

# BUDGET PAPERS 2022/23

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**Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25 (Pages 5 - 68)**

Report from Terence Herbert, Chief Executive, Andy Brown, Corporate Director Resources and Deputy Chief Executive (S151 Officer), Perry Holmes, Director of Legal and Governance (Monitoring Officer).

These documents will be considered by the Overview and Scrutiny Management Committee on [25 January 2022](#), and by Cabinet on [1 February 2022](#) for recommendation to Council on [15 February 2022](#).

Report on the Budget proposals for 2022/23

Appendix 1 – Medium Term Financial Strategy 2022/23-2024/25

Annex 1 – Service Budget Targets 2022/23

Annex 2 – Detail by Service on Technical Adjustments. Pay Award & Investment

Annex 3 – Detail by Service on Budget Monitoring Permanent Changes

Annex 4 – Detail by Service on Contractual Inflation

Annex 5 – Detail by Service on Service Demand Changes

Annex 6 – Detail by Service on Saving Proposals

Annex 7 – Capital Programme 2022/23 to 2029/30

Annex 8 – General Fund Reserve Risk Assessment 2022/23

Annex 9 – Fees and Charges (to follow)

Appendix 2 - Capital Strategy 2022/23 to 2029/30 (to follow)

**1<sup>st</sup> Draft Budget Papers published 12 January 2022**

**Wiltshire Council**

**Cabinet**

**1 February 2022**

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**Subject: Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25**

**Cabinet Member: Cllr Richard Clewer - Leader of the Council**

**Key Decision: Key**

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## **Executive Summary**

This report presents the proposed 2022/23 Budget and the Medium Term Financial Strategy (MTFS) 2022/23 to 2024/25 that will resource the Council's new Business Plan.

While managing the impact of the on-going effect of the COVID-19 pandemic and its impact on services, the council, through continued financial management is forecasting an underspend position for the 2021/22 financial year. This puts the Council in a strong position going into 2022/23 with further provision now being set aside within the Budget Equalisation Reserve to help manage the budget gaps over the MTFS period and also ensuring funds continue to be set aside to mitigate risks that may arise e.g. latent demand for services.

It has also been another extraordinary year in which to set a balanced budget, with the on-going impact of the pandemic on the Council's services continues to be significant and the future uncertain. Although a three year spending review was announced by the Chancellor only a one-year funding settlement was announced by the Secretary of State for the 2022/23 budget. It therefore remains challenging to financially plan and balance over the MTFS period with a proportion of one-off funding included within the additional funding provided in 2022/23, and a degree of uncertainty remains in the assumptions for planning over the MTFS period.

The 2022/23 budget will ensure that vital services to the residents, businesses and communities of Wiltshire will continue to be provided during the ongoing pandemic, as well as delivering on the commitments as set out in the new Business Plan.

It is key that to be able to deliver on the Business Plan the Council must have sound and sustainable finances. The report therefore sets out, for approval by Cabinet, the budget setting proposals that provides for a balanced budget in 2022/23 and 2023/24.

It recognises the one year nature of the current government funding, the uncertainty of future reform and begins to set out the likely state of the Council's finances beyond 2022/23 with an estimated budget gap in year three (2024/25) of the MTFS.

Within this the report sets out the required increase in Council Tax for the year, the increase in fees and charges and the general fund reserve balance as part of a reserve strategy to provide improved future financial resilience for service delivery as well as outlining the key financial risks being faced by the Council in estimating the level of reserves to be held.

In addition, the report sets out for approval the planned Capital investment being made in 2022/23 and beyond, ensuring the delivery of key infrastructure projects as well as maintaining the Councils asset base for future service delivery.

Lastly the report sets out the Housing Revenue Account (HRA) budget for 2022/23 and associated increases in rents, service charges and garage rents as well as the position, to be approved by Schools Forum on the Dedicated Schools Grant (DSG).

### **Proposals:**

Cabinet is asked to approve:

- a) Approve the updating of the Infrastructure List and allocate CIL funding to include:
  - £1.378m for the A338 Southern Salisbury Junction Improvements (Exeter Street Roundabout, Harnham Gyrotory and Park Wall Junction)
  - £3.154m for the A350 Chippenham Bypass Phases 4 and 5;
  - £4.516m for the A350/J17 Capacity Improvements;
  - £3.909m for the A350 Melksham Bypass.

Cabinet recommends to Council:

- b) That a net general fund budget of 2022/23 of £417.703m is approved;
- c) That the Councils Tax requirement for the Council be set at £311.192m for 2022/23 with an average Band D of £1,638.16, an increase of 91p per week;
- d) That the Wiltshire Council element of the Council Tax be increased in 2022/23 by the following:
  - i. A 1.99% general increase;
  - ii. Plus a levy of 1% to be spent solely on Adult Social Care;
- e) That the Corporate Leadership Team be required to meet the revenue budget targets for each service area as set out in Appendix 1 to this report, for the delivery of Council services in 2022/23;
- f) Approves the changes in the fees and charges as set out in the report;

- g) That the Capital Programme 2022/23 to 2029/30 is approved;
- h) That the Capital Strategy set out in Appendix 9 is approved;
- i) That the Housing Revenue Account (HRA) budget for 2022/23 is set at £24.173m;
- j) That a 4.1% increase is set for social dwelling rents, except for rents currently over the formula rent which will be capped at formula rent as per national guidance;
- k) All service charges related to the Housing Revenue Account (HRA) being increased to cover costs and garage rents increased by 4.1%;
- l) Endorses the Medium Term Financial Strategy and the forecast budget gap, after the utilisation of the budget equalisation reserve, of £10.705m for the 2024/25 financial year with regular updates to be received on delivery against strategy and addressing the forecast budget gap.

**Reason for Proposals:**

To enable the Cabinet to recommend to Council a balanced revenue budget for the financial year 2022/23 and to set the level of Council Tax.

To enable effective, transparent decision making and ensure sound financial management as part of the Councils overall control environment.

The Cabinet also sets out the final assumptions being used in the budget for growth, inflation, demand for services, the estimated level of income from sales, fees and charges and the level of income estimated from core funding e.g. council tax, business rates and government grants as well as the level of reserves held and assessed by the Councils Section 151 Officer, as required, to provide future financial resilience.

This provides the Council with a MTF5 to deliver on the new business plan priorities and begin to drive long term financial sustainability.

**Terence Herbert – Chief Executive**

**Andy Brown – Corporate Director, Resources and Deputy Chief Executive (S151 Officer)**

**Perry Holmes – Director of Legal and Governance (Monitoring Officer)**

# Wiltshire Council

## Cabinet

1 February 2022

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**Subject:** Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25

**Cabinet Member:** Cllr Richard Clewer - Leader of the Council

**Key Decision:** Key

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### Purpose of Report

1. This report sets out the Cabinet's proposals for the Council's Budget 2022/23 and Medium Term Financial Strategy (MTFS) 2022/23-2024/25.
2. It also sets out the Council's Capital Programme 2022/23 to 2029/30, the Housing Revenue Account (HRA) budget 2022/23 and the Dedicated Schools Grant (DSG).
3. The detailed assumptions underpinning the Cabinet's proposals are set out and the Section 151 Officer's opinion on the robustness of the budget estimates for 2022/23 and the adequacy of the Council's reserves, including the general fund reserve, as required under section 25 of the local government act 2003.

### Relevance to the Council's Business Plan

4. The council must set a balanced budget for the financial year 2022/23 and setting out the MTFS for future years supports effective decision making and the alignment of the Council's resources to deliver the priorities and objectives as set out in the new Business Plan.
5. The 2022/23 budget proposals therefore look to ensure resources are focused and equally, where required, savings do not undermine the delivery of the Business Plan principles that were established in 2021:
  - **Empowered People** We want every child to have the best start and life and we will help develop the communities and facilities that enable all residents to enjoy good physical and mental health to live active lives. This includes ensuring that they are safe throughout their life.
  - **Resilient Society** We want people in Wiltshire to build positive relationships and live well together, to be able to get involved, influence and act on what matters in their local communities. We want our communities to be able to grow sustainably with access to arts, heritage and culture and have easy access to high quality and affordable housing in beautiful places.

- **Thriving Economy** We want to continue to grow the skills of our local workforce, nurture the opportunities available to them and for our economy to thrive. We must mitigate the impacts of COVID-19 on our children's education so that they can prosper and as a county we can attract and retain high value businesses and investment. As we continue to move forward, we must ensure everyone can take advantage of a sustainable economy with vibrant, well-connected settlements.
- **Sustainable Environment** The Council has committed to becoming carbon neutral by 2030 and we now must take the lead and support the whole county as it strives for the same. Together, we must take responsibility for the environment and ensure it is well used, cherished, protected, conserved and enhanced.

