



Report to:	Finance, Resources and Corporate Committee
Date:	18 th January 2024
Subject:	Business Planning and Budget 2024-25
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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

1. Purpose of this report

- 1.1 The purpose of this report is to provide an update to Finance, Resources and Corporate Committee on the current multi-year business planning process and budget for 2024/25.

2. Information

Business and Budget Planning

Process update

- 2.1 At this stage in the business and budget planning process, Directors have developed a set of multi-year outcomes which have informed the detailed business plans for 2024-25. The outcomes can be found in **Appendix 1** of this report, however a high-level summary for each Directorate is given in the following sections.
- 2.2 These discussions take place against a backdrop of challenging economic times, with high inflation and the cost of living and doing business crisis continuing to bite. Local authorities are facing rising demand, increasing costs and falling income and the West

Yorkshire local authorities have all reported significant funding gaps, with pressure on local authority budgets at an unprecedented level of severity.

- 2.4 Plans on a page have been developed for each Directorate using information provided in the detailed 2024/25 business plans; these will be published for the February 2024 Combined Authority meeting alongside an outline of the Corporate Plan 2024-25. Following this, the Corporate Plan will be finalised and is intended to be published at the AGM in June.
- 2.5 A 4-year Corporate Plan will be developed in the latter half of 2024. This will coincide with the further development and refinement of the multi-year business and budget planning approach introduced this year.

Multi-year outcomes summary

- 2.6 The multi-year outcomes are intended as medium-term goals - aligned to the corporate objectives and the five missions of the West Yorkshire Plan - which shape each service area's policy decisions and delivery. These outcomes have informed the development of the 2024/25 detailed business plans, with Directorates being asked to outline how they are going to achieve their outcomes. From these detailed business plans, plans on a page have been produced, which will be presented alongside the budget to the Combined Authority in February. The multi-year outcomes are provided in **Appendix 1**, however a high-level summary of the themes present throughout the outcomes is provided below.
- 2.7 The **Transport Directorates** are focussed on delivering and supporting improved and more sustainable, accessible, and inclusive transport options in the region, seeking also to improve health and community connectivity through improved transport and active travel. The development and implementation of the mass transit programme is a significant focus for the organisation; with the Directorate having outcomes set around the initial stages of delivering a mass transit system that is also accessible, sustainable, and inclusive. The scale of the capital programme continues to increase, with delivery of infrastructure enabled through the Transforming Cities Fund and City Region Sustainable Transport Settlement. The Mayor is due to take a decision about Bus Reform in March 2024, and the Combined Authority will need to implement any programme resulting from that decision. A more detailed overview of the Transport programmes was provided to the Combined Authority on 7th December, linked [here](#).
- 2.8 **Inclusive Economy, Skills and Culture** has set outcomes associated with agreeing the Authority's core offer based on the upcoming Economic Strategy, supporting a thriving business and innovation ecosystem, and enabling everyone in West Yorkshire (particularly the most disadvantaged) to reach their full potential. Themes of inclusive growth and tackling the climate emergency sit across the outcomes, seeking to establish a community of fair and responsible employers, and improve opportunities and career progression for all, whilst also creating a regenerative, progressive and sustainable economy.

- 2.9 **Place, Environment and Policing** have developed a series of outcomes under the following headings: A safe, just and inclusive West Yorkshire; A public-health approach to reducing serious violence; Accelerated regeneration, digital connectivity, new homes, and quality places to create great places and healthy communities, and; Creating a sustainable, nature-rich and climate ready region. Again, themes of inclusivity and tackling the climate emergency are present across the outcomes, which seek to: increase the resilience of West Yorkshire communities; (particularly those most excluded and disadvantaged); influence behaviour change; support both inclusive and sustainable growth; and work with communities to drive system change and place community at the heart of the work.
- 2.10 The role of the **Corporate Centre** is to lead, enable and protect the organisation, supporting the delivery of the organisation's outcomes, including our major programmes such as Mass Transit and Bus Reform. The Corporate Centre plans on a page which will be presented to the February Combined Authority will set out activities under the headings of business as usual, enabling major programmes and corporate improvement programmes, to demonstrate the essential work carried out to support the delivery of the outcomes alongside effective and efficient management and governance of the organisation

Budget 2024/25

- 2.11 Work is continuing on the preparation of the budget for 2024/25, following from the position reported to the Combined Authority in December. Key risks to the budget remain unchanged, and work has been undertaken to refine the figures presented at the meeting and to move to a balanced budget for 2024/25.
- 2.12 The general reserves strategy and treasury management position have been considered by the Governance and Audit Committee at its meeting on 11 January and a verbal update will be provided to this meeting as papers are published ahead of this date.
- 2.13 The December meeting confirmed the approach of a levy freeze for 2024/25 whilst recognising the challenges of meeting the increasing costs for bus tendered services and concessionary travel reimbursement. A paper to the Combined Authority on 1st February will set out further detail on the pressures of both these areas, and noting in particular that the Department for Transport has advised of changes to the reimbursement model for the operation of the English National Concessionary Travel Scheme and which may have significant consequences for the 2024/25 budget.
- 2.14 The additional paper will set out the funding challenges for the Combined Authority and propose an approach to delivering a balanced budget for 2024/25 which makes the most effective use of resources available and maintains the transport levy at its current cash flat level.
- 3. Tackling the Climate Emergency Implications**

3.1 Tackling the Climate Emergency is a cross-cutting theme for the Combined Authority with mission four for of the West Yorkshire Plan, and one of the organisation's corporate objectives, being focussed on sustainability. This theme is continued through the outcomes as set out in **Appendix 1**, which have in turn, informed the business plans for 2024/25. There are positive implications for tackling the climate emergency.

4. Inclusive Growth Implications

4.1 Inclusive Growth is a cross-cutting theme which is present throughout the corporate objectives and in the missions of the West Yorkshire Plan (Mission one: to create a prosperous West Yorkshire). This is a theme that continues throughout the multi-year outcomes, particularly evident in those of the Inclusive Economy, Skills and Culture Directorate, which aims to support everyone (in particular those who are the most disadvantaged) into opportunities to positively progress in their careers.

5. Equality and Diversity Implications

5.1 Equity, diversity and inclusion is a key focus for the organisation, and a cross-cutting theme that sits across activities and aims. With the publication of the EDI Plan last year, targets from the plan were embedded into business plans and continue to be for the following year. EDI has been embedded into the multi-year outcomes to ensure that the Combined Authority's EDI targets continue to be upheld and prioritised, and that benefits are achieved for the people of West Yorkshire in an inclusive, accessible, and equitable way.

6. Financial Implications

6.1 The financial implications are set out in the main body of this report.

7. Legal Implications

7.1 There are no legal implications directly arising from this report.

8. Staffing Implications

8.1 There are no staffing implications directly arising from this report.

9. External Consultees

9.1 No external consultations have been undertaken.

10. Recommendations

10.1 That the Finance, Resources and Corporate Committee considers the information provided and gives any further feedback to the business plans and budget.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – Multi-year outcomes