position</b>	<b>323.7</b>
Inflation	9.4
Adult social care demographics increase	3.0
Children's social care demographics increase	9.3
Children's safeguarding	1.2
Children's special educational needs and disability transport	0.4
Deprivation of Liberty Standards assessments	1.0
Risk Review – Transformation and reforms programme	6.1
Reduction in Education Services Grant	1.0
New Homes Bonus Grant	-2.6
Other	3.3
Transformation Reforms	-31.6
<b>Net budget requirement 2018-19</b>	<b>324.2</b>

For further information on the above items please follow the link below to the December 2017 and February 2018 Cabinet reports:

[www.worcestershire.moderngov.co.uk/ieListMeetings.aspx?CommitteId=131](http://www.worcestershire.moderngov.co.uk/ieListMeetings.aspx?CommitteId=131)

# Council Tax

---

The council tax contribution towards our 2018-19 budget for a Band D property is £1,212.38, a rise of 4.94% or £1.10 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 3% increase which will be ring-fenced to support adult social care. For a Band D property this is equivalent to £34.66 in 2018-19. 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 1.94% increase is to support general services.

## Staffing

---

During 2018-19 we expect to employ the equivalent of 6,890 full-time staff, of which 4,060 are employed in schools. This includes a decrease in school-based staff due to the transfer of school academies, and the planned reduction in staff numbers as part of the Council's efficiency measures which would include where roles transfer to other providers.

## Capital Investment

---

We plan to invest £96 million during 2018-19 in capital projects such as building and refurbishing schools, improvements to roads, pavements and infrastructure, Worcester Parkway Regional Interchange project, Pershore Northern Infrastructure scheme, A4440 Worcester Southern Link improvements, cutting congestion, flood mitigation measures and the provision of Super Fast Broadband.

## Borrowing

---

We borrow money to pay for some of our capital investment. The total borrowing at 31 March 2018 is estimated to be £463 million.

# General Balances

We plan to keep a general reserve of around £12 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 2018-19 to £1,212.38 for a Band D property (£1,155.31 in 2017-18). This increase is made up of a 3% increase for Adult Social Care (ASC) and 1.94% 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 £21.60 in 2016-17, £22.45 in 2017-18 and £34.66 in 2018-19 giving a total of £78.71 which is the amount shown on the council tax bill.

The percentage amount for the ASC precept is the percentage that relates to the current year only, i.e. 3%, and is not a cumulative amount over 2016-17, 2017-18 and 2018-19.

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 £1,133.67 (£1,212.38 - £78.71).

The table below details Worcestershire County Council's council tax increases for 2016-17, 2017-18 and 2018-19 for a Band D property. The amounts shown on the Council Tax bill for the last two years and for 2018-19 are shown in the shaded columns:

Band D Property	2015-16	2016-17			2017-18		2018-19			
		Increase from 2015-16		2016-17 Total*	Increase from 2016-17		2017-18 Total*	Increase from 2017-18		2018-19 Total*
	£	£	%	£	£	%	£	£	%	£
Total Due is split as follows:										
Worcestershire County Council	1,079.77	20.94	1.94	1,100.71	10.55	0.94	1,111.26	22.41	1.94	1,133.67
WCC Adult Social Care (ASC) Precept	0	21.60	2.00	21.60	22.45	2.00	44.05	34.66	3.00	78.71
<b>Total Due to WCC</b>	<b>1,079.77</b>	<b>42.54</b>	<b>3.94</b>	<b>1,122.31</b>	<b>33.00</b>	<b>2.94</b>	<b>1,155.31</b>	<b>57.07</b>	<b>4.94</b>	<b>1,212.38</b>

\* As per Council Tax Demand

The 3% Adult Social Care increase is calculated on the previous year's Band D total, £1,155.31 x 3% = £34.66.

The council tax bill shows for a Band D property for 2018-19:

	£	% change
<b>Worcestershire County Council</b>	£1,133.67	1.9%
<b>Worcestershire County Council*</b>	£78.71	3.0%

(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.