## Background

6. The Update on the Medium Term Financial Strategy 2022/23 report presented to Cabinet on 11 January 2022 set out the latest budget gap and details of the Provisional Local Government Finance Settlement for 2022/23. As a result of the ongoing pressures faced by Local Government the settlement included some additional funding as well as a new grant, which saw the provisional settlement bring in £12.5m of additional grant funding for the council to support the delivery of local services.
7. Even with this the additional funding the budget gap for 2022/23 stood at £27.7m, rising to £59.2m by 2024/25, before any saving proposals, and already factored in a planned rise of 1.99% in council tax.
8. In the setting of the 2021/22 budget in February 2021, at the height of the third wave, and the financial management approach during the 2021/22 financial year the Council has looked to set aside funding in reserves to provide for financial risks the council faces such as latent demand and to also allow one-off funding to allow the council time to transform its services and service delivery to ensure it is financially resilient and sustainable in the long-term.
9. Cabinet and the Corporate Leadership Team have continued to review the growth, inflation and demand estimates on which the budget is based with a focus on reasonably challenging and bringing these estimates down either through the latest known forecast data or through mitigation actions that will be taken in 2022/23.

## Main Considerations for the Council

10. The Cabinet is proposing a balanced budget for 2022/23, a budget that ensures funding for vital services to continue during the ongoing pandemic as well as ensuring the resources are provided to ensure the delivery of the new business plan.
11. In achieving this the Cabinet has duly considered the current position on Wiltshire's residents and businesses and has felt that the provision of vital services to protect the vulnerable and continue the running of key services is

paramount and the maintenance, and where possible investment, in these services is critical.

12. The Council receives nearly 90% of its funding from local taxes, business rates and council tax, and is therefore dependent on increases in these to deliver services to Wiltshire’s residents, communities, and businesses.
13. Wiltshire does not receive any Revenue Support Grant (RSG) from Whitehall, and we still await funding reforms that will ensure Local Government receives the funding, particularly for Social Care, it needs to deliver vital services. Even with the provisional settlement from Government of an additional £12.5m, the level of specific grant funding Wiltshire receives from Government to fund core local services stands at £49m (12%).
14. In having sufficient funds to enable the funding of vital services, specifically in relation to Adult Social Care, the Cabinet is proposing that the Government permitted additional 1% Adult Social Care levy is taken in 2022/23.
15. Therefore for 2022/23 the Cabinet is proposing a 1.99% general increase in Council Tax with a 1% levy specifically for Adult Social Care. The levy will raise £3m and will help to fund the £7m of growth that has been built into the Adult Social Care budget.
16. In addition, and as resolved at the Cabinet meeting on 21 July 2021, an investment of £1.742m has been included in the 2022/23 budget to increase capacity within Special Educational Needs and Disabilities (SEND) & Inclusion services to ensure fit for purpose, efficient, quality sustainable and secure service to deliver the SEND & Inclusion strategy.
17. Cabinet have also continued to set aside £1m a year to support Wiltshire’s market towns, maintaining the commitment made in the 2021/22 budget.
18. Further detail on spending for services is provided in the report. The MTFs appendix contains further detail on inflation, growth and savings for individual services provided by the Council.
19. To provide a simple overview on where monies are spent, for every £100 of core funding we receive to fund services, we spend:

|   |  |
|---|--|
| £35 caring for Adults   | £20 supporting and safeguarding our children and young people                |
| £10 on managing Wiltshire’s Waste   | £9 funding the investment in Wiltshire schools, roads and housing            |
| £9 on maintaining Wiltshire’s Highways and subsidising local bus services | £7 on running the Council and holding elections                              |
| £4 on our Property<br>£3 on our online and digital services               | £2 on Wiltshire’s Leisure & Libraries<br>£1 on improving Wiltshire’s economy |

20. As reported to Cabinet on the 11 January 2022, after the announcement of the provisional settlement there remained a £27m budget gap. The proposals contained in this report provide the detail on how the budget gap will be closed



which, after small changes in demand, is achieved through the proposed 1% levy on Adult Social Care, raising an additional £3m to funds the £7m growth in Adults, and new saving proposals totalling over £24m.

## **People Services - £235m annual spend on services**

### Living and Ageing Well - £72m annual net spend on services

21. There are a number of service areas within the Living and Ageing Well directorate and a key objective is to maintain and promote independence for individuals and their unpaid carers who experience physical, cognitive and sensory difficulties.
22. We have an increasing focus on approaches and services that aim to intervene early when there is a change in circumstance and prevent and delay need. This could be through the provision of timely information and advice by the Advice and Contact team or as a result of input from the new Prevention and Well Being service and their work with individuals to build social and community networks and resources that can offer support. This is in addition to the work of Wiltshire Council Reablement service that provides an intensive period of support to regain confidence or build new skills.
23. Where people have longer term and more complex needs, the budget allocated to the Living and Ageing Well directorate ensures that individuals and their unpaid carers receive appropriate care and support in the community that maintains and promotes independence and well being with a focus on support people to remain in their own homes wherever possible.
24. We work closely with our community health partners to prevent someone going into hospital by responding rapidly in an emergency and ensuring the right health and care support is available in their own home. When a hospital stay has been necessary, our social care teams work with families to ensure they have the correct care when they are discharged, whether that is short term reablement focused support or exploring longer term care options.
25. The right housing is a key determinant of Living and Ageing well and the Housing operations service area will maximise the opportunities to prevent and sustain tenancies, reduce homelessness and placements into temporary accommodation as well as providing advice and support to rough sleepers to help them move into sustainable accommodation with on going support. We will make best use of the DFG budget to increase hospital discharges and decrease residential placements as well as creating a reduced need for long term domiciliary care as adaptations maximise independence. Our private sector housing team will provide advice and support to landlords to improve properties in the private rented sector and take enforcement action as required as well as looking to improve properties with an EPC rating of E or below. We will review and consult on our current allocations policy to make the process more efficient for our customers to ensure we meet the highest needs and Council priorities.
26. The Government has announced reforms to Adult Social Care that will take effect from 1 October 2023. These reforms include a raising of the threshold for savings that determines that a person is a self-funder from £23,250 to £100,000;

a cap on the cost of care for a person at £86,000; and a commitment that Councils will pay a fair price for care.

27. In setting the MTFs it has been assumed that these reforms will be cost neutral to the Council, with Government funding covering the cost of the reforms. At this early stage it is unclear the extent to which this is the case but given the high proportion of self-funders in Wiltshire this must be considered a significant financial risk to the Council.
28. Although the reforms will not take effect until halfway through the 2023/24 financial year there will be implementation costs that start to be incurred, particularly in respect of market sustainability and a fair cost of care, in 2022-23. These costs will be contained within the Council's allocation from a new grant starting in 2022-23.
29. In setting the budget for 2022/23 account has been taken of demographic pressures that will see more people requiring support, and the rising cost pressures that providers face due both to general inflation, and sector specific cost pressures including the particular costs that infection control requirements have in social care settings.

Whole Life Pathway - £78m annual net spend on services

30. There are a number of service areas within the Whole Life Pathway directorate whose key objective is to maintain and promote independence for individuals, their families and their unpaid carers who have complex mental health and long terms neurological and cognitive conditions.
31. We work with people at an early point to prevent and delay crisis and psychiatric hospital admissions and highly restrictive (and therefore high cost) packages of care.
32. This can sometimes be through the provision of timely information and guidance by the Advice and Contact team in Aging and Living Well directorate, however, nearly all of our service users are already known to services and most come through to our teams directly through transitions from children's services, the person's GP and or secondary mental health services.
33. As people who are supported by the Whole Life Pathway directorate are likely to have longer term and more complex needs, the budget allocated to the directorate is used to support individuals and their unpaid carers to receive appropriate care and support in the community that is self-directed, promotes independence and enables and empowers people with a learning disability and or autism to live successfully in their local community. The budget also is used to support those with a mental health condition to recover from a period of illness to continue to access the local community and live alongside their friends and family. The directorate has a strong focus on supporting people to live in Wiltshire, return to Wiltshire if they have been placed outside of the county and thrive in Wiltshire.
34. We work closely with our community and mental health and voluntary sector partners to achieve this. We advocate on behalf of our service users to live independently and to be able to engage with employment, education, training

and local community-based activities. We work closely with our Aging and Living Well colleagues as housing plays a key role in maximising and securing tenancies for the most vulnerable.

