

COUNCILLOR QUESTIONS TO CABINET – 29 October 2020

Question 1

Councillor Nigel Shaw, Bromyard Bringsty Ward

To: cabinet member, finance and corporate services

The Cabinet Member for Finance has been very vocal in promoting in-county spending by the Council as it awards contracts for goods and services, as well as by individuals. Can she now advise what proportion of the Council's expenditure is currently spent in-county and in neighbouring counties. (Say Herefordshire, Worcestershire, Gloucestershire, Shropshire, Warwickshire, Monmouthshire and other out of county?)

Response

The amount of council expenditure in-county has been rising, in percentage and in real terms, since we took office in May 2019.

This financial year 48% of the council's spend has been with businesses in Herefordshire compared with 33% in 2018-19. Over the last 12 months council spend with Herefordshire based businesses has risen by nearly £64m to £162m – an increase of 62% over the council's spend with local businesses in 2018-19.

Our stated intention to spend more public money locally is also reflected in the figures for spend when we add in our neighbouring counties (Worcestershire, Gloucestershire, Shropshire, Warwickshire, Monmouthshire), which has risen from 54% in 2018-19 to 66% of total spend so far this financial year.

The remaining 34% of council spend out of area includes statutory spend, e.g. with HM Revenue and Customs. It also includes a further 10% of total council spend through BBLP, which itself employs many local people and subcontracts to local businesses. So the amount of public money now circulating more tightly in the local economy is actually going to be higher than the figures able to be provided here.