



**Report to: Place and Economic Development Committee, 23<sup>rd</sup> January 2023**

**Report of: Corporate Director – Finance and Resources**

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**Subject: SETTING OF THE BUDGET FOR 2023/24 AND MTFP TO 2027/28**

**1. Recommendation**

- 1.1 That the Committee notes the proposed Budgets for the various services identified for 2023/24.**
- 1.2 That the Committee considers the priorities within each service and recommends any change for the services' Budgets.**
- 1.3 That the Committee considers the services' Capital programme and future projects and recommends any changes or additions.**
- 1.4 That the Committee reviews any new budget proposals from members and makes recommendations to Policy and Resources Committee as appropriate.**

**2. Background**

- 2.1 The proposed summary budgets for 2023/24 are contained in **Appendix 1**. These provide detailed budgets for each of the Council's services covering both income and expenditure.
- 2.2 The Council also produces a Medium Term Financial Plan for the next 5 years setting out the high level pressures and opportunities that are likely to need to be addressed.

**3. Review of Service Budgets**

- 3.1 Members are asked to review the budget for each service set out in **Appendix 1**.
- 3.2 In light of any changes experienced by the services in the last 12 months, Members are asked to consider whether amendments are needed to the services' budgets in order to continue to achieve service objectives and to deliver the relevant aims of the City Plan.
- 3.3 The Council is facing a period of significantly increasing costs which are exceeding increases in income. **Appendix 3** shows the Medium Term Financial plan (MTFP) including the latest annual Settlement which was notified by DLUHC in late December 2022. Currently this represents a budget gap of £1.887m and therefore any proposed budget amendments at this stage are likely to result in a reduction or reallocation of resources rather than an increase in the net budget available.

#### **4. Projects and Capital Expenditure**

- 4.1 In a separate report to this committee meeting, Members have received a progress report on the various projects aligned to this committee. In addition, the Council's draft Capital Programme to 2027/28 is shown in **Appendix 2**.
- 4.2 Members are asked to consider whether the current projects are still appropriate for each service and whether there are any further needs that require addressing.
- 4.3 The approach adopted should be to focus on addressing the key themes identified in the City Plan. This should include greater detail on the proposed spend against each allocation and phasing the projects across the full 5 year term of the MTFP based on the need and importance of each one.
- 4.4 As noted in para 3.3 above, the Council faces increasing costs pressures and recommendations should be prioritised to ensure that the limited resources are allocated most effectively.

#### **5 Implications**

##### 5.1 Financial and Budgetary Implications

Should members have any proposals for new City Plan themes or projects that require funding for inclusion in the 2023-2028 MTFP, these should be discussed and, if appropriate, approved by this committee. They will then be forwarded to the meeting of the Policy and Resources Committee on 7 February 2023 for consideration along with those proposals submitted by the council's other policy committees and committees.

##### 5.2 Legal and Governance Implications

Responsibility for setting the budget rests with Full Council which receives recommendations from the Policy and Resources Committee. Any proposals agreed by this Committee must therefore be forwarded to the Policy and Resources Committee for consideration at its meeting of 7 February 2023 before being recommended, if approved, to the Full Council meeting of 21 February 2023.

##### 5.3 Risk Implications

The pandemic has had a significant effect on the Council's income from Fees and Charges, particularly from car parking. Whilst there has been some recovery from the low levels experienced during the periods of lockdown, income has yet to return to the pre-pandemic levels. The Budget for 2023/24 assumes that most income streams will have recovered and will be back to the levels experienced in previous years.

##### 5.4 Corporate/Policy Implications

None directly arising from this report.

##### 5.5 Equality Implications

None directly arising from this report.

##### 5.6 Human Resources Implications

None directly arising from this report.

##### 5.7 Health and Safety Implications

None directly arising from this report.

5.8 Social, Economic and Environmental Implications  
None directly arising from this report.

**Ward(s):** All  
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**Background Papers:** None