



Worcestershire County Council Budget 2022/23

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

The planned costs of services are shown below:

2021-22 Net Exp £m	Services	2022 - 23 Gross Exp £m	2022 - 23 Income £m	2022 - 23 Net Exp £m
0.0	Schools budget	231.5	231.5	0.0
106.8	Supporting vulnerable children & Education	131.4	22.3	109.1
136.4	Adult social care and health	301.6	153.3	148.3
6.8	Libraries, museums & community services	37.1	30.3	6.8
52.3	Highways, planning, transport & waste disposal	87.0	30.2	56.8
53.2	Support services, capital financing & pensions	71.6	19.4	52.2
355.5	Total cost of services	860.2	487.0	373.2
-3.0	Use of reserves	2.2		2.2
352.5	Net budget requirement	862.4	487.0	375.4
Funded by:				
-1.7	Council Tax surplus/(deficit)		2.9	
285.2	Amount to be met by Council Tax payer		301.3	
283.5	Council Tax Requirement		304.2	
66.2	Business Rates		68.7	
2.8	Other grants		2.5	
352.5	Total		375.4	

Where the money comes from to pay for the 2022-23 Budget

The majority of the Council's funding is from Council Tax income. 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 no longer receives any general Revenue Support Grant

We receive grants from the Government for specific purposes. The most significant is the Dedicated Schools Grant (DSG). That provides funding for mainstream schools and statutory functions in 2022-23 and can only be used for this purpose. We expect to receive approx. £231.5 million. Another Government grant that we receive is the Public Health Grant. We have confirmation that we will receive approx. £31.2 million.

The cost of providing our services in 2022-23, net of specific grants, is £375.4 million.

Why spending has changed from 2021-22

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 2022-23 has increased by £19.9 million to £375.4 million as shown in the following table.

	£m
Net Budget Requirement 2021-22	352.5
Add back transfer to reserves	3.0
Revised Starting Position 2021-22	355.5
Adult social care demographics increase	18.3
Worcestershire Children First investment	7.9
Investment to address 2022-23 pressures	4.5
Inflation (other services)	5.5
Investment to address hardship in the Community	0.1
Funding Capital Investment in highways and footways improvements and flood mitigation	2.0
Social Care Grant	-6.1
Other Government Grants	-6.5
Transformation Reforms	-8.0
Transfer to (from) Reserves	2.2
Net Budget Requirement 2022-23	375.4

For further information on the above items please follow the link below to the February 2022 Cabinet report:
<https://worcestershire.moderngov.co.uk/ieListMeetings.aspx?Committeeld=131>

Council Tax

The council tax contribution towards our 2022-23 budget for a Band D property is £1,396.78, a rise of 3.94% or £1.02 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 3.94% 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 £40.31 in 2022-23. 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 0.94% increase is to support general services.

Staffing

During 2022-23 we expect to employ the equivalent of 6,024 full-time equivalent staff, of which 3,154 are employed in schools.

Capital Investment

We plan to invest £73.4 million during 2022-23 in capital projects such as continuing improvements to roads, pavements and infrastructure across the whole County, key projects including the Pershore Northern Infrastructure scheme, Bromsgrove A38 project, A4440 Worcester Southern Link improvements, Worcester Shrub Hill and Redditch Stations, flood relief in Tenbury Wells and Bewdley, cutting congestion, regeneration schemes and the provision of Super-Fast Broadband continue to receive investment.

In addition, there is fresh investment in the County's schools including the building of a new secondary school, as well as increasing places and improving condition in key places across existing schools.

As a result of the success of the original Worcester Six Business Park there will be additional investment into a second phase which will support the local economy.

