

## **Revenue and Capital Spending Plans for 2023-24** (need a link to the 21 Feb 2023 Budget Report)

### **Budget 2023-24**

Bristol City Council is required to set an annual balanced budget, presenting how its financial resources are to be allocated and utilised, showing the council's financial plan for the coming year with regard to statutory services as well as local key priorities and objectives.

The Medium-Term Financial Plan sees an overall revenue budget for 2023-24 of £483.5 million and a capital budget for the next ten years of £1,968.6 million (including the Housing Revenue Account) and aims to balance increasing costs and service demand.

This year's budget sets out the financial challenges we face both from the longer-term impact of the pandemic, the pressures of the cost-of-living crisis, global supply challenges, labour shortages and exceptional inflationary levels. In addition to focusing on how plan to deal with these significant challenges, our approach must also meet the growing demand for our core services. Our priority is to protect valuable front line services while continuing our work to improve Bristol, making it more inclusive and sustainable.

The medium-term financial outlook is the most severe we have known for many years. Despite significant financial challenges and uncertain and unpredictable funding and cost levels the budget aims to balance increasing costs and service demand and maintain and improve the city's infrastructure.

The total amount that the council intends to spend in 2023-24 is split into two categories called revenue and capital. Revenue also includes Adult Social Care and levies.

### **Revenue**

Bristol City Council is required to set an annual balanced budget which presents how its financial resources, or 'revenue', are to be allocated and used. The council's revenue spending plans explain what we intend to spend on statutory services, as well as local key priorities and objectives.

The council's gross, or total spending on revenue services, in 2023-24 will be £1,118 million (2022-23 £1,091 million) including schools and welfare benefits. Spending by schools and on benefits is largely funded by the Government. Besides council tax, income from business rates, grants, service users, other organisation and income from our investments all contribute to paying for council services. The net expenditure budget for 2023/24 is £483.5 million (2022-23 £431.1 million)

### **Capital**

The council's capital spend aims to provide the infrastructure to ensure services are effective not just for today, but for the future. The council continues to progress the delivery of an ambitious rolling capital programme over a ten-year period which has a gross value of £1.968.6 million (2022-23 £1,906.1 million) (including the Housing Revenue Account).

The council has an ambitious capital programme over the next ten years. A significant proportion of this programme is aligned to large infrastructure investments that will support long term regeneration across the city, such as programmes of new housing building and developing the Temple Quarter area. This is balanced against areas which will support improvements in on-going council services such as investing in infrastructure to support delivery of Social Care and Education services. In addition, the council has identified investment for decarbonisation initiatives, enablers for transformation and invest to save opportunities.

The most significant investment schemes in the capital programme 2023/24 to 2032/33 are:

- Investment in the council's housing stock through the Housing Revenue Account (HRA) (£1.5 billion)
- Highways and traffic infrastructure (£52.6 million)
- Housing delivery programme delivered through Goram Homes (£32 million)
- Temple Meads Development (£39 million)
- Bristol Avon Flood Strategy & Investment (£20.4 million)