

***This document represents an alternative 2023/24 Revenue Budget Proposal. The detail shows the differences compared to the Conservative proposals to aid effective debate.***

## **2023/24 Revenue Budget Resolution**

### **Green Party Recommendations to County Council**

**The County Council is recommended to plan its budget framework for 2023/24 on the following basis:**

#### **Section 1: Financial Direction of Travel**

*Delete paragraph 1.2 and replace as follows, renumbering the following paragraphs accordingly:*

- 1.2 Central government, in London, has failed us in its basic duties to provide stability and responsibly plan for the future. In their absence local government must step up. The focus of our budget is investing in skills and lowering energy bills. Like the rest of the country, Warwickshire faces a severe skills shortage, and we must step up to address this, so that more of our residents have high quality, fulfilling jobs that contribute to society. Energy prices are a major driver of inflation which is eating into residents' quality of life. Investment in energy conservation and generation can lower bills permanently for residents and the Council.
- 1.3 We will sustainably tackle the major financial and demand challenges we face as we continue to be faced with demand for services rising much more quickly than our resources. We will respond to the demographic growth in adult social care, the increasing numbers of children and families needing support and delivering on the challenges of climate change and commitment to net zero carbon emissions by 2030 as an organisation and as a county by 2041. We will do this by resourcing the additional costs we face now whilst retaining sufficient capacity to invest to be more efficient and effective in the future. We will drive cost reductions through investment in digital, data and automation technologies, reducing demand through targeted prevention work, adopting more commercial approaches setting financial returns and payback periods for our investments and continuing to support investment that provides for a buoyant taxbase.

**Add the following bullet points to paragraph 1.7:**

- 1.7 To ensure the finances of the Council are robust and sustainable we will:
- Invest £4.5 million over three years to support **accommodation-based rehabilitation** from addiction;
  - Invest £1.3m in **training and education** to bring trades and businesses into the energy conservation and generation sectors;
  - Increase funding for successful **Youth projects**, by £0.6 million, to be awarded over three years;
  - Invest £0.6 million over three-years support to provide additional capacity to bring **walking and cycling capital investment schemes** forward for delivery;
  - Invest £0.3 million over three-years to further develop options for demand **responsive bus transport** and to model new long-term solutions;
  - Invest £0.3 million to support the development of a **gainshare energy conservation and generation programme** for schools and community buildings;
  - Increase investment to expand the **Fire Service Citizenship project** by £0.3 million over three-years.

**Delete paragraph 1.14 and 1.15 and replace as follows:**

- 1.14 We will deliver £15.6 million of budget reductions in 2023/24, increasing to £68.7 million by 2028, through better procurement, improvements in efficiency, increased income and delivering reductions in demand. We all use the services the County Council provides and will ensure they deliver value for money for the taxpayers of Warwickshire.
- 1.15 We acknowledge the need for an increase in local council tax. In the absence of other funding options, we will use the opportunity provided by the Government to levy additional council tax (up to a maximum of 2.99% core council tax plus up to 2% adult social care levy, overall 2% more than previously permitted), to provide resources to fund rising costs and demand for our services. We will take 0.45% of this additional flexibility in 2023/24. In total, this means a **3.49% council tax increase for 2023/24**, a 1% increase from the adult social care levy and a 2.49% core council tax increase for all services, but 1.5% below the maximum increase permitted by Government. This is equivalent to an increase of £1.07p per week for a Band D dwelling.

## Section 4: Revenue Allocations

*Replace paragraphs 4.1 to 4.3 and replace as follows:*

- 4.1 To reflect the significant pressures on communities and the increasing demand for services we are responsible for, whilst ensuring we continue to develop so we can deliver the public services expected for the future, we are making allocations totalling £67.883 million.
- 4.2 We will provide £32.489 million for the estimated cost of pay and price inflation in 2023/24, allocated between Services as shown in **Appendix A**. In making this allocation it is acknowledged that the allocation to Services for inflation is an approximate cost, recognising that costs will increase at different rates. Once the overall allocation has been agreed, a Service will have the opportunity to allocate the funding provided to reflect where inflation will impact at a local level.
- 4.3 In addition to meeting the estimated cost of inflation we will also provide £35.394 million to meet additional spending need, of which £13.295 million is time-limited. Details of the allocations and how we expect the funding to be used are also detailed in **Appendix A as amended by Annex A** for permanent allocations and **Appendix B as amended by Annex B** for time-limited allocations.

## Section 5: Funding Sources

*Replace paragraph 5.4 as follows:*

- 5.4 Our plan for budget reductions will generate savings of £15.600 million in 2023/24 and a further £53.098 million over the period of the Medium Term Financial Strategy. Approval is given to the plans for the delivery of these savings detailed in **Appendix D as amended by Annex D**. If during 2023/24 any of the budget reductions do not materialise to the degree shown, the Assistant Director in conjunction with their Strategic Director and Portfolio Holder should identify alternative proposals to ensure the required levels of reduced spend are delivered and report this as part of quarterly monitoring.