35. Our Community Services which are the provider arm of the directorate support individuals in our day centres and respite units to offer support to family members and unpaid carers. Our Enablement and Outreach service and our Intensive service provide additional support to our service users in their own home and in the wider community to maximise their independence and to enable them to live successfully and safely in the community and not in long stay institutions.
36. It is the role of the directorate to promote individuals' rights, highlight and address social injustice, ensure the wider adult population are safeguarded and where necessary implement the Mental Capacity Act and the Mental Health Act, (where appropriate), through our Deprivation of Liberty Safeguard Team, our Approved Mental Health Practitioner Teams and the Emergency Duty Service.
37. The Whole Life Pathway's budget also supports the delivery of services for refugees and those resettling into Wiltshire from countries across the globe.
38. As with the Living and Ageing Well directorate, the budget for 22/23 contains growth to cover demographic pressures that will see more people requiring support, and the rising cost pressures that providers face.

#### Education and Skills - £23m annual net spend on services

39. The school effectiveness service fulfills the statutory duty relating to standards of education in schools. The team of school effectiveness officers monitor and support all schools to be at least good and secure high standards. All local authority maintained schools benefit from the School Improvement Adviser programme with each school working with a dedicated officer. This service also has responsibility for safeguarding across all education settings, including early years, auditing arrangements and providing relevant training for all practitioners. In addition there is statutory spend on premature retirement costs in schools, the majority relating to historical commitments from previous years where schools have restructured usually following a period of financial difficulty.
40. The Council has a statutory duty to ensure there are sufficient school places available; the school buildings team work with school leaders and the Regional Schools Commissioner to deliver the School Place Planning Strategy.
41. The Targeted Education Service fulfils the Council's statutory duties around education provision for looked-after and previously looked-after children along with the promotion of the educational outcomes of all children with a social worker. It also leads on the Council's duties relating to school attendance, permanently excluded pupils and alternative provision, in addition to promoting the education outcomes across disadvantaged or vulnerable groups.
42. The SEND and Inclusion Service leads and manages the statutory education health and care plan (EHCP) process. These plans are issued where a child requires additional support beyond what a school college or nursery can typically deliver from their standard offer. The service ensures statutory partner support during the assessment stage and via issued plans to ensure that children with

SEND have a package of support to help them through to adulthood (until they are 25.) The statutory duty to provide school transport for pupils with EHCPs is led by this team and externally commissioned services include mental health support for children and short breaks for children with a disability. The investment for 2022-23 is driven by significant increases in estimates of numbers of children with special educational needs and disability (SEND) requiring school transport and inflation which reflects the forecast Bank of England CPI rate for 2022-23. Cabinet approved the investment in the SEND statutory services at their extraordinary meeting in July 2021 as described in paragraph 16 of this report.

#### Families and Children - £62m annual net spend on services

43. Over the last 10 years the families and children service has seen an increase in demand through all stages of early help and social care and at rates higher than population growth for the same period (+2.4% since 2011). The most significant increases are seen around our child protection activity and this mirrors the national study undertaken by the Association of Director of Children's Services (ADCS). In response the service has adapted systems effectively to ensure timely support is provided to families and children. The rate of children subject to children in need, (CIN,) child protection (CP) and children in care (CiC) are now lower than England averages and more in line with authorities judged Outstanding by Ofsted. The Early Support hub continues to offer consultations to professionals providing advice and guidance pre-referral. Q1 2021-22 recorded 299 consultations, of these 40% were diverted away from the front door meaning professionals did not make unnecessary referrals but were signposted to the most appropriate services.
44. Early Support includes the Local Authority's in house 'Support' threshold offer as well as the partnership Early Support Assessment and Team Around the Child and Family model. Currently the service is working with on average 600 children at a support level preventing escalation to statutory levels. The Stronger Families Team continue to work with older children who are on the edge of coming into care, or at risk of county lines involvement or risk of requiring contextual safeguarding through intensive and targeted support work. Now 80% are diverted from care with the majority continuing to live with their family.
45. Children in care (including children with a disability) benefit from very good placement stability with a higher proportion placed with Wiltshire Council foster carers. We know there remains more to do to ensure sufficiency of good placements that are matched to the needs of children looked after by the Council, and of suitable housing for care leavers. This work is being taken forward under the Fostering Excellence agenda and through our Market Sufficiency Strategy. The investment for 2022-23 is driven by volume estimates of children in care and inflation on commissioned placements which reflects the forecast Bank of England CPI rate for 2022-23.
46. Good staff retention and balanced caseloads help to ensure a high quality service, however there remain harder to recruit to posts. We are keenly aware of the level of competitiveness within the social work recruitment marketplace and the need to ensure Wiltshire Council remains an attractive employer for new and experienced social work staff. Modelling is underway around post pandemic demand and the associated pressure this will place on caseloads which, will need to be carefully monitored in light of the national recruitment challenges.

## Place Services - £93m annual spend on services

47. Place services help communities to be stronger and more resilient. By taking an integrated place-based approach our services work together as "One Council" and with external partners to develop the economy, ensuring we protect and enhance the environment and meet our carbon neutral commitment.
48. Place services support Wiltshire's communities to live healthy and active lives through the provision of leisure, culture and arts services, and the promotion of sustainable and active travel. We plan for the future in terms of housing, employment space and associated highways and infrastructure, ensuring that development and planned growth is high quality and meets the needs of our communities now and in the future.
49. We continue to deliver a large programme of highways maintenance to ensure residents and visitors travel safely in the county. We continuously look at options to improve connectivity and transport choices for our communities, and at the same time aim to decarbonise transport.
50. As well as providing home to school transport for 11,000 pupils, our Passenger Transport team provides transport for 1,400 pupils with special needs, over 80,000 concessionary fare users and subsidise bus services for our rural areas.
51. As the Lead Local Flood Authority, we invest and work with volunteers and other agencies to reduce the risk of flooding, and better prepare for flood events.
52. In 2019, The Council acknowledged that there is a climate emergency and through the Climate Strategy will support both Council services and Wiltshire communities to mitigate the effects of climate change and support our goal to become carbon neutral by 2030.
53. In response to the new Environment Act 2021 we will review how we deliver effective and efficient waste management and recycling services. Currently managing around 226,000 tonnes of waste collections annually from 221,000 households we will ensure that these services are fit for purpose and future proofed with zero avoidable waste to landfill. We will continue to protect the environment by championing sustainable development and encouraging others to take responsibility for their impact on the environment & our residents, protecting and safeguarding public health by promoting and ensuring safe and legal foods, goods, services, and workplaces.
54. As one of the largest Local Planning Authorities in the country, both in terms of geographic area and the number of applications we process, we deliver effective and creative place shaping balancing the needs of communities, businesses, and the environment through the Council's Local Plans and Transport Plans and support communities to undertake Neighbourhood Plans. The Planning service determine more than 90% of applications with agreed timescales and currently has 59% market share of Building Control activity.
55. Throughout the Covid-19 pandemic Place Services delivered a successful programme of Covid Business support grants making 34,000 grant payments

totalling £176.4m. The focus for 2022 will be on economic recovery, working with our partners, stakeholders, and the business community to deliver a range of government funded programmes which will target economic growth and regeneration, including the levelling up agenda and UK Shared Prosperity schemes. The schemes will target the high street and support the delivery of vibrant town centres. Our goal is to ensure that Wiltshire's economy is competitive, sustainable, and resilient with high levels of inward investment, a broad employment base as well as a suitable proportion of high value and skilled jobs.

56. Place services will ensure our leisure centres and libraries are well maintained, fit for purpose and accessible to all supporting Wiltshire communities to become more resilient and thrive. Focus will be on increasing the opportunities for engagement and participation in both sports and physical activity and in cultural activity and the arts. We will support our 1,000 strong volunteer base and promote more opportunities for working with the voluntary sector, strengthening our links with the community and the local/visitor economy.
57. All staff within Place services work as an integral part of the Place function providing professional input and guidance through our governance structures including the Place Leadership Team, Place Performance and Outcomes Board, Cabinet, Full Council and select committees when required.

