

# Agenda

## Economy Overview and Scrutiny Panel

**Friday, 20 January 2023, 10.00 am**  
**County Hall, Worcester**

All County Councillors are invited to attend and participate

This document can be made available in alternative formats such as large print, an audio recording or braille; it can also be emailed as a Microsoft Word attachment. Please contact Scrutiny on telephone number 01905 844965 or by emailing [scrutiny@worcestershire.gov.uk](mailto:scrutiny@worcestershire.gov.uk)

## DISCLOSING INTERESTS

There are now 2 types of interests:  
**'Disclosable pecuniary interests'** and **'other disclosable interests'**

### WHAT IS A 'DISCLOSABLE PECUNIARY INTEREST' (DPI)?

- Any **employment**, office, trade or vocation carried on for profit or gain
- **Sponsorship** by a 3<sup>rd</sup> party of your member or election expenses
- Any **contract** for goods, services or works between the Council and you, a firm where you are a partner/director, or company in which you hold shares
- Interests in **land** in Worcestershire (including licence to occupy for a month or longer)
- **Shares** etc (with either a total nominal value above £25,000 or 1% of the total issued share capital) in companies with a place of business or land in Worcestershire.

**NB Your DPIs include the interests of your spouse/partner as well as you**

### WHAT MUST I DO WITH A DPI?

- **Register** it within 28 days and
- **Declare** it where you have a DPI in a matter at a particular meeting
  - you must **not participate** and you **must withdraw**.

**NB It is a criminal offence to participate in matters in which you have a DPI**

### WHAT ABOUT 'OTHER DISCLOSABLE INTERESTS'?

- No need to register them but
- You must **declare** them at a particular meeting where:  
You/your family/person or body with whom you are associated have a **pecuniary interest** in or **close connection** with the matter under discussion.

### WHAT ABOUT MEMBERSHIP OF ANOTHER AUTHORITY OR PUBLIC BODY?

You will not normally even need to declare this as an interest. The only exception is where the conflict of interest is so significant it is seen as likely to prejudice your judgement of the public interest.

### DO I HAVE TO WITHDRAW IF I HAVE A DISCLOSABLE INTEREST WHICH ISN'T A DPI?

Not normally. You must withdraw only if it:

- affects your **pecuniary interests** **OR** relates to a **planning or regulatory** matter
- **AND** it is seen as likely to **prejudice your judgement** of the public interest.

### DON'T FORGET

- If you have a disclosable interest at a meeting you must **disclose both its existence and nature** – 'as noted/recorded' is insufficient
- **Declarations must relate to specific business** on the agenda
  - General scattergun declarations are not needed and achieve little
- Breaches of most of the **DPI provisions** are now **criminal offences** which may be referred to the police which can on conviction by a court lead to fines up to £5,000 and disqualification up to 5 years
- Formal **dispensation** in respect of interests can be sought in appropriate cases.

## **Economy Overview and Scrutiny Panel**

### **Friday, 20 January 2023, 10.00 am, County Hall, Worcester**

**Membership:** Cllr Matt Dormer (Chairman), Cllr Karen Hanks (Vice Chairman), Cllr Martin Allen, Cllr Bob Brookes, Cllr Allah Ditta, Cllr Ian Hardiman, Cllr Tony Muir, Cllr Jack Satterthwaite and Cllr Craig Warhurst

### **Agenda**

<b>Item No</b>	<b>Subject</b>	<b>Page No</b>
1	<b>Apologies and Welcome</b>	
2	<b>Declarations of Interest and of any Party Whip</b>	
3	<b>Public Participation</b> Members of the public wishing to take part should notify the Democratic Governance and Scrutiny Manager in writing or by e-mail indicating both the nature and content of their proposed participation no later than 9.00am on the working day before the meeting (in this case 19 January 2023). Further details are available on the Council's website. Enquiries can also be made through the telephone number/e-mail address listed in this agenda and on the website.	
4	<b>Confirmation of the Minutes of the Previous Meeting</b> Previously circulated	
5	<b>Budget Scrutiny 2023/24</b> (Indicative timing: 10.05 – 10.50am)	1 - 16
6	<b>Work Programme</b> (Indicative timing: 10.50 – 11.00am)	17 - 20

### **NOTES**

#### **Webcasting**

Members of the Panel are reminded that meetings of the Economy Overview and Scrutiny Panel are Webcast on the Internet and will be stored electronically and accessible through the Council's Website. Members of the public are informed that if they attend this meeting their images and speech may be captured by the recording equipment used for the Webcast and may also be stored electronically and accessible through the Council's Website.

