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

The planned costs of services are shown below:

2023-24 Gross Exp	2023-24 Income	2023-24 Net Exp		2024-25 Gross Exp	2024-25 Income	2024-25 Net Exp
£m	£m	£m	Services	£m	£m	£m
249.5	249.5	0.0	Schools budget	273.3	273.3	0.0
122.4	31.5	90.9	Supporting vulnerable Children & Education	135.1	37.9	97.2
319.7	166.6	153.1	Adult Social Care and health	345.1	186.6	158.5
39.4	32.5	6.9	Libraries, Museums & Community Services	41.2	32.0	9.2
100.1	30.9	69.2	Highways, Planning, Transport & Waste Disposal	107.4	31.4	76.0
22.5	2.3	20.2	Home to School Transport	37.4	2.3	35.1
79.9	19.4	60.5	Support Services, capital financing & pensions	77.1	19.7	57.4
933.5	532.7	400.8	Total cost of services	1,016.6	583.2	433.4
		-5.9	Use of reserves			-7.9
		394.9	Net budget requirement			425.5
Funded by:						
	-0.6		Council Tax surplus/(deficit)		2.0	
	318.4		Amount to be met by Council Tax payer		335.8	
	317.8		Council Tax Requirement		337.8	
	77.1		Business Rates		87.7	
	394.9		Total		425.5	

Where the money comes from to pay for the 2024-25 Budget

The majority of the Council's funding is from Council Tax income with £337.8 million forecast for 2024-25. 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, £28,018 in 2024-25.

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. £273.3 million for 2024-25. 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 due to receive £33.0 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 2024-25, net of specific grants, is £433.4 million.

Why spending has changed from 2023-24

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 2024-25 has increased by £24.7 million to £425.5 million as shown in the following table.

	£m
Net Budget Requirement 2023-24	394.9
Plus transfer from reserves	5.9
Requirement 2023-24 (as reported)	394.9
Plus transfer from reserves	5.9
Requirement 2024-25 (as reported)	425.5
Change from 2023-24	30.6
Total	425.5

Council Tax

The council tax contribution towards our 2024-25 budget for a Band D property is £1,538.92, a rise of 4.99% or £1.41 per week from last year. The following list shows how much you will pay for our services for each property band.

Council Tax Bands

Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£1,025.95	£1,196.94	£1,367.93	£1,538.92	£1,880.90	£2,222.88	£2,564.87	£3,077.84

The 4.99% 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 £29.32 in 2024-25. 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 2.99% increase is to support general services.

Staffing

During 2024-25 we expect to employ the equivalent of 6,090 full-time equivalent staff, of which 3,396 are employed in schools.

Capital Investment

We plan to invest £170.5 million during 2024-25 in capital projects such as continuing improvements to roads,

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.