### **Resources - £37m annual spend on services**

#### Assets & Commercial Development - £16m annual net spend on services

58. The Asset & Commercial Development service are responsible for managing the Councils estate, which includes the 5,300 existing properties and 1,000 planned new properties from the Council House Build Programme under the Housing Revenue Account.
59. Wiltshire Council takes a strategic and commercial approach to managing assets ensuring assets are well maintained, fit for purpose and that services can operate safely, efficiently, and effectively ensuring the sustainability of the property estate. The council shares resources with other public services and uses technology, buildings and other assets flexibly to maximise value and reduce costs.
60. Stone Circle Housing and Development companies were set up in 2020 to meet a range of Wiltshire's strategic housing needs and undertake residential development, predominantly on Council owned land to ensure these needs are met while increasing the potential return to the Council. Asset & Commercial Development work with the companies, providing professional services and strategic direction.

#### Procurement & Commissioning - £5m annual net spend on services

61. The Procurement & Commissioning Directorate role is to deliver on some key objectives for other Council directorates, ensuring vibrant sustainable markets in areas that are of key strategic interest for the Council, stepping in when there is a provider or even market failure and facilitating the delivery of optimum value for money.

62. The Procurement function serves all areas of the Council and is a key enabling function across all services areas in delivering their service, budgetary and wider Business Plan objectives and ensuring as a Council we become more commercial in our approach to procurement and contract management. The Commissioning function on the other hand predominantly supports the People directorate, and works closely with partners, most notably the NHS, in ensuring that the right services, at the right volumes, are in place to support people with health and social care needs.
63. Commissioning leads on market shaping in partnership with providers for social care services for the whole community, not just people who are reliant on public fund, undertakes local market oversight for providers who are not covered by CQC's market oversight scheme, and aims to avert or minimise the impact of provider or market failure.
64. As well as working in partnership with the NHS, some parts of the Commissioning area are fully integrated with the CCG, in particular the Brokerage function and several individual posts within commissioning are joint posts with the CCG.

### **Fees and Charges**

65. As part of budget setting, where the council has discretion on the setting of fees and charges and increases to these, it is recommended that the fees and charges to the public are increased by appropriate inflation rates to help support the delivery of a balanced budget. Other fees and charges will be based on statutory national levels (where set by statute) or individual agreements.
66. Demand has been adjusted within the pressures built into the budget to reflect the continued reduction seen in some service areas such as car parking and leisure.
67. Detail of the fees and charges where the council has discretion on the setting of the fees and charges and where they have been increased can be seen in appendix 1.

### **Reserves – General Fund and Earmarked**

68. As part of the budget setting process for 2021/22 a reserve strategy was set out, which included the approach of ensuring financial risks that the council faced were supported adequately by monies set aside in reserves. During 2021/22 the additional funds set aside to help manage Latent Demand have been maintained as the anticipated demand for services has not materialised during the year, and this helps to support the continued risk that remains.
69. The plan to raise the value of the General Fund Reserve to just less than £20m by 2024/25 has been exceeded with additional contributions being made during 2021/22, with the latest forecast MTFS now estimating a reserve of over £21m by 2024/25.
70. The planned contribution to this reserve in 2022/23 has been removed, due to this additional contribution during 2021/22, to help ease the budget gap in

2022/23 and to maintain vital services. The forecast for the balance over the MTFS is detailed in the reserves section in appendix 1.

71. During 2022/23 £3.3m will be received from a commercial gainshare arrangement as part of the Wiltshire On-Line programme. This income will be transferred to the Budget Equalisation reserve during the year to provide additional capacity to help manage the overall budget position. With the forecast financial position for 2021/22 it is expected that there will be £16.5m in the reserve to support the budget and savings delivery in the future MTFS years.
72. The general fund reserve risk assessment is shown in annex 8 of appendix 1. This uses the estimates of key financial risks facing the authority in 2022/23 and it provides an estimated risk assessed level of reserves based on the specific complexities and activities unique to Wiltshire Council. This assessment is reviewed and refreshed every year to reflect the known financial risks in that year and provides an update on the financial resilience for the council.
73. The level of risks faced by the authority in 2021/22 was risk assessed at £22.760m, for 2022/23 this has been revised and now stands at £27.615m.
74. The increase is largely a result of the increased level of savings that are required to be delivered in 2022/23 and represents the biggest financial risk to the authority in the coming financial year. The level and volatility in income for services e.g. leisure and car parking, and demand for services also represent key risks.
75. The risk assessed level is a tool to manage and context financial risks facing the authority and is not an exact science. It is key however in determining the financial resilience of the authority in terms of the level of reserves held against the level of estimated financial risk.
76. In addition to the level of the general fund, there are other reserves held against the financial risks facing the Council. These reserves have been created to deal with risks around demand e.g. the latent demand reserve is being held to specifically mitigate any unquantified risks facing the authority on social care, particularly children's social care and the recent high profile national cases and the knock on consequences that may have on demand.
77. The Council overall has significantly improved its financial standing over the last couple of financial years through sound financial management, and can look to having a significant level of reserve cover against the assessed financial risk in 2022/23, although this reduces over the course of the MTFS the General Fund reserve still rises over the MTFS period.

#### **MTFS 2022/23 to 2024/25**

78. A summary of the overall MTFS proposed budgets for 2022/23 can be seen in the below table at Corporate Director responsibility level. More detail can be seen in the appendix 1, which show the changes to the service budgets from the revised 2021/22 budgets in greater detail.



| <b>Wiltshire Council - Proposed Budgets</b> |   |   |   |
|---|---|---|---|
| <b>Service</b>                              | <b>2022/23<br/>Proposed<br/>Budget<br/>£m</b> | <b>2023/24<br/>Proposed<br/>Budget<br/>£m</b> | <b>2024/25<br/>Proposed<br/>Budget<br/>£m</b> |
| Corporate Director People                   | 235.002                                       | 241.899                                       | 254.510                                       |
| Corporate Director Resources                | 37.061  | 37.157  | 37.795  |
| Corporate Director Place                    | 92.611  | 93.706  | 96.060  |
| Public Health                               | 1.597   | 1.710   | 1.822   |
| Legal & Governance                          | 7.482   | 7.524   | 7.763   |
| HR&OD and Transformation                    | 5.468   | 5.645   | 5.870   |
| Corporate Directors & Members               | 3.041   | 3.060   | 3.094   |
| Corporate Costs                             | 35.441  | 44.081  | 48.414  |
| <b>WILTSHIRE COUNCIL NET BUDGET</b>         | <b>417.703</b>                                | <b>434.782</b>                                | <b>455.328</b>                                |

79. The MTFs sets out the forecast budget position for a 3-year period. The above table shows the proposed service budgets for 2022/23, and the below table shows the movements in the Net Budget and Funding for the council and the overall financial position of the council. There is an overall funding deficit across the MTFs 3-year period, with one-off funding from the Budget Equalisation Reserve in the second year (2023/24) of £9.102m. This reserve is fully exhausted in 2024/25 and a funding gap of £10.705m remains and further work is required to ensure this gap is addressed in a sustainable way.

|  | <b>2022/23</b>  | <b>2023/24</b>  | <b>2024/25</b>  |
|--|-----------------|-----------------|-----------------|
| <b>Budget 2021/22</b>                              | <b>412.561</b>  | <b>417.703</b>  | <b>434.782</b>  |
| Funding Changes/ Technical Adjustments             | 10.849          | -0.112          | 1.250           |
| Pay Award  | 7.401           | 4.063           | 4.234           |
| Cabinet Investment                                 | 1.742           | 0               | 0               |
| Budget Monitoring Permanent Changes                | -1.054          | -0.200          | 0               |
| Demand   | -3.580          | 15.271          | 10.004          |
| Contractual Inflation                              | 13.608          | 8.745           | 8.197           |
| Approved Savings                                   | -0.585          | -1.000          | -0.790          |
| Staffing Savings Proposals                         | -6.985          | -3.211          | 0               |
| Service Savings Proposals                          | -16.255         | -6.476          | -2.200          |
| <b>Budget 2022/23</b>                              | <b>417.703</b>  | <b>434.782</b>  | <b>455.478</b>  |
| <b>Funding 2021/22</b>                             | <b>-412.561</b> | <b>-417.703</b> | <b>-425.681</b> |
| Council Tax Requirement                            | -9.905          | -10.001         | -10.424         |
| Social Care Levy                                   | -3.022          | -3.128          | 0               |
| Collection Fund (surplus) / deficit                | 11.622          | 0               | -1              |
| s31 Grant - Collection Fund deficit                | -11.622         | 0               | 0               |
| Specific Grants                                    | -12.517         | 5.151           | 0               |
| Hardship & Emergency Funding                       | 20.302          | 0               | 0               |
| <b>Funding 2022/23</b>                             | <b>-417.703</b> | <b>-425.681</b> | <b>-437.355</b> |
| <b>GAP</b>   | <b>0</b>        | <b>9.102</b>    | <b>18.123</b>   |
| <b>Proposed use of Budget Equalisation reserve</b> |                 | <b>-9.102</b>   | <b>-7.418</b>   |
| <b>Gap remaining</b>                               |                 | <b>0</b>        | <b>10.705</b>   |