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Agenda produced and published by the Democratic Governance and Scrutiny Manager (Interim Monitoring Officer) Legal and Governance, County Hall, Spetchley Road, Worcester WR5 2NP. To obtain further information or hard copies of this agenda please contact Emma James/Jo Weston 01905 844965, email: [scrutiny@worcestershire.gov.uk](mailto:scrutiny@worcestershire.gov.uk)

All the above reports and supporting information can be accessed via the [Council's Website](#)

Date of Issue: Thursday, 12 January 2023

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## **ECONOMY OVERVIEW AND SCRUTINY PANEL 20 JANUARY 2023**

### **BUDGET SCRUTINY 2023/24**

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#### **Summary**

1. The Panel will consider the draft Budget for 2023/24 for the areas within its remit relating to:
  - Economy
  - Workforce Skills
  - Strategic Infrastructure
  - Broadband and Communications
2. The Cabinet Member with Responsibility for Economy, Infrastructure and Skills, the Strategic Director of Economy and Infrastructure, the County Council's Chief Financial Officer (S151) and the Deputy Chief Finance Officer have been invited to the meeting.

#### **Background**

3. Members of the Panel are reminded that they have had the benefit of quarterly performance and financial monitoring throughout the year as part of the Scrutiny Panels' role in maintaining oversight of service provision, identifying trends, budget pressures and challenges.
4. In addition, the Leader and Chief Executive attended the Overview and Scrutiny Performance Board (OSPB) on 7 December to discuss the new and emerging pressures for the Council likely to impact on the 2023/24 budget and medium-term financial plan, following the autumn statement.

#### **Budget Scrutiny 2023/24**

5. As part of the Budget Scrutiny process for 2023/24, the Strategic Director for Economy and Infrastructure has been asked to identify the main messages from the draft 2023/24 Budget for areas within the remit of the Panel and these are set out in Appendix 1.
6. The draft Council Budget 2023/24 was presented to Cabinet on 5 January 2023 and is also available to the Panel at Appendix 2.
7. The Panel's discussions on the draft Council Budget 2023/24 will be reported to the OSPB on 30 January 2023, when the Board will formulate its comments to Cabinet for its meeting on 2 February 2023.

## **Purpose of the Meeting**

8. Following discussion of the information provided, the Panel is asked to determine any comments on the draft 2023/24 Budget for the Chairman to report back to the OSPB at its meeting on 30 January 2023.

## **Supporting Information**

Appendix 1 - Main messages from draft 2023/24 Budget for areas within the remit of the Panel (presentation slides)

Appendix 2 - [Draft 2023/24 Budget Report from Cabinet 5 January 2023](#)

## **Specific Contact Points for this Report**

Emma James / Jo Weston, Overview and Scrutiny Officers, Tel: 01905 844964 / 844965  
Email: [scrutiny@worcestershire.gov.uk](mailto:scrutiny@worcestershire.gov.uk)

## **Background Papers**

In the opinion of the proper officer (in this case the Democratic Governance and Scrutiny Manager (Interim Monitoring Officer) the following are the background papers relating to the subject matter of this report:

[Agenda for Overview and Scrutiny Performance Board 7 December, 2022 - Worcestershire County Council \(moderngov.co.uk\)](#)

[Agendas and Minutes of Economy Overview and Scrutiny Panel - Worcestershire County Council \(moderngov.co.uk\)](#)

[All agendas and minutes are available on the Council's website here](#)

[The Council's Budget Books are available on the website here](#)