*Replace paragraphs 5.8 and 5.9 as follows:*

- 5.8. We will use £24.349 million of reserves in 2023/24 to fund time-limited costs and budget allocations and to accommodate the differences in timing between spending need and the delivery of savings and/or growth in the business and council tax taxbases.

- 5.9. **The council tax will increase by 3.49% in 2023/24.** With the other funding resources identified, this will fund the proposals contained within this resolution.

## **Section 6: Medium Term Financial Strategy**

*Replace paragraph 6.7 as follows:*

- 6.7. We recognise our MTFS means significant challenges for the organisation, including the changing way in which people want to access services. Our proposals recognise that this will take time and investment and a broad engagement with all those affected, both inside and outside the organisation. Our MTFS requires the use of £42.685 million of reserves, including £24.349 million in 2023/24, to fund time-limited costs and budget allocations and to accommodate the differences in timing between spending need and the delivery of savings and/or growth in the business and council tax taxbases. The availability of this level of reserves is consistent with our Reserves Strategy, attached at Appendix C.
- 6.10. A summary of our MTFS, demonstrating how we plan to balance our spending needs and resources over the medium term is shown in **Appendix E**.

## **Section 7: Strategic Director for Resources Statement**

*Replace the first paragraph of Risk 10 as follows:*

### ***Risk 10 – Impact on the Medium Term Financial Strategy***

*The Medium Term Financial Strategy (MTFS) outlines the significant additional financial challenge to the authority in future years. The indicative future spending allocations and planned reductions deliver a balanced MTFS over the period of the Council Plan with a 2.49% increase in council tax plus 1% of the available adult social care levy in 2023/24 and a 1.99% annual increase in the council tax in future years plus the additional 1% adult social care levy in 2024/25. Without this level of increase in council tax, or if future spending needs exceeds the indicative levels, further budget reductions will need to be identified and delivered to ensure the budget remains sustainable. The £0.600 million reduction in the provision for future pressures in 2023/24 and the use of £42.7 million of the available £44.1 million reserves available over the five years of the MTFS materially increases the short- and medium-term risk that, given the current challenging external environment, additional savings will be required early in the MTFS period. The commitment of Members to meet the financial challenges ahead and take the decisions needed to ensure the finances of the authority remain robust into the future is welcomed.*

## Section 8: Summary of Service Estimates

*Delete Section 8 and replace as follows:*

8.1. Approval be given to the individual service net revenue estimates shown below, which will be finalised for the service estimates to be presented to Cabinet in April 2023 of:

	Base Budget £	Additional Investment £	Funding Sources £	Total £
Environment Services	49,359,191	12,356,000	(1,324,000)	60,391,191
Fire and Rescue Service	22,031,435	1,116,000	(50,000)	23,097,435
Strategic Commissioning - Communities	23,419,058	2,637,000	(1,636,000)	24,420,058
Children and Families	78,997,700	5,576,000	(2,764,000)	81,809,700
Education Services	122,581,784	1,386,000	(174,000)	123,793,784
Strategic Commissioning – People	35,486,051	759,000	(551,000)	35,694,051
Social Care and Support	185,966,131	26,098,000	(6,269,000)	205,795,131
Business and Customer Services	19,046,382	1,719,000	(526,000)	20,239,382
Commissioning Support Unit	5,486,800	466,000	(234,000)	5,718,800
Enabling Services	23,818,163	1,408,000	(666,000)	24,560,163
Finance	5,683,072	448,000	(121,000)	6,010,072
Governance and Policy	3,175,913	53,000	(325,000)	2,903,913
Other Services – spending	43,187,293	13,861,000	(960,000)	56,088,293
Other Services - schools and funding	(115,289,971)	0	(174,428,000)	(289,717,971)
	<b>502,949,002</b>	<b>67,883,000</b>	<b>(190,028,000)</b>	<b>380,804,002</b>
<u>Contributions to/(from) reserves:</u>				
- Service Reserves	(178,000)	5,000,000	0	4,822,000
- General Reserves	0	0	(24,348,824)	(24,348,824)
<b>Budget Requirement</b>	<b>502,771,002</b>	<b>72,883,000</b>	<b>(214,376,824)</b>	<b>361,277,178</b>

## Section 9: Council Tax Requirement

*Delete Section 9 and replace as follows:*

9.1 Approval is given to a council tax requirement and a Band D Council Tax for the County Council for the year ending 31 March 2024 as follows:

	£
Budget Requirement	361,277,178.06
Less Council Tax Surplus on Collection	(221,305.84)
<b>Council Tax Requirement for the year ended 31 March 2024</b>	<b>361,055,872.22</b>
Divided by aggregate Council Tax Base for the County Area	219,304.21
<b>Basic Amount of Council Tax (Band D)</b>	<b>1,646.37</b>

## Section 10: Council Tax

*Delete Section 10 and replace as follows:*

10.1 The council tax for 2023/24 is increasing by 3.49%. Therefore, approval is given to Council Tax amounts for each category of property as follows:

	£
Band A	1,097.5800
Band B	1,280.5100
Band C	1,463.4400
Band D	1,646.3700
Band E	2,012.2300
Band F	2,378.0900
Band G	2,743.9500
Band H	3,292.7400

## Section 11: Precepts

*Delete Section 11 and replace as follows:*

8.2. The Chief Executive is authorised to issue the 2023/24 precepts on the Warwickshire billing authorities, as follows:

	£
North Warwickshire Borough Council	35,869,183.31
Nuneaton and Bedworth Borough Council	64,578,698.61
Rugby Borough Council	66,570,394.72
Stratford-on-Avon District Council	99,092,063.30
Warwick District Council	94,945,532.29

***All other sections/paragraphs remain unchanged.***

## Changes to the 2023-28 Permanent Investment Proposals

Figures in brackets represent a reduction in the budget allocation. Figures without brackets are an increased allocation.

Purpose of the Allocation by Service	Allocation	Indicative Additional Future Allocation			
	2023-24 £'000	2024-25 £'000	2025-26 £'000	2026-27 £'000	2027-28 £'000
<b>Corporate Services</b>					
<b>Provision for future indicative spending pressures</b> - A reduction in the provision for future unknown and unquantified spending need to mitigate future potential costs as part of ensuring the Council's services are sustainable over the medium term.	(600)	0	0	0	0
<b>Annual Change in Permanent Allocations</b>	<b>(600)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Change in Permanent Allocations</b>	<b>(600)</b>	<b>(600)</b>	<b>(600)</b>	<b>(600)</b>	<b>(600)</b>

## Changes to the 2023-28 Time-limited Investment Proposals

Figures in brackets represent a reduction in the budget allocation. Figures without brackets are an increased allocation.

Purpose of the Allocation by Service	Allocation 2023-24 £'000	Indicative Additional Future Allocation			
		2024-25 £'000	2025-26 £'000	2026-27 £'000	2027-28 £'000
<b>Environment Services</b>					
<b>Demand responsive transport</b> - A three-year allocation to further develop options for demand responsive bus transport and to model new long term solutions.	100	100	100	-	-
<b>Fire and Rescue</b>					
<b>Fire Service citizenship project</b> - A three year allocation to expand the Fire service citizenship project.	100	100	100	-	-
<b>Strategic Commissioning for Communities</b>					
<b>Energy conservation and generation skills training</b> - A three year allocation to develop and undertake a skills project to bring trades and businesses into training and education in energy conservation and generation sectors.	420	420	420	-	-
<b>Active travel transport development</b> - A three year allocation to increase capacity to bring forward walking and cycling schemes for delivery	200	200	200	-	-
<b>Children and Families</b>					
<b>Youth projects</b> - A three-year allocation to provide additional funding for successful youth projects.	200	200	200	-	-
<b>Strategic Commissioning for People</b>					
<b>Rehabilitation from addiction</b> - A three year project to support accommodation based rehabilitation from addiction.	-	-	1,500	1,500	1,500



## Changes to the 2023-28 Time-limited Investment Proposals

Figures in brackets represent a reduction in the budget allocation. Figures without brackets are an increased allocation.

Purpose of the Allocation by Service	Allocation 2023-24 £'000	Indicative Additional Future Allocation			
		2024-25 £'000	2025-26 £'000	2026-27 £'000	2027-28 £'000
<b>Commissioning Support Unit</b>					
<b>Gainshare energy conservation and generation</b> - A three-year allocation to support the development of a gainshare energy conservation and generation programme for schools and community buildings.	100	100	100	-	-
<b>Total Annual Change in Time-Limited Allocations</b>	<b>1,120</b>	<b>1,120</b>	<b>2,620</b>	<b>1,500</b>	<b>1,500</b>
<b>Total Cumulative Change in Time-Limited Allocations</b>					<b>7,860</b>

## Changes to the 2023-28 Proposed Budget Reductions

Figures in brackets represent an increase in the budget reduction. Figures without brackets are a reduction on the savings required.