## Capital Receipts Flexibilities

80. As part of the Final Local Government Finance Settlement for 2021/22 published on 10 February 2021 Government announced a 3-year extension from 2022/23 onwards of the flexibility for councils to use capital receipts to fund transformation projects that produce long-term savings or reduce the cost of service delivery across the public sector. [Funding boost provides councils with certainty to plan for year ahead with £51 billion funding package - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/funding-boost-provides-councils-with-certainty-to-plan-for-year-ahead-with-51-billion-funding-package)
81. It is important that any council using this flexibility is transparent in reporting its plans and the individual projects that are to be funded or part funded, report on planned savings and/or service transformation that is planned to be delivered and report the previous years' activity and realisation of benefits.
82. During 2022/23 the use of this regulation to fund transformational activity will include funding different transformation projects across the council, and specifically projects that support delivering a more financially sustainable council. £1m has been included within the budget for each year of the MTF period (2022/23-2024/25). The prioritisation of the projects and funding through this regulation will be agreed by CLT and reported as part of the quarterly budget monitoring process to ensure the requirement of transparent reporting is met.

## Capital Programme 2022/23 to 2029/30

83. The Capital Programme is not tied to an annual setting process like the Council's revenue budget, with projects and schemes being added on their own merits by the Cabinet during the year. The Capital Programme is a key area of investment for the Council and in 2022/23 will now stand at £307.115m for that year and £1,286.953m over the 8-year period and the Council will be investing to deliver Business Plan priorities in the following headline areas.

### Leisure Investment

84. £25m investment has been added to the capital programme to create a new Leisure facility to serve Trowbridge and the surrounding area. The facility will offer swimming, gym and sports hall services and will be part of the Trowbridge Place shaping strategy that is being developed in 2022. This scheme is being funded by borrowing but given the infrastructure element maybe suitable for CIL allocation in future. The new facility will replace two existing ones and will be a more energy efficient building with reduced carbon footprint so will enable the Council to deliver a more sustainable Leisure service.

### Highways & Transport

85. From 2022/23 there will be an increase in the funding for local highway and footpath schemes that are issued through the existing Community Area Transport Groups (CATG). The groups will be renamed Local Highways and Footpath Improvement Groups (LHFIG) and will receive an increase of £0.400m in funding which will be reallocated from half of the existing £0.800m funding for Area Board capital grants. This will see a total of £0.800m for LHFIG when you include the existing £0.400m set aside for CATG funding currently within

Integrated Transport, whilst still retaining half the funding (£0.400m) for Area Boards from 2022/23.

86. A total of £4.485m investment has been added to the capital programme for Highways and Transport projects this will enable £1.5m drainage improvement works to be undertaken to highway and land drainage assets at locations known to be vulnerable to flooding; improving safety and protecting property. Investment in Council Fleet of £1.910m to ensure front line service continue to operate effectively, the Fleet Strategy will be taken to Cabinet in 2022/23 with an emphasis on carbon neutral fleet and setting out the long terms requirements. £0.380m has been invested to replace 95 outdated car parking machines with contactless machines in Wiltshire car parks over a three year programme. £0.695m will be used to replace the current real Time Passenger Information system which provides live data on how buses are running to the public to encourage the use of busses reducing congestion and emissions.

#### Assets

87. A total of £18.765m investment to Council assets will be made for maintenance and improvements to ensure frontline services can continue to operate effectively and safely. This includes £4.170m for Schools and Early Years setting to replace mobile and pratten classrooms with permanent extensions and replace temporary early year setting buildings that are no longer fit for purpose. £8.627m investment for improvement and refurbishment at Leisure Centres to ensure the service can operate effectively and commercially and become a sustainable service. £0.838m on Waste services to ensure facilities and closed sites are monitored and achieve the required environmental standards and investment at Household Recycling Centres to increase recycling. An increase of £5.130m for planned maintenance on the operational and commercial estate, to include structural and lighting improvements on car parks and Salisbury Library improvements.

#### Major Transport Schemes Investment

88. Wiltshire Council is currently developing major road improvements to facilitate population and employment growth, and improve the local transport infrastructure. £74.627m investment has been added for three Major Road Network Schemes; M4 Junction 17 Improvements, A338 Salisbury Junction Improvements and A350 Chippenham Bypass (ph 4 & 5) and £236.021m for one Large Local Major scheme A350 Melksham Bypass.
89. The Major Road Network Schemes will be funded by a combination of DfT grant and Wiltshire Council match funding from CIL and S106 and will only proceed to construction upon confirmation of DfT grant funding. DfT grant funding has been confirmed for A350 Chippenham Bypass.
90. The council is committed to progressing the A350 Melksham Bypass. It is a Large Local Major scheme which is expected to take about seven years until it is completed, and will have to go through a number of stages, including planning approvals, statutory orders, public inquiry and procurement. At present funding has been included within the capital programme to full construction however financing has only been assigned to Full Business Case stage which is expected

to be submitted in 2026, this will be through a combination of DfT grant and CIL funding.

91. The construction stage will require further funding of up to £32 million from 2026/27 onwards, this will depend on the successful progress through the statutory procedures and on the actual contribution required by the Department for Transport (DfT) at that time. In the meantime, the council will continue to work with the DfT to deliver this scheme to ensure the necessary funding is available.

### **Allocations from the Community Infrastructure Levy Strategic Fund**

92. Cabinet on 27 September 2021 approved a revised process for allocating the Community Infrastructure Levy (CIL) strategic fund and resolved that further work would be undertaken “to consider how the strategic fund can be used, in accordance with the CIL legislation, to align delivery of projects with the Council’s budget setting process and the Council’s new Business Plan.”
93. Cabinet will continue to review the policy to ensure that the funds raised from CIL are used to address pressures on infrastructure as a result of development within Wiltshire, both in terms of large scale and smaller developments.
94. Work has commenced on this through the consideration of potential projects for the Council’s capital programme, an initial set of projects has been identified, which relate to transport as detailed below.

### Transport Projects

95. These relate to the four new transport schemes discussed above that accord with the principles set in the Wiltshire Core Strategy, Core Policy 66 Strategic Transport Network: to selectively improve the A350 to support its functionality as a strategic road corridor and the sustainable growth of west Wiltshire; and more generally, to improve the strategic transport network, which includes the A338 around Salisbury. The three schemes have previously been reported to Cabinet, most recently on 30 November, as part of the agenda item on A350 Melksham Bypass:
- (i) A338 Southern Salisbury Junction Improvements (Exeter Street Roundabout, Harnham Gyratory and Park Wall Junction) - start 2025, completion anticipated 2025
  - (ii) A350 Chippenham Bypass Phases 4 and 5 - start 2023 completion anticipated 2024
  - (iii) A350/M4 Junction 17 Capacity Improvement – start 2024 completion anticipated 2025
  - (iv) A350 Melksham Bypass - start 2026, completion anticipated end 2028
96. Currently none of these projects are on the Council’s Infrastructure List, however schemes (i) and (ii) are both identified in the Salisbury and Chippenham Transport Strategies respectively that were prepared to support the growth in the Chippenham and Wiltshire Site Allocation Plans that followed the Wiltshire Core Strategy. Both schemes are being supported by the Department for Transport (DfT) through the allocation of Major Road Network (MRN) funding but a local contribution of around 15% is required, while some of this is being secured

through developer contributions (circa £0.96m and £2m respectively) there is a funding gap that the CIL strategic fund can address to ensure the timely progression of these projects. DfT funding would contribute £13.2m for (i) and £26.1m for (ii).

97. The profile of CIL funding required for both projects is set out in the table below.

98. The Chippenham Transport Strategy identified the need for a short-term project to upgrade M4 Junction 17. This took the form of part signalisation to address capacity and safety issues on the off- slip roads due to the hazard caused by vehicles queuing onto the M4. This was funded by the former Highways England and the Local Growth Fund. Since the Strategy was prepared National Highways is looking increasingly critically at current plans for growth and further work has been undertaken by the Council that supports the need for further investment at the top of the A350 around Junction 17 to support its functionality. This project would provide further capacity improvements over and above those secured as part of the Chippenham Gateway development. It is estimated that DfT funding would be circa £23.3m. The funding gap for the local contribution is set out in the Table below.