# 2023/24 Draft Budget for consultation

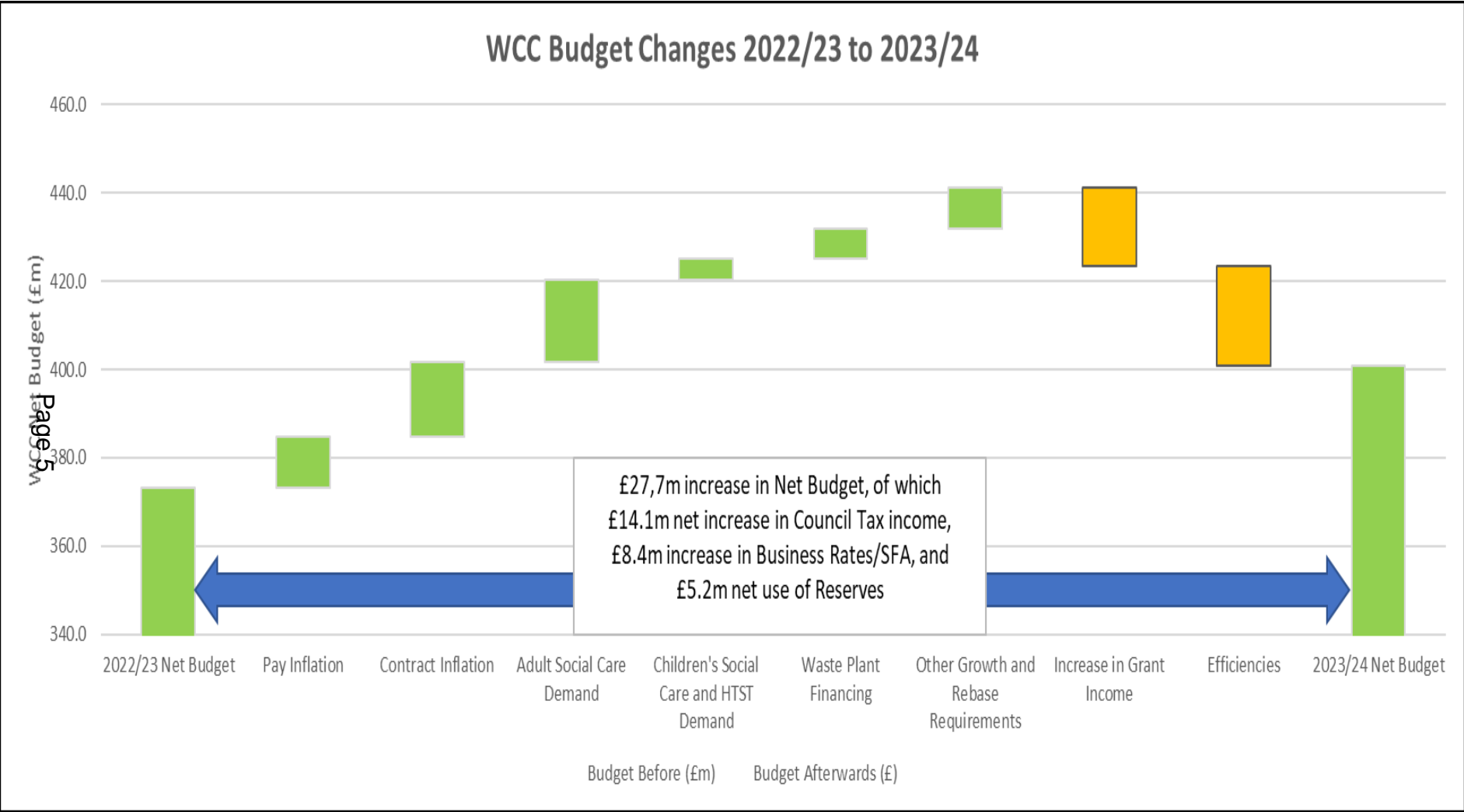
**Economy Overview and Scrutiny Panel**

**20 January 2023**

- Budget Report to Cabinet on 5 January 2023 summarises the financial position for Council and each of the service areas.
- Local Government Settlement announced on 19 December was a one-year settlement, however funding contains net additional grant funding of £26.3m which is extremely welcome.
  - Core spending power increased to upper tier Authorities to recognise significant demand pressures which included an increase to our Settlement Funding assessment by £8.4m.
  - Further funding of £19.5m to recognise significant pressures within Adults and Children's Social Care.
  - Reduction in new homes bonus of £1.1m and £0.5m in Services Grant.
  - Policy statement suggests core funding grants will increase by inflation in 2024/25.
- Funding Review anticipated for 2025/26
- Proposed Council Tax increase of 2.94%, plus a 2% Adult Social Care Levy - Total 4.94%



# Overall Change 2022/23 – 2023/24



Budget Pressures	£m
Pay Inflation as set nationally	11.6
Contract Inflation	17.0
Rebase budget and Waste Financing	8.7
Service demand – see below	30.6
<b>Total</b>	<b>67.9</b>

