



Extract from the minutes of the Joint Strategic Committee - 5 July 2022

JSC/015/22-23 Developing a revenue budget for 2023/24 against a backdrop of high inflation

The purpose of the report was to propose a budget strategy for the development of the 2023/24 budgets with the added challenge of high inflation. When the 2022/23 budget was set, the war in Ukraine had yet to start and it continued to affect global economies with a prolonged impact on the energy markets and the consequential cost of living challenges which confront our communities as well as ourselves.

The report aimed to set out how the Councils would address the challenges of the next few years, outlining the revenue forecast and setting out strategic responses to the challenges ahead. With the detailed budget proposals for 2023/24 coming forward to the Joint Strategic Committee in December, this report set out the broader context for the detailed work that would be undertaken over the intervening months.

As set out in the following pages, the Councils would be increasingly reliant on council tax income, business rate income, and their own income generating services. The Councils had a good track record in innovation, working creatively in partnership, transforming their digital capabilities and putting the customer at the heart of their services, so that there was capacity to continue to deliver the Councils aspirations. Innovation in funding, investment and commercial income would be ever more important, aligned to key goals such as housing provision, tackling the climate crisis and supporting the local economy.

The Councils' new corporate strategy was being developed which would influence the final shape of the budget when it was set for 2023/24.

Work had been underway for some time to address the financial challenges for 2023/24 and beyond. This would continue over the summer and autumn, and the Organisational Leadership Team would be working to produce new financial plans designed to deliver a balanced budget over the next 3 years. The outcome of the service planning process would be presented to the Joint Strategic Committee for approval in December 2022 as part of the development of the 2023/24 budget.

A Member asked questions regarding additional funding and commercial risks referenced in the report. Officers advised that there were no new funding streams,

although there were external funds for specific areas of work such as nature restoration. Services would be reviewed in depth and findings taken to JOSOC in due course. The commercial risks related to car parking income and other commercial services such as trade waste and commercial waste.

Members welcomed the report and thanked officers for their innovative work over a sustained period of time.

An amendment to the recommendations was proposed by Councillor John Turley; that 'the budget strategy for Worthing Borough Council will be developed to fall in line with the new economic strategy which will be brought to the Joint Strategic Sub-Committee (Worthing) in September, and will have due regard to the joint arrangements with Adur District Council'. The proposed amendment was seconded by Councillor Emma Taylor and supported by all 6 Worthing Cabinet Members. The Adur Executive Members abstained from the vote.

The recommendations, as amended, were proposed by Councillor Angus Dunn, seconded by Councillor Carl Walker and unanimously supported by the Committee.

Decision

The Joint Strategic Committee:-

- (a) Noted the report and the outline 5-year forecasts in Appendix 3;
- (b) Approved the proposed budget process as set out in section 6 of the report;
- (c) **Recommended that Adur District Council approve the Budget Strategy for 2022/23 as outlined in Section 9 of the report;**
- (d) Recommended that Worthing Borough Council approve the Budget Strategy for 2022/23, as outlined in Section 9 of the report, noting that the budget strategy for Worthing Borough Council will be developed to fall in line with the new economic strategy which will be brought to the Joint Strategic Sub-Committee (Worthing) in September, and will have due regard to the joint arrangements with Adur District Council.

(Link to the report on the website e.g. [Joint Strategic Committee - 5 July 2022](#))