99. With regard to the Melksham Bypass, the A350 through Beanacre and Melksham has been a concern for many years but the opportunity to seriously address this only came about in 2019 when the project was submitted to the DfT by the Western Gateway Sub-National Transport Body. Since then, several reports have been brought to Cabinet about the project, most recently on 30th November 2021, when the two public consultations were reported. The Council remains committed to delivering the project. While Cabinet agreed to consider the matter again when National Highways' M4 to Dorset Coast Connectivity study has progressed further, due to potential for new funding streams becoming available; in the meantime, funding is needed to enable the preparation work to continue, including the preparation of the Full Business Case. Discussions will continue to be held with DfT regarding the longer-term funding arrangements for the scheme, as currently funding is only being sought to progress the scheme to the Full Business Case stage. The profile of CIL funding required for the short-term phase of work is set out also in Table 1.

| <b>CIL Contribution</b>  | <b>2022/23</b>    | <b>2023/24</b>    | <b>2024/25</b>    | <b>2025/26</b>    | <b>2026/27</b>  | <b>Total Proposed</b> |
|--------------------------|-------------------|-------------------|-------------------|-------------------|-----------------|-----------------------|
| A350 M4 Junction 17      | £236,050          | £269,950          | £2,639,950        | £1,370,050        | £0              | <b>£4,516,000</b>     |
| A338 Salisbury Junctions | £113,824          | £84,176           | £562,640          | £617,143          | £0              | <b>£1,377,783</b>     |
| A350 Chippenham Bypass   | £248,652          | £1,923,336        | £982,224          | £0                | £0              | <b>£3,154,212</b>     |
| A350 Melksham Bypass     | £508,750          | £929,500          | £954,250          | £975,250          | £541,750        | <b>£3,909,500</b>     |
| <b>Total</b>             | <b>£1,107,276</b> | <b>£3,206,962</b> | <b>£5,139,064</b> | <b>£2,962,443</b> | <b>£541,750</b> | <b>£12,957,495</b>    |

*Profile of requested CIL funding for Transport Projects*

100. It is recommended that firstly, it is agreed that the Council's Infrastructure List is updated with projects, as projects the Council may fund through CIL, and

secondly approves the allocation of CIL from the strategic fund as set out in Table 1 for these projects.

### **Housing Revenue Account (HRA) 2022/23**

101. The Housing Revenue Account (HRA) is a separate account that all local authorities with housing stock are required to maintain by law. This account accumulates and reports all transactions relating to, or associated with, local authority-owned housing.
102. It is ring fenced which means that money cannot be paid into or out of it from the General Fund. In addition, it is not lawful to run a deficit on the account.
103. The 30-year business plan aims to deliver a substantial increase in the amount of money available to be invested in capital works on existing dwellings and to deliver new housing to replace properties that have been sold under the Government's Right to Buy scheme and to address housing need.
104. The aim of the business plan is to deliver carbon zero new builds and investment in all existing stock to achieve energy performance rating B. The capital and revenue budgets for 2022/23 have been updated to reflect the position presented and approved by Cabinet in the plan.
105. For 2022/23 rents will be increased by Consumer Price Index (CPI) plus 1%, which is the same as 2021/22, for 2022/23 this increase will be 4.1%, 3.1% CPI plus 1%. Increases for any actual rents currently over formula rent will be capped at formula rent as per national guidance.
106. Future rent increases will be reviewed in light of the 30 year business plan so as to balance the investment in the housing stock, development of new homes, maintain services to customers as well as ensuring affordability.
107. For 2-bedroom properties, the average 2021/22 rent (social and sheltered) was £90.21 per week which will increase to an average of £93.94 for 2022/23. For 3 bedroom properties, the increase would be from £98.27 to £102.43.
108. It is proposed to increase garage rents by 4.1% (CPI plus 1%).
109. It is proposed that service charges are increased to cover costs.

### **Dedicated Schools Grant**

110. Dedicated Schools Grant (DSG) is a ring fenced specific grant used in support of the Schools Budget as defined in the School and Early Years Finance (England) Regulations 2013. The DSG is made up of four blocks with minimal flexibility to move funding between blocks. The allocations for 2022-23 are as follows:

|              | <b>2021-22 Allocation</b> | <b>2022-23 Allocation</b> | <b>Increase</b> | <b>% Increase</b>        |
|--------------|---------------------------|---------------------------|-----------------|--------------------------|
| Early Years  | £28.217m                  | £28.522m                  | £0.304m         | 1.08%                    |
| Schools      | £317.724m                 | £328.594m                 | £10.869m        | 3.42%                    |
| Central      | £2.565m                   | £2.604m                   | £0.039m         | 1.52%                    |
| High Needs   | £57.835m                  | £62.691m                  | £4.855m         | 8.4% (DfE minimum is 8%) |
| <b>TOTAL</b> | <b>£406.342m</b>          | <b>£422.409m</b>          | <b>£16.067m</b> | <b>3.95%</b>             |

111. In addition, for 2022/23, a later separate grant; “supplementary allocations” have been advised and these are to offset the budget pressures around the health and social care levy and other cost pressures. For schools Wiltshire is allocated £9.450m and for the high needs block; £2.415m.
112. The allocations are driven by the school and early years census data multiplied by specific funding levels and factors in each block and include nationally announced increases (year 3/3 Autumn 2019 pledge for schools and high needs funding and year 1/3 Autumn 2021 early years national increases.) In addition, the historical element of the central block reduces by 20% year on year.
113. The local authority and schools forum set the budget for all blocks. Schools and high needs blocks are top sliced by the ESFA and funds re-directed to academies and colleges.
114. **Schools Block** – it is the responsibility of the Council to propose and make recommendations to Schools Forum to decide any changes to the formula which is used to allocate schools block DSG to all primary and secondary schools. Wiltshire Schools formula aligns itself as closely as possible to the national funding formula (NFF) in preparation for the hard formula, when the DfE remove or at least limit, local formula flexibility.
115. **Early Years Block** – the local authority must passport a minimum of 95% funding for the universal and additional working parents entitlement for 3& 4 year olds and disadvantaged 2 year olds directly to settings. This means up to 5% can be retained by the council to fund the early years central functions. It is the responsibility of the local authority to propose and decide the allocation of early years funding – the schools forum and early years providers are consulted annually to give their view on the local authority proposal.
116. **High Needs Block** – this supports provision for children and young people with special educational needs and disabilities (SEND). The block provides resources for specialist place funding, top up funding and external provision as well as funding high need services including statutory delivered by the local authority. It is the responsibility of the local authority to propose and decide the allocation of high needs block funding – the schools forum is consulted on any proposed changes.
117. **Central School Services block** – this provides funding for the local authority to provide central functions on behalf of pupils in both maintained schools and academies. Services are split, copyright licences for all schools, on-going and historic responsibilities. The local authority proposes the spending allocations funded from the Central School Services Block but the final decision is made by the Schools Forum.
118. For 2022-23, additional allocations have been added to the schools and high needs block to cover the estimated burden of the health and social care levy and other cost pressures.
119. In the event of an underspend or overspend on the annual grant, the balance transfers to a DSG reserve at the end of each financial year. The 2021-22 quarter 3 figures reported to Cabinet in December showed an in year overspend

of £8.271m which, leads to a forecast cumulative DSG deficit reserve balance of £26.555m. Demand and therefore expenditure are forecast to grow in 22-23 at a rate that is higher than the allocation. It is recognised that nationally pressures on the school system and high needs budget in particular are an issue, local authorities, school leaders and lobby groups continue to raise this with Central government and recovery plans are in place but limited to being long term and in partnership with statutory partners and limited to the legal statutory requirements around services and performance standards for children and young people with additional needs.

### **Overview and Scrutiny Engagement**

120. Regular reports are taken to Overview & Scrutiny relating to the Council's financial position and the budget report will be subject to review by the Councils Financial Planning Task Group during January 2022.
121. In addition to reviews by elected members through the scrutiny process, the budget proposals will also be subject to review and scrutiny by a range of stakeholders, including Trade Unions and Business through meetings with them, Housing Panels consideration of the Housing Revenue Account proposals and Schools Forum consideration of the Dedicated Schools Grant changes.

### **Safeguarding Implications**

122. Safeguarding remains a key priority for the Council and this report outlines investment in services, in particular Adult Social Care and Children's Services, that reflects the commitment to safeguarding.

### **Public Health Implications**

123. The impact on public health has continued to be significant in 2021/22 as a result of the ongoing COVID-19 pandemic.