- People Services - **£18.5m**
  - WCF - **£4.9m**
  - E&I - **£0.9m**
  - COACH - **£0.8m**
  - Capital Programme - **£5.5m**
- £30.6m**

Provisional Budget 2023/24	£m
Investment and Pressures to Fund	67.9
<b><i>Funded From:</i></b>	
Government Funding - Section 6	-26.3
Council Tax - Section 10	-14.0
Increase in use of Earmarked Reserves Above MTFP - Section 8	-5.2
Savings and Efficiencies Required - Section 7	-22.4

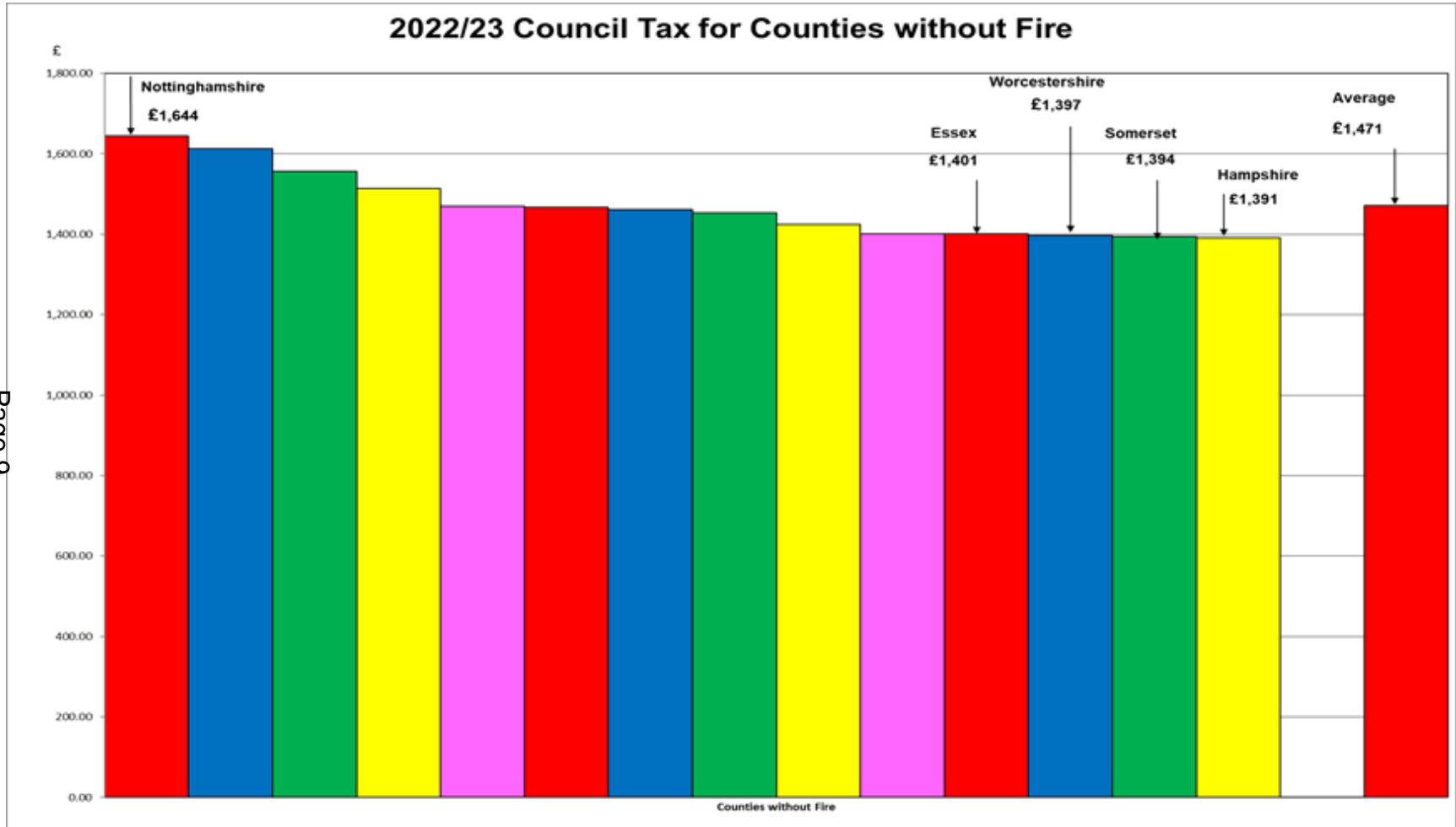
*Section numbers relate to the information contained within the Budget Report to Cabinet dated 5 January 2023.*

**2%** Adult Social Care Levy for 2023/24 in order to contribute to existing cost pressures due to Worcestershire's ageing population.