Purpose of the Reduction by Service	Reduction	Indicative Additional Future Reduction			
	2023-24 £'000	2024-25 £'000	2025-26 £'000	2026-27 £'000	2027-28 £'000
<b>Environment Services</b>					
<b>County highways reduced cyclical maintenance</b> - Reductions in gulley cleaning, jetting and grass cutting.	(100)	-	-	-	-
<b>Trading standards</b> - Remove the need to deliver savings from the delivery of efficiencies in trading standards community safety provision. Instead any efficiencies are to be reinvested in the service.	45	-	-	-	-
<b>Winter gritting reductions</b> - Reductions in winter maintenance budgets based on removal of some gritting routes on minor roads. Reducing network coverage from 48% down to 35%.	(150)	-	-	-	-
<b>Fire and Rescue</b>					
<b>Service review</b> - Implementation of the proposals from a review of the Fire and Rescue Service with the objective of starting to bring the spend of the service down to nearer the mean cost of similar services.	-	-	(115)	(115)	(115)
<b>Strategic Commissioner for Communities</b>					
<b>Parking Income</b> - Increased income from Pay and Display charges and resident parking permits as well as additional third party procurement savings.	(342)	(80)	-	-	-
<b>Children and Families</b>					
<b>Internal foster care</b> - Reduce the cost of care/services by not applying inflation to internal foster care allowances and some commissioned services.	-	-	(100)	(100)	-
<b>Youth and Community Centres</b> - Remove the saving from the generation of income from third party use of centres, instead reinvesting any income generated into the service.	50	-	-	20	-

## Changes to the 2023-28 Proposed Budget Reductions

Figures in brackets represent an increase in the budget reduction. Figures without brackets are a reduction on the savings required.

Purpose of the Reduction by Service	Reduction	Indicative Additional Future Reduction			
	2023-24 £'000	2024-25 £'000	2025-26 £'000	2026-27 £'000	2027-28 £'000
<b>Education Services</b>					
<b>NEETs contract</b> - Remove the saving from more effective contracting of the service to support those not in employment, education or training, instead reinvesting any contracting savings in the service offer.	35	10	10	-	-
<b>Business and Customer Services</b>					
<b>Community development</b> - Remove the budget reduction as a result of delivering efficiencies in the delivery of the internal community development function, instead any efficiencies are to be reinvested in the service.	20	-	-	-	-
<b>Total in-year change to budget reductions</b>	<b>(442)</b>	<b>(70)</b>	<b>(205)</b>	<b>(195)</b>	<b>(115)</b>
<b>Total cumulative change to budget reductions</b>	<b>(442)</b>	<b>(512)</b>	<b>(717)</b>	<b>(912)</b>	<b>(1,027)</b>

## Warwickshire County Council Medium Term Financial Strategy 2023/24 to 2027/28

	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m
<b>Resources</b>					
• Government grant	(93.6)	(93.2)	(92.2)	(92.2)	(92.2)
• Business rates	(80.8)	(82.4)	(84.1)	(85.7)	(87.5)
• Council tax	(361.3)	(378.0)	(392.8)	(408.8)	(425.2)
<b>Total resources</b>	<b>(535.7)</b>	<b>(553.6)</b>	<b>(569.1)</b>	<b>(586.7)</b>	<b>(604.9)</b>
<b>Spending</b>					
• Base budget	502.8	502.8	502.8	502.8	502.8
• Inflation	32.5	48.5	61.2	74.2	87.5
• Demand/cost increases	22.0	35.6	52	68.8	83.3
• Time-limited investments	18.3	9.5	4.5	1.5	1.5
• Budget reductions	(15.6)	(32.0)	(48.0)	(62.2)	(68.7)
<b>Total spending</b>	<b>560.0</b>	<b>564.4</b>	<b>572.5</b>	<b>585.1</b>	<b>606.4</b>
<b>Planned use of reserves</b>	<b>(24.3)</b>	<b>(10.8)</b>	<b>(4.5)</b>	<b>(1.5)</b>	<b>(1.5)</b>
<b>Remaining (surplus)/gap</b>	<b>0</b>	<b>0</b>	<b>(1.1)</b>	<b>(3.1)</b>	<b>0</b>

***This proposal represents an alternative 2023/24 Capital Budget Proposal. The detail shows the differences compared to the Conservative proposals to aid effective debate.***

## **2023/24 Capital Budget Proposal**

### **Green Recommendations to County Council**

#### **1. Financial Direction of Travel**

***Reword and add the following priority investment proposals to the schemes listed in paragraph 1.11:***

Sustainable Futures	<ul style="list-style-type: none"><li>• Energy conservation and generation gainshare scheme for schools and community buildings.</li><li>• Defending Warwickshire against flooding, including significant investment in nature-based solutions.</li><li>• A sustainable transport network that supports a low carbon future and rural connectivity to places of work, improving air quality, active travel to deliver the positive benefits of outdoor activity, reducing congestion and enabling growth in housing. Schemes which are predominantly aimed at increasing safe and enjoyable walking and cycling journeys to work, school and leisure will be strongly prioritised.</li><li>• Demand responsive transport.</li></ul>
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***All other paragraphs/sections remain unchanged.***