### **Procurement Implications**

124. None have been identified as arising directly from this report.

### **Equalities Impact of the Proposal**

125. The Council's budget planning framework is supported by the development of Equality Impact Assessments (EIAs) for the budget proposals, identifying possible disproportionate impact in relation to the protected characteristics as described within the Equality Act 2010. The EIAs will also identify potential mitigation where applicable.
126. The Council maintains its strong commitment to equality, believing that all groups and individuals within the community and its workforce have equal opportunity to benefit from the services and employment it provides. EIAs help the Council to arrive at informed decisions and to make the best judgements about how to target resources.



127. As part of the implementation of savings, once they are approved an Equality Impact Assessment for those individual saving proposals to assess whether the proposals are positive or negative for a protected group will be undertaken before the proposal is implemented.
128. In consideration of the overall budget and balancing the gap, Cabinet in putting forward its proposals were keen to ensure that investment and growth were directed to services so that this will have an overall positive impact on service users, particularly children, older people and disabled people.

### **Environmental and Climate Change Considerations**

129. The business plan and budget that funds it have been developed to support strong, resilient communities in Wiltshire. The budget includes the continued resourcing of the Carbon Reduction Team, formed during 2020/21, and funding within the capital programme for specific schemes aimed at reducing the Councils carbon footprint.

### **Risks that may arise if the proposed decision and related work is not taken**

130. There is a statutory requirement to set a balanced budget. This report sets out the services delivered by the council and the financial implications of the budget proposed. Previous MTFS update reports have included visibility on the base assumptions on which the budget is built and this report sets out how the budget gap is to be addressed to deliver a balanced budget.

### **Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

131. The risks around the ongoing implications of COVID-19 on the Council are not fully known with the risk of further government interventions, and this risk will remain for 2022/23 and even into future years.
132. Assumptions on inflation and interest rates have also been documented in the MTFS update reports and clearly the Council is exposed to inflation rises and, to a lesser extent, interest rate rises. These have been factored into the Councils risk assessment when assessing the level of general fund reserves the Council should be holding.
133. The level of uncertainty has always been a risk, in terms of demand on services and with the ongoing COVID-19 pandemic there is an increased variability of the risk. The Council has therefore tried to mitigate this through the level of growth assumptions within the MTFS, and continues to hold a latent demand reserve to deal with any demand that outstrips those assumptions, particularly around children's social care.
134. There is a risk the pandemic continues in a way currently not anticipated, requiring further response or impact on the Councils service provision and/or financial standing. In this instance, as we have seen during the past two financial years, we would be expecting the Government to be stepping in to support the entire sector.

135. Risks associated with the savings proposals and service delivery have been assessed and as savings are implemented these risks will continue to be reviewed and monitored through the service and corporate risk management processes.

### **Financial Implications**

136. Under Section 25 of the Local Government Finance Act 2003 there is a statutory duty on the Section 151 Officer to report to Council at the time the budget is considered and the Council Tax set, an opinion on the robustness of the budget estimates and the adequacy of financial reserves.

137. There is also a legal requirement under the Local Government Act 1992, section 32 and 43 to set a balanced budget, and critically the 2022/23 budget is balanced, not only that but it also removes the reliance on one off funding that was used to balance the 2021/22 budget with a full scheduled savings plan being proposed for 2022/23 to achieve this position.

138. Cabinet have also proposed savings plans over the three years of the MTFS to make the decisions now to move the Council closer to becoming a financially sustainable authority. Although this has yet to be achieved, given the scale of savings in 2022/23, the gap for 2023/24 now stands at £9m rising to £18m in 2024/25 a significant improvement on the forecast budget gap when the 2021/22 budget was set in February 2021. Furthermore, the planned use of the Budget Equalisation reserve in 2023/24 effectively sees the first two years of the MTFS balanced. It is without question though that further savings will be required, as it stands, in year 3.

139. Although there are risks in the budget in relation to demand led budgets, in particular Social Care, the key risk in the budget is the level of savings requiring to be delivered, with over £25m in the first financial year (2022/23) and over £39m over the three years of the MTFS.

140. There will need to be a step change in the way the Council oversees and ensures delivery of proposed savings in 2022/23 given the size and timing, and non-delivery runs the risk of undermining the recent tight financial management.

141. The Corporate Leadership Team will be putting savings delivery as part of the Councils overall performance management and will be accountable for oversight and responsible for delivery of the saving proposals, and this will be reported regularly through to Cabinet.

142. There are significant cost pressures arising from changing demographics and a growing, ageing population. These lead to increased demand for adult and children services, as well as other services across the Council. These pressures have been built into the budget and will continue to be reviewed to ensure the assumptions remain robust and financial impacts can be reported, and management action taken if necessary, however risk remains on the ability to manage this pressure.

143. The construction of the budget for 2022/23 and examination and validation of the budget proposals has been subject to challenge by the Corporate Leadership

Team, Heads of Finance and directors. Further scrutiny of the MTFS and budget proposals will be undertaken by the Financial Planning Task Group which is a standing task group of the Overview and Scrutiny Management Committee.

144. Business Rates assumptions have been prudently set, again keeping out any anticipated growth, and reducing the amount expected in total from the current retention system as a result of the uncertainties that lie ahead from April 2022 once Government support ends.
145. The assumptions on income from Council Tax have been reviewed and reflect the current dynamic with respect to those in receipt of local council tax support, which have not reduced, but to which the Council Tax collection rates have not been adversely affected. Council Tax tax base, the growth in properties, has been better than anticipated and therefore future assumptions have been revised upwards to reflect this increase.
146. Investment income returns are budgeted at 0.75% for 2022/23. The current cost of borrowing for Wiltshire Council is 3.74%, and the average cost of new borrowing has been estimated at around 2.5% although there is opportunity for this to be improved upon depending on the timing and value of any borrowing undertaken. The Council is building up a risk by delaying the need to borrow, potentially opening itself up to future interest rate rises at a time when it does need to borrow, and this position is under constant consideration.
147. Despite the recent volatility in inflation the Consumer Price Index (CPI) has been used as the set standard to forecast increases for contractual inflation. It is intended to move the Council over to this standard for all future contractual negotiations, where possible, to aid financial planning and budget/contract management. The assumption on pay has been adjusted to reflect the latest national negotiations.
148. The Dedicated Schools Grant is a ring-fenced grant to fund activity relating to the provision of education services. As a result of this ring-fencing the assumption within the MTFS is that any deficit position does not impact on the general resources available to the council in terms of the general fund revenue account and any deficit reserve.
149. However, there is a significant concern that from April 2023 deficits will need to be recognised by the Council. Currently, given the size of the forecast DSG deficit. If this was recognised it would technically move the Council into a position where it would be considered not to be a going concern. Wiltshire is not alone in this position and we, the Society of County Treasurers, the F40 and other groups are lobbying Government both in terms of the inadequacy of funding for this group of 0-25 learners, the significant delay in the DfE's SEN Review and of this key technical change that would have serious consequences should it arise.
150. Despite the three-year spending review there is still uncertainty in the overall Local Government finance position beyond 2022/23. The government has promised to consult on a fairer funding model from local government for 2023/24 which will include changes to the current business rates retention mechanism,

changes to new homes bonus, reductions in ring fenced grants and possible new burdens funding.

151. The Government have also announced funding for Adult Social Care reforms. Whilst these are welcome, we await the details on how they will be implemented and the impact for Wiltshire. Funding for reforms will need to be distributed on proportionality of self-funders as opposed to the current distribution of Adult Social Care funding which is based on need. Whilst this represents a risk it is still unclear how this will materialise, and for the MTFS an assumption of nil impact on Wiltshire has been made until the position is clearer.
152. As part of the budget setting process, the levels of balances and reserves is reviewed and determined ensuring that the level is justifiable in the context of local circumstances. The Section 151 officer has reviewed the level in order to ensure a prudent level of balances that reflects a full risk assessment commensurate with the risks that the Council faces and the context within which the authority operates.
153. The Risk assessment as detailed in Annex 8 of Appendix 1 has put context around the level of reserves held compared to a calculated risk adjusted assessment.
154. The forecast levels of earmarked reserves are set out in the appendix and forecast balances for future years over the period of the MTFS are shown. As can be seen although the level of reserves held against risk is initially high it reduces over MTFS, as well as the overall level of earmarked reserves is reducing. Although pressures such as demand, and demography are built into the revenue budget there is limited capacity within earmarked reserves to fund transformational activity hence a transformational reserve has been established to assist in this activity.
155. On the basis of the above, the Section 151 Officer's advice is that the level of reserves, following the prudent management during 2021/22 and the continuing strategic approach to increase over the MTFS period and provide increased reserve coverage of key financial risks is adequate, that the financial standing of the Council is sound and continues to improve in the context of those key risks and that the proposed budget is robust and achievable.