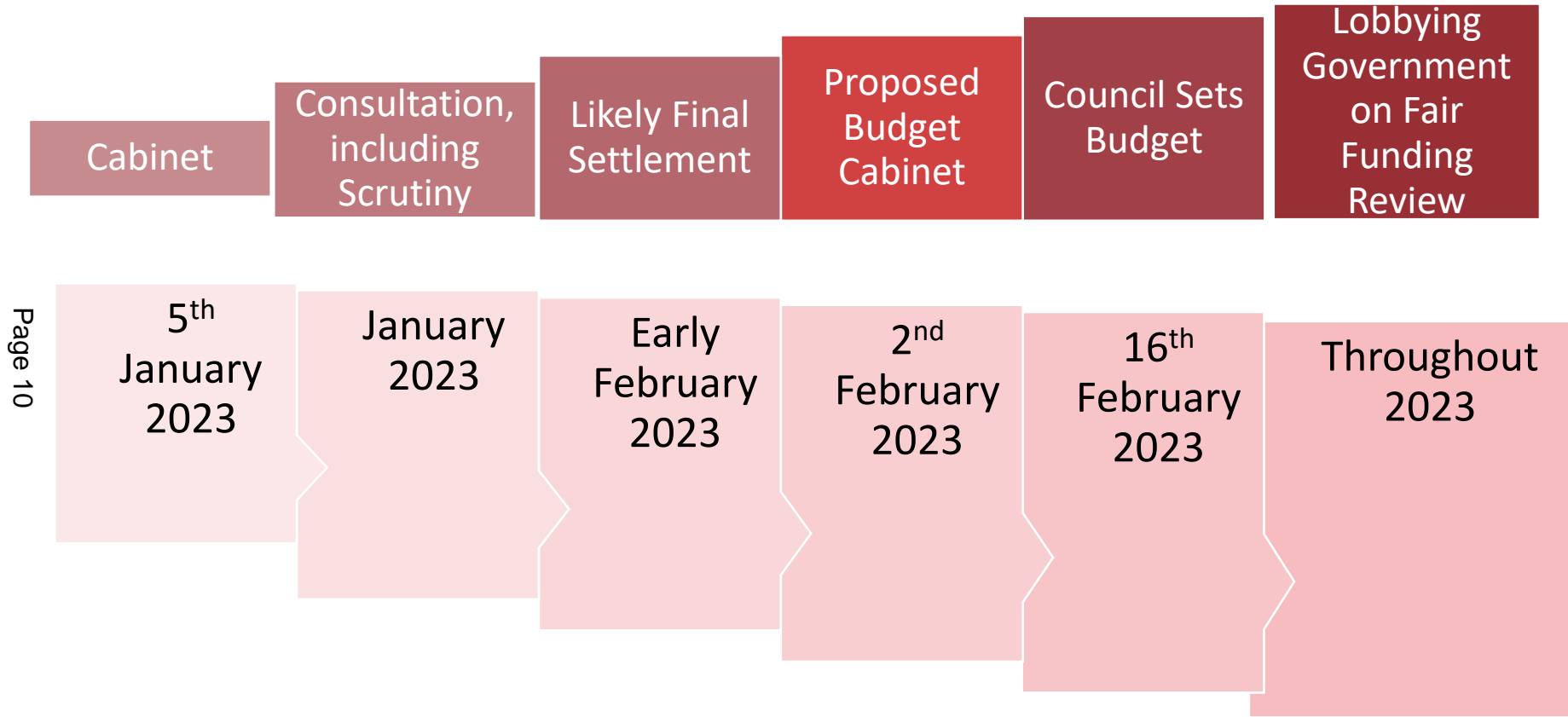
**2.94%** - to provide financial support to continue to fund investments in those areas that the public have consistently highlighted as important.