Borrowing

We borrow money to pay for some of our capital investment. The total borrowing at 31 March 2022 is estimated to be approximately £486 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 3.94% in 2022-23 to £1,396.78 for a Band D property (£1,343.83 in 2021-22). This increase is made up of a 3% increase for Adult Social Care (ASC) and 0.94% 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	Total
£21.60	£22.45	£34.66	£12.12	£25.21	£13.11	£40.31	£169.46

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 2022-23 for a Band D property:

Band D Property	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23		2022 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)	Increase from 2021-22		
	£	£	£	£	£	£	£	%	£
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	12.64	0.94	1,227.32
WCC Adult Social Care (ASC) Precept	21.60	44.05	78.71	90.83	116.04	129.15	40.31	3.00	169.46
Total Due to WCC	1,122.31	1,155.31	1,212.38	1,260.75	1,311.05	1,343.83	52.95	3.94	1,396.78

The 3% Adult Social Care increase is calculated on the previous year's Band D total, £1,343.83 x 3% = £40.31

The council tax bill shows for a Band D property for 2022-23:

	£	% change
Worcestershire County Council	£1,227.32	0.9%
Worcestershire County Council*	£169.46	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.

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, 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23. 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 £1,227.32 (£1,396.78 - £169.46).

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*	WCC council tax less ASC precept (Non-ASC charge)
A	£931.19	£14.40	£14.97	£23.10	£8.08	£16.81	£8.74	£26.87	£112.97	£818.22
B	£1,086.38	£16.80	£17.46	£26.96	£9.43	£19.60	£10.20	£31.35	£131.80	£954.58
C	£1,241.58	£19.20	£19.95	£30.81	£10.78	£22.41	£11.65	£35.83	£150.63	£1,090.95
D	£1,396.78	£21.60	£22.45	£34.66	£12.12	£25.21	£13.11	£40.31	£169.46	£1,227.32
E	£1,707.18	£26.40	£27.44	£42.36	£14.81	£30.82	£16.02	£49.27	£207.12	£1,500.06
F	£2,017.57	£31.20	£32.43	£50.06	£17.51	£36.41	£18.94	£58.23	£244.78	£1,772.79
G	£2,327.97	£36.00	£37.42	£57.76	£20.20	£42.02	£21.85	£67.18	£282.43	£2,045.54
H	£2,793.56	£43.20	£44.90	£69.32	£24.24	£50.42	£26.22	£80.62	£338.92	£2,454.64

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

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

	2021/22 '000s	2022/23 '000s
Gross Expenditure	£89,596	£106,694
Levies Raised	£3,377	£3,445
Total Council Tax Base	2,827	2,877

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 2022/23 is £0.26m (2021/22 £0.26m).

Worcestershire County Council Budget 2022/23



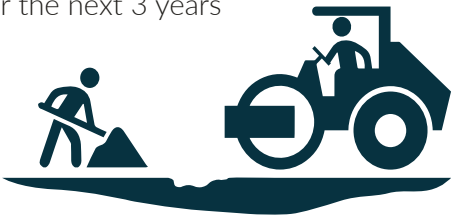
2022/2023 expenditure

- Adult Social Care, Public Health and Communities **£155m**
- Children's services **£109m**
- Economy & Infrastructure **£57m**
- Support services including Finance and Legal **£52m**

Total: **£373m**

In response to what you have told us, we are investing an extra...

£36m to improve roads over the next 3 years



£12m to improve pavements over the next 3 years

£6m to improve street lights over the next 2 years



£3.75m to address local highways over the next 3 years



£3m over the next 3 years to renew highways drainage and flood mitigation works

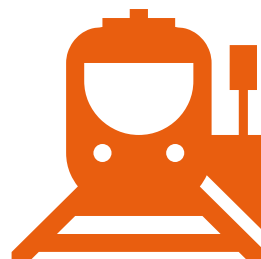


Highways call centre hours extended to **7am - 7pm Mon - Fri**

£11m on improving rail transport including a new Redditch station



£53m for a new secondary school for Worcester and school places across the county



150,000 trees to be planted to develop sustainable woodlands








A record £25m extra to protect the most vulnerable

An additional
£17.1m in 2022/23
to support those
who need adult
social care



An extra **£7.9m**
in 2022/23 to
improve outcomes
for our children
and young people



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