### **Legal Implications**

156. The Monitoring Officer considers that the proposals, together with this report, fulfil the statutory requirements set out below with regard to setting the amount of Council Tax for the forthcoming year and to set a balanced budget:
  - Section 30(6) Local Government Finance Act 1992 ('the 1992 Act') requires that Council Tax must be set before 11 March, in the financial year preceding that for which it is set.
  - Section 32 of the 1992 Act sets out the calculations to be made in determining the budget requirements, including contingencies and financial reserves.
  - Section 33 of the 1992 Act requires the Council to set a balanced budget.

- Section 25(1) Local Government Act 2003 ('the 2003 Act') requires the Chief Finance Officer of the Council to report to it on (a) the robustness of the estimates made for the purposes of the calculations; and (b) the adequacy of the proposed financial reserves.
- Section 25(2) the 2003 Act requires that when the Council is considering calculations under Section 32, it must have regard to a report of the Chief Finance Officer concerning the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves.
- The Local Authorities (Functions & Responsibilities) (England) Regulations 2000 (as amended) set out the respective functions of Council and of the Cabinet. With regard to the setting of the budget and Council Tax for the forthcoming year, the Regulations provide that the Cabinet formulates the plan or strategy (in relation to the control of the Council's borrowing or capital expenditure) and the preparation of estimates of the amounts to be aggregated in making the calculations under Section 32 of the 1992 Act. However, the adoption of any such plan or strategy/calculations is the responsibility of full Council.
- Sections 30 to 36 of the Local Government Finance Act 1992 require that the Council sets a budget and Council Tax by 11 March each year and in doing so make a number of statutory calculations incorporated by resolution. The Localism Act 2011 has amended some of the terms and definitions to accommodate the introduction of powers to call local referendums for excessive Council Tax increase. The Council is now required to make a calculation of the Council Tax Requirement (Section 31A), excluding Parish precepts. The Act (Section 36) further prescribes that a calculation of the basic amount of Council Tax be presented together with an analysis of the Council Tax across the area and by valuation band. These calculations are required to be presented in a prescribed format and be subject to formal resolution by the Council.
- Section 12(2) of the Local Government Finance Act 2012 and The Council Tax (Administration and Enforcement) (Amendment) (No.2) (England) Regulations 2012 gave billing authorities the discretion to levy an empty homes premium of up to 50% on council tax payable in respect of dwellings that have been left empty and unfurnished for two years or more, resulting in a council tax rate for long-term empty properties of up to 150% of the normal liability.
- The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 provided billing authorities with discretion to charge an additional premium where a property has remained empty and unfurnished for a period in excess of two years. 17.4 The Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 as amended by the Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 provided an authority with discretion to change the discount in respect of empty and unfurnished properties. Any change to the premium/discount in place needs to be published, as a

public notice, within 21 days of the Council adopting any new premium/discount.

- The Local Authorities (Standing Orders)(England) Regulations 2001 deal, amongst other things, with the process of approving the budget. Under the constitution the adoption of the budget and the setting of the Council Tax are matters reserved for the Council upon recommendation from Cabinet.
- Council budget: In reaching their decisions, Members and officers must act reasonably, taking into account all relevant considerations and ignoring irrelevant ones. There is a need to ensure that when making budget decisions the result is not one which is irrational in the Wednesbury sense (i.e. one which no reasonable local authority could have made). The Council's overriding duty is to make a lawful budget and this is the touchstone against which other considerations must be tested.
- The Council must have regard to its public sector equality duties when making decisions. This includes the requirement to undertake a Diversity Impact Assessment in relation to all significant changes to policies, procedures or practice, and to pay 'due regard' to the need to eliminate discrimination and promote equality with regards to race, disability and gender. An overarching Equalities Impact Assessment has been included as an addendum report.
- Appropriate consultation will take place before decisions proposed in this report are made, where required by law or otherwise.
- Legal Obligations: Local authorities provide services pursuant to statutory duties (a mandatory requirement to provide services), and statutory powers, (where the Council has a discretion whether or not to provide services). Where the Council has a legal duty then it still has discretion in determining the manner in which those services are provided, so long as the level of quality of service provision is sufficient to fulfil the statutory duty. The decision to implement budget reductions must not focus solely on financial considerations. Members and officers must address the core question of individual service users' needs. Case law has held that resources may be a relevant consideration in making a decision relating to the manner of service provision, so long as the individual's assessed needs are met.
- Charges for services: In considering charges for services, Members and officers should also try to achieve a fair balance between the interests of the users of council services and Council Tax payers. Where charges are being increased, Members need to bear in mind the scale and extent of the charges, and may need in some cases to have regard to the costs of service provision, associated with the power to charge.
- Members' responsibility to make a personal decision: In Council, Members must make a personal decision on how to vote on the budget proposals. Members' overriding duty is to the whole community. Members have a special duty to their constituents, including those who did not vote for them. Whilst Members may be strongly influenced by the views of others,

and of their party in particular, it is their responsibility alone to determine what view to take when deciding upon budget questions. He/she should not follow party loyalty and party policy to the exclusion of other considerations.

- Members need to balance the cost to Council Tax payers of any budget reductions, against the need for the benefits of services of the particular nature, range and quality, under consideration. If having taken into account all relevant (and disregarding all irrelevant) considerations, Members are satisfied that it is financially prudent and reasonable to make the proposed budget reductions and adopt the recommendations then they may properly and reasonably decide to do so.
- Capping: The Localism Act 2011 has superseded the previous capping legislation and dictates that should a council propose an increase in Council Tax which would be deemed to be excessive in accordance with principles and levels designated by the minister, then a local referendum on the proposal would be required. This would necessitate the drafting of an alternative proposal that would meet ministerial requirements to be put to the electorate alongside the 'excessive' proposition. Since this proposed budget is below the 'excessive' threshold this does not apply.
- Housing Revenue Account: Under Section 76 of the Local Government and Housing Act 1989, the council is required, in advance of the financial year, to formulate proposals which satisfy the requirement that, on certain stated assumptions, the Housing Revenue Account for that year does not show a debit balance. The council is obliged to implement those proposals and from time to time to determine whether the proposals satisfy the 'break even' requirement. If not, then the council shall make such provisions as are reasonable practicable towards securing that the proposals as revised, shall satisfy the requirement.
- Under Section 24 of the Housing Act 1985, the council can make such reasonable charges as it determines for the tenancy or occupation of its houses. The council is obliged, from time to time, to review rents charged and make such changes, as circumstances may require. In exercising this function (determining and fixing rent), the council should have regard to the rents charged in the private sector. A decision to increase rent constitutes a variation of the terms of a tenancy. Under Section 103 of the Housing Act 1985, in respect of secure tenancies, a notice of variation (specifying the variation and date on which it takes effect) must be served on each tenant. For non-secure tenancies (excluding introductory tenancies), a notice must be served that complies with Section 25 of the Housing Act 1985. The Housing Act 1985 defines the legal requirements for informing tenants of rent increases. In practice this requires the issue of written notification to each tenant a minimum of four weeks in advance of the date that the increase becomes operative.
- The Local Authorities (Standing Orders (England) (Amendment) Regulations 2014) require that a recorded vote shall be held on the substantive motion at any Budget Council Meeting

## Workforce Implications

157. Proposals around how the budget gap will be bridged will look at all avenues open to the Council and this includes looking at the service the Council provides from a statutory and discretionary level as well as the costs that fall within those services most notably third party spend and staffing. Changes to workforce will be minimised in so far as they can be with mitigations such as holding vacancies where possible and steps to mitigate the need for redundancies will be taken.
158. Staffing savings of £10m have been identified across the MTFs period and steps to deliver these savings will include the deletion of some vacant posts, holding other vacancies temporarily to deliver an increase in the vacancy factor of 1.5%, and reviewing service structures to ensure they have the most effective and efficient staffing models. In addition, changes to some terms and conditions are proposed and negotiations with the recognised trade unions to deliver these savings are taking place with the aim of reaching agreement on these changes by 1 April 2022. The negotiations will aim to deliver £2.1m of the savings required.
159. Where savings do impact on the workforce the Council has in place robust policies and procedures to support this.

## Options Considered

160. There is a statutory requirement to set a balanced budget. Other options to close the gap have been considered, however those options have