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*	WCC council tax less ASC precept (Non-ASC charge)
<b>A</b>	£808.25	£14.40	£14.97	£23.10	£52.47	£755.78
<b>B</b>	£942.96	£16.80	£17.46	£26.96	£61.22	£881.74
<b>C</b>	£1,077.67	£19.20	£19.95	£30.81	£69.96	£1,007.71
<b>D</b>	£1,212.38	£21.60	£22.45	£34.66	£78.71	£1,133.67
<b>E</b>	£1,481.80	£26.40	£27.44	£42.36	£96.20	£1,385.60
<b>F</b>	£1,751.22	£31.20	£32.43	£50.06	£113.69	£1,637.53
<b>G</b>	£2,020.63	£36.00	£37.42	£57.76	£131.18	£1,889.45
<b>H</b>	£2,424.76	£43.20	£44.90	£69.32	£157.42	£2,267.34

\* Includes amounts charged for adult social care in 2016-17, 2017-18 and 2018-19.

## 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 for Housing, Communities and Local Government has 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 is the option of an adult social care authority being able to charge an additional “precept” on its council tax for financial years from the financial year beginning in 2016 without holding a referendum, to assist the authority in meeting expenditure on adult social care. Subject to the annual approval of the House of Commons, the Secretary of State intends to offer the option of charging this “precept” at an appropriate level in each financial year up to and including the financial year 2019-20.”

# 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 and Wye, and Trent Regional Flood and Coastal Committees

	2017/18 '000s	2018/19 '000s
Gross Expenditure	£55,400	£62,277
Levies Raised	£3,120	£3,182
<b>Total Council Tax Base</b>	<b>2,701</b>	<b>2,750</b>

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 2018/19 is £0.2m (2017/18 £0.2m).



# Worcestershire County Council Budget 2018/19

---



Dear Resident,

These are challenging financial times but we are determined to live within our means and to prioritise spending on areas that you tell us matter most.

Through our roadshows and from the responses to our resident surveys, we know that improving our roads and pavements, cutting congestion, safeguarding children and protecting vulnerable adults are most important to you.

So, we are allocating an extra £10.5million this year to support the county's most vulnerable children and young people. An additional £7.8m for Adult Social Care will help growing numbers requiring help and support.

£37.5 million of capital investment is to be spent over the next three years to improve roads and pavements, tackle congestion and reduce the risks of flooding.

To deliver these investments we have reluctantly agreed to increase Council Tax by 4.94% (3% ring-fenced for Adult Services). This increase is the equivalent to just over £1 per week extra on a Band D property and Council Tax rates in Worcestershire will continue to be well below the average for county councils across the country.

Our proposals are aligned to the priorities that we set out in our plan for the county, 'Shaping Worcestershire's Future', which we launched a year ago.

Worcestershire now has one of the fastest growing economies in the country, and being "Open for Business" is a key priority for us. Working closely with the business community, we are delivering on our plan to grow the local economy, create higher skilled jobs with better pay and deliver more homes.

This will help to grow the county's income base which will support services and allow us to continue to invest in a better future for Worcestershire.

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

Your council tax this year will help us to deliver improved services in many of the areas that matter most to you. They include:

---

An extra **£10.5 million** in 2018/19 to improve outcomes for our **children and young people**



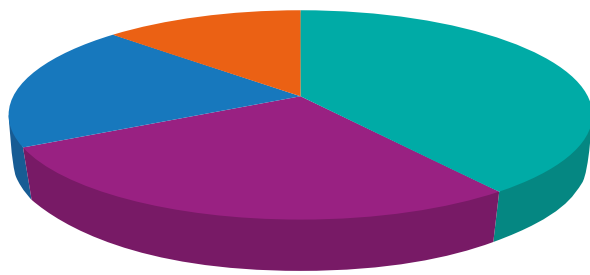
Investing **£7.8 million** in the **Adult Social Care** budget to support our most vulnerable people



Provide **£37.5m** to **improve roads, pavements** and invest in our **transport infrastructure**



We have given great consideration to the distribution of this year's budget as we look to continue to deliver a strong future for the County. Our net budget of £324 million will be split between services as follows:

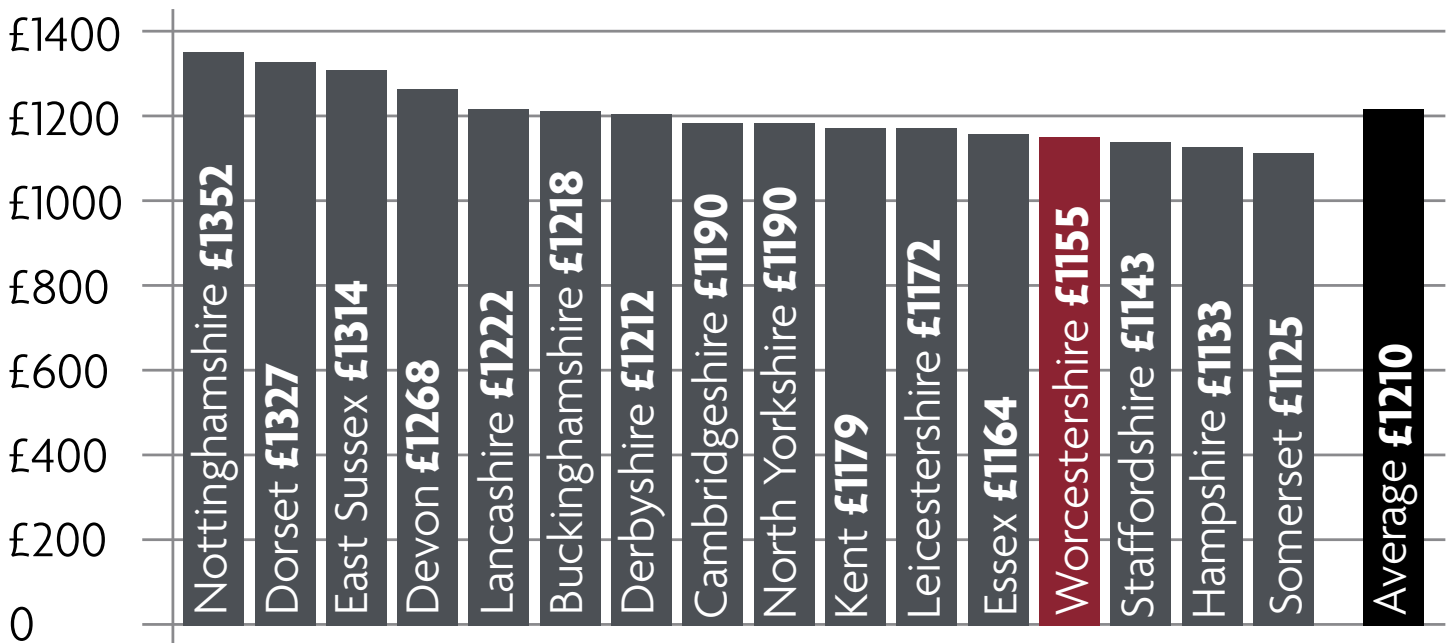


Adult Services and Public Health	£125m
Children, Families and Communities	£96m
Economy and Infrastructure	£64m
Commercial and Change / Finance	£39m
<b>Total</b>	<b>£324m</b>

## Providing value for your money

Providing value for your money is important to us. Worcestershire is a low taxing authority. Our rates are below the national average and significantly less than in other comparable counties.

### 2017/18 Council Tax for Counties without Fire (including ASC Precept)



### Want to have your say on local public services?

If you're over the age of 18, you can join our Viewpoint Panel, giving you a chance to take part in research and consultations about life in the county, including our annual residents' survey. Sign up now at:

[www.worcestershire.gov.uk/viewpoint](http://www.worcestershire.gov.uk/viewpoint)

You can stay in touch with Worcestershire County Council and get daily updates on how your Council Tax is being spent by following us on Social Media:

 /YourWorcestershire  
 /WorcsCC  
 [www.worcestershire.gov.uk](http://www.worcestershire.gov.uk)

 /Worcscc  
 Search 'Worcestershire County Council'


**worcestershire**  
 county council