**An increase of 4.94% which is an average £1.33 per week for a Band D householder.**

**Worcestershire is likely to remain in the lower quartile for level of Council Tax for comparable councils.**



# Budget Planning Timeline for 2023/24



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# Specific 2023/24 budget information

## Areas within remit of the Economy Panel

# Summary Net Revenue Investment (1)

- £253k revenue increase due to the reduction in income generation abilities within traded areas (paragraph 4.27)
- Pay Inflation - £781k
- Contract inflation including transport - £690k

Total investment and inflation of £1.7m

Offset by a proportion of savings related to vacancy management - £419k

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There has also been a transfer of services from Highways and PROW to areas within the Economy Panel - £120k

Overall, there has been a net investment of £1.4m



# Economy Revenue Budget – Extract of Appendix 1

SERVICE	Revised Budget 2022/23	Directorate Virements	Changes in Grants & Funding	Pay Inflation	Contract Inflation	Growth (Investment)	Growth (Demand)	Savings	Rebase Budgets	Net Budget 2023/24
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Economy</b>										
Business Management	724	93	0	38	0	0	0	-28	0	827
Economy & Sustainability	1,023	-100	0	111	29	0	0	-141	0	922
Major Projects	1,056	0	0	109	16	253	0	-105	0	1,330
Infrastructure & Contracts	1,139	0	0	30	62	0	0	-8	0	1,224
Passenger Transport Operations	9,686	0	0	384	580	0	0	-64	0	10,586
Planning & Regulation	342	127	0	110	2	0	0	-73	0	508
	<b>13,971</b>	<b>120</b>	<b>0</b>	<b>781</b>	<b>690</b>	<b>253</b>	<b>0</b>	<b>-419</b>	<b>0</b>	<b>15,397</b>

# Capital Investment

- Currently approved programme for Open for Business of £104m alongside £174m for the Environment ([Appendix 2](#))
- Investment of £5.5m in the overall programme to ensure cost of inflation does not affect deliverability ([para 2.2](#)) including £2.5m relating to highways and footways ([para 2.12](#) and [5.2](#))

# Proposed Capital Programme for areas within this panel -1

Open For Business	2022/23 Forecast	2023/24 Forecast	2024/25 + Forecast	Total 2022/23 + Forecast
	£000	£000	£000	£000
Open for Business	3,742	2,500	0	6,242
Railway Station Upgrades	671	2,364	200	3,235
Worcester to Malvern Active Travel Corridor (ATC)	50	100	0	150
Infrastructure Improvements	400	600	500	1,500
A44 Crown East Roundabout	64	0	0	64
Southern Link Dualling Phase 3 a,b & c	1,373	0	0	1,373
Bromhall Way Footbridge	105	100	0	205
Worcester Southern Link Road dualling Phase 4	14,463	0	0	14,463
Kidderminster Rail Station Enhancement	129	0	0	129
Pershore Infrastructure Improvements	3,900	0	0	3,900
Rantan Roundabout Study	50	50	97	197
Evesham Transport	2	0	0	2
Churchfields Kidderminster	5	0	0	5
Public Realm - Worcester Future High Street Fund	919	0	0	919
Public Realm - Malvern Town Centre	39	0	0	39
Public Realm - Redditch Phase 3	105	0	0	105

## Appendix 2

# Proposed Capital Programme for areas within this panel -2

Open For Business	2022/23 Forecast	2023/24 Forecast	2024/25 + Forecast	Total 2022/23 + Forecast
	£000	£000	£000	£000
Vehicle Purchase	10	0	0	10
Local Broadband Plan Phase 1	809	2,500	0	3,309
Local Broadband Plan Phase 3	961	0	0	961
Malvern Technology Park	1,515	0	1,104	2,619
Construction & Automotive Skills Centre	423	0	0	423
Redditch Rail Quarter	531	2,870	11,637	15,038
Worcester Parkway Regional Interchange	813	0	0	813
Worcestershire Parkway (WLEP match funding walk/cycle route)	60	0	0	60
Rail Investment Strategy	75	200	228	503
Worcester Shrub Hill Industrial estate	165	0	0	165
Shrub Hill Quarter Brownfield Land Fund - Shrub Hill	255	709	0	964
Shrub Hill Quarter Worcester City Towns Fund	39	0	0	39
Shrub Hill Quarter - Station Frontage	1,235	0	565	1,800
A38 Bromsgrove Phase 1	127	0	0	127
A38 Bromsgrove Phases 2 to 6	1,573	17,863	24,303	43,739
Start Up & High Growth Start Up	50	67	0	117
SME Growth Programme	200	373	0	573
<b>TOTAL</b>	<b>34,857</b>	<b>30,296</b>	<b>38,633</b>	<b>103,787</b>

## Appendix 2

## **ECONOMY OVERVIEW AND SCRUTINY PANEL 20 JANUARY 2022**

### **WORK PROGRAMME**

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#### **Summary**

1. From time to time the Economy Overview and Scrutiny Panel (the Panel) will review its work programme and consider which issues should be investigated as a priority.

