

## **COUNCIL**

### **12 JANUARY 2023**

## **REPORT OF CABINET - SUMMARY OF DECISIONS TAKEN**

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### **A38 Bromsgrove Route Enhancement Programme (BREP)**

1. Cabinet has received an update on progress with the Bromsgrove Route Enhancement Programme (BREP) which was originally identified in Local Transport Plan 4 to relieve existing traffic congestion and to support the sustainable growth of Bromsgrove identified in the adopted Bromsgrove District Plan.
2. The scheme is being delivered in Phases, with Phases 1 and 2 already complete and funded. The Council developed and submitted a Strategic Outline Business Case (SOBC) to the DfT in summer 2019. Following more detailed development work the Outline Business Case (OBC) was submitted to DfT and approved in August 2022. 85% funding for the scheme was allocated from the MRN programme (DfT) totalling £43.17 million, on the understanding that there would be local contributions of 15%.
3. Work has continued to refine the proposals with the Full Business Case (FBC) timetabled to be submitted to DfT in late 2022/23. Rising inflation since the submission of the OBC has significantly impacted the costs of the BREP proposals resulting in the cost estimate for delivery of the total package now being in excess of the funding available.
4. Additional funding is not available from the DfT to assist with addressing the impact of inflation and their contribution is fixed at the £43.17 million set out in the agreed OBC. The Council has maximised developer contributions for the scheme and no further funding is currently available from other sources either internally or externally.
5. To address the additional costs of the scheme and move to delivery with the secured DfT funding allocation, Cabinet has endorsed a phased approach to the delivery of the A38 BREP proposals aligned to the current availability of funding. As such, the remaining schemes have been prioritised into two further phases – Phase 3 and Phase 4. This approach has been taken to ensure that the economic and housing growth proposed in Local Plans can still be supported and that the investment of £50 million in the corridor can be secured.
6. Cabinet has delegated approval of the final wording of the FBC to the Strategic Director of Economy and Infrastructure in consultation with the Cabinet Member with Responsibility for Economy, Infrastructure and Skills and supported ongoing stakeholder engagement and management exercises with National Highways, DfT and statutory stakeholders as required to finalise the Full Business Case.

## **Fair Funding For Schools 2023-24 – National And Local Funding Arrangements For Schools**

7. The Council receives funding for schools and designated central services through the Dedicated School Grant (DSG). This is a ring-fenced grant and is allocated by the Department for Education (DfE) in 4 blocks – Schools, Central School Services, High Needs and Early Years. This is based on the DfE's National Funding Formula (NFF) arrangements.

8. For the 5-year period 2018-19 to 2022-23, the Government introduced their National Funding Formula (NFF) arrangements for the DSG. Within this period Local Authorities (LA's) were still able to set a local LSFF or consider moving to the NFF parameters. Following a detailed consultation and correspondence with schools in the Autumn Terms, Cabinet in meetings each December 2017 - 2021 approved the LSFF, to be based as far as practicable and affordable upon the DfE NFF parameters.

9. It was anticipated that a fully DfE prescribed NFF i.e., a 'hard' formula for schools would be in place for 2023-24. However, the DfE has stated that 2023-24 will be the first year of transition to the NFF with the end point being a system in which, to ensure full fairness and consistency in funding, every mainstream school in England is funded through the same national formula without adjustment through local funding formulae.

10. Cabinet has approved the Local Schools Funding Formula for Worcestershire mainstream schools from April 2023 to apply for 2023-24 and other detailed matters to include the DfE Minimum Funding Levels (MFL's) for Primary, Key Stages 3, 4 and Secondary. In doing so, Cabinet had regard to feedback from schools and the views of the Worcestershire Schools Forum, to be based as far as is practicable and affordable upon the Department for Education (DfE) National Funding Formula (NFF) parameters.

11. The Director of Children's Services in consultation with the Cabinet Member with Responsibility for Education has been authorised to make the required submission to the national executive body, the Education and Skills Funding Agency.

## **Resources Report – Revenue Budget Monitoring – Month 7 (31 October) 2022/23**

12. Cabinet has noted the forecast budget position at 31 October 2022; the actions being taken by directorates to mitigate expenditure where possible to support the current forecast overspend position; the current position relating to the capital programme and the current forecast spend relating to Covid related grants, including the extension to the Household Support Fund. Cabinet has also approved the use of reserves and transfers between reserves to help mitigate in-year pressures.

13. The Council's 2022/23 forecast position as at Month 7 is a forecast £13.1 million overspend. This is net of all current planned savings, in-year spending reductions, and use of one-off income and reserves.

14. The drivers for the current forecast overspend position are predominantly related to demand, demographics and market forces in Adult Social Care, Home to School Transport, and Children's Social Care. There are also underlying pressures in areas of Economy and Infrastructure due to inflationary pressures (including the cost of energy

and transport) and in Legal Services, which have been mitigated by one-off sources of funding for this financial year.

15. As part of addressing the forecast overspend, directorates have been requested to identify further savings to support the council's overall financial position. This includes the demand related services relating to adults and children looking at ways to avoid any increase in, and the potential to reduce, their current forecast overspends. Additional savings are being requested by scrutinising vacant posts prior to being advertised, reducing or ceasing non-essential spend, for example purchase of stationery, attendance at training events, and looking at further income generating opportunities

16. The report was used at the Overview and Scrutiny Performance Board meeting on 7 December 2022 as the context for consideration of the Council's financial position as we enter into the preparation of the draft budget for 2023-24.

## **Contact Points**

### Specific Contact Points for this report

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## **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 and background papers for the meeting of the Cabinet held on 8 December 2022:

[Agenda for Cabinet on Thursday, 8th December, 2022, 10.00 am - Worcestershire County Council \(moderngov.co.uk\)](#)