

**WRS Board**  
**11<sup>th</sup> February 2021**

**WORCESTERSHIRE REGULATORY SERVICE BUDGETS 2021/22 – 2023/24**

**Recommendation**

It is recommended that the WRS Board:

- 1.1 Approve the 2021/22 gross expenditure budget of £3,726k as shown in Appendix 1.
- 1.2 Approve the 2021/22 income budget of £529k as shown in Appendix 1.
- 1.3 Approve the revenue budget and partner percentage allocations for 21/22 onwards:

<b>Council</b>	<b>£'000</b>	<b>Revised %</b>
Bromsgrove District Council	466	14.59
Malvern Hills District Council	410	12.82
Redditch Borough Council	562	17.57
Worcester City Council	530	16.58
Wychavon District	745	23.29
Wyre Forest District Council	484	15.15
<b>Total</b>	<b>3,197</b>	

1.4 Approve the additional partner liabilities for 2021/22 in relation to unavoidable salary pressure.

Bromsgrove District Council	£9k
Malvern Hills District Council	£8k
Redditch Borough Council	£10k
Worcester City Council	£10k
Wychavon District Council	£14k
Wyre Forest District Council	£9k
<b>Total</b>	<b>£60k</b>

1.5 Approve the additional partner liabilities for 2021/22 in relation to three Technical Officers.

<b>Council</b>	<b>Tech Officer Income Generation £000</b>	<b>Tech Officer Animal Activity £000</b>	<b>Tech Officer Gull Control £000</b>
Bromsgrove District Council	5	6	
Malvern Hills District Council	4	10	
Redditch Borough Council	6	2	
Worcester City Council	5	4	30
Wychavon District Council	7	9	
Wyre Forest District Council	5	5	
<b>Total</b>	<b>32</b>	<b>36</b>	<b>30</b>

## Introduction/Summary

The production of a robust budget position enables partners and the service to manage the financial position of the organisation.

## Report

This report presents the revenue budget for 2021/22 – 2023/24 in relation to Worcestershire Regulatory Services.

The following elements are included in this report for WRS Board Member's Attention:

- WRS Financial Plan 2021/22 – 2023/24 – Appendix 1
- WRS Partner Contributions Breakdown 2021/22 – 2023/24 – Appendix 2
- WRS Income Budget Breakdown 2021/22 – Appendix 3

### WRS Budgets 2021/22

Following further discussion with the Chief Executive at Wyre Forest, our hosts for IT and accommodation providers have withdrawn their proposed £13k increase in charges for 2020/21 and also for 2021/22. This has necessitated seeking sign-off by members of the attached budget figures for the next year's budget as the total is now reduced slightly. Wyre Forest CEO has asked that officer members of the Board undertake a review of hosting charges looking forward so that some future changes can be agreed for 2022/23 onwards to reflect the costs of supporting shared services.

The remainder of the budgets have remained the same as recommended at WRS Nov Board.

- Appendix 1 shows the 2021-22 – 2023-24 budget breakdown for the district councils' partnership
- Total partner contribution as included in Appendix 2
- Income projections as included at Appendix 3.
- Pension back-funding will be paid by all partners.

The unavoidable salary pressures are not able to be met currently by WRS making additional income, in the main due to the pressures created by the pandemic and the response to it. The normal sources of income (local authorities,) are not currently focused on the areas of work that WRS delivers for income generation purposes and WRS officers are at the heart of the response locally. Therefore, an increase to partner funding will be required of:

<b>Council</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
		<b>- Cumulative</b>	<b>- Cumulative</b>
<b>Council</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Bromsgrove District Council	9	20	31
Malvern Hills District Council	8	18	28
Redditch Borough Council	10	23	36
Worcester City Council	10	22	34

Wychavon District Council	14	31	48
Wyre Forest District Council	9	20	31
<b>Total</b>	<b>60</b>	<b>134</b>	<b>208</b>

Clearly, should the situation with the pandemic improve in the second half of 2021/22, WRS Officers will be looking to move forward with the programme of income generation and the benefits of this may be seen in an underspend that can be returned to partners at year end. Hence, an upfront investment this year will give certainty to the service and the partners in terms of cost, with the potential for a return on investment if the pandemic situation eases.

In addition to the base budget there are three additional technical officers working on income generation, animal activity and gull control. We are unable to include these officers into the base budget as the income generation officer is a temporary agreement agreed by partner councils and the animal activity and gull control officer recharge percentage basis is different to the agreed partner recharge allocations.

**Financial Implications**

None other than those stated in the report

**Sustainability**

None as a direct result of this paper

**Contact point**

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**Background Papers**

Detailed financial business case