#### **Background**

2. The Economy Overview and Scrutiny Panel is responsible for scrutiny of:
  - Economy
  - Workforce Skills
  - Strategic Infrastructure
  - Broadband and Communications
3. The Work Programme, which is part of the Council's rolling Annual Work Programme (attached at Appendix 1) was discussed by the Overview and Scrutiny Performance Board (OSPB) on 29 June and was agreed by Council on 14 July 2022.

#### **Dates of 2023 Meetings**

- 27 March at 10am
- 7 June at 10am
- 17 July at 10am
- 5 October at 10am
- 17 November at 10am

#### **Purpose of the Meeting**

4. The Panel is asked to consider the 2022/23 Work Programme and agree whether it would like to make any amendments. The Panel will wish to retain the flexibility to take into account any urgent issues which may arise.

#### **Supporting Information**

Appendix 1 - Economy Overview and Scrutiny Panel Work Programme 2022/23

#### **Contact Points**

Emma James / Jo Weston, Overview and Scrutiny Officers, Tel: 01905 844964 / 844965  
Email: [scrutiny@worcestershire.gov.uk](mailto:scrutiny@worcestershire.gov.uk)

## **Background Papers**

In the opinion of the proper officer (in this case the Democratic Governance and Scrutiny Manager), the following are the background papers relating to the subject matter of this report:

[Agenda for Overview and Scrutiny Performance Board 29 June 2022](#)

[Agenda and Minutes for Council on 14 July 2022](#)

## Economy Overview and Scrutiny Panel Work Programme 2022/23

<b>Date of Meeting</b>	<b>Issue for Scrutiny</b>	<b>Date of Last Report</b>	<b>Notes/Follow-up Action</b>
20 January 2023	Scrutiny of 2023/24 Budget		
27 March 2023	District Council Economic Challenges and how the County Council could help – Wyre Forest District Council	30 November 2022	
	Performance (Q3 October to December) and In-Year Budget Monitoring		
<b>Work Programme Suggestions</b>			
7 June 2023	Performance (Q4 January to March) and In-Year Budget Monitoring		
5 October 2023	Performance (Q1 April to June) and In-Year Budget Monitoring		
17 November 2023	Performance (Q2 July to September) and In-Year Budget Monitoring		
TBC	Rail Strategy		Agenda Planning Directorate suggestion September 2022
TBC	Local Transport Plan 5		Agenda Planning Directorate suggestion September 2022
TBC	Shrub Hill Quarter		Agenda Planning January 2023
TBC	Worcestershire's Workforce Skills, including the role of Colleges		Panel Member suggestion June 2022

TBC	Rural Economy and Agriculture, including workforce and skills, access to training and operating costs		Panel Member suggestion June 2022
TBC	Worcestershire's Business Parks, including occupancy levels post Covid-19		Panel Member suggestion June 2022
TBC	Worcestershire's Employment Levels		Panel Member suggestion June 2022
TBC	Opportunities for Growth, including the available space for specific sectors		Panel Member suggestion June 2022
TBC	Strategic Infrastructure, including road and rail developments		Panel Member suggestion June 2022
TBC	Partnership Working, including the role of District Councils and the Private Sector		Panel Member suggestion June 2022
TBC	The levelling up agenda and the impact on Worcestershire (including the Towns funding allocated to Redditch and Worcester and the impact on all main towns in Worcestershire)		Suggested by OSPB 29 June 2022
TBC	Post Offices/Postal Services in Worcestershire		Suggested by OSPB 29 June 2022
TBC	County Council processes for scrutinising contracts involving County Council funding		Suggested at the 29 July 2022 Panel meeting
TBC	Town Centres		Suggested at the 29 July 2022 Panel meeting
<b>Standing Items</b>			
Mar/Jul/Sep/Nov	Performance and In-year Budget Monitoring		
November/January	Budget Scrutiny Process		
	District Council Economic Challenges and how the County Council could help		
	Broadband Annual Update		
	Worcestershire Local Enterprise Partnership (WLEP)		Moved from OSPB Agenda for 2023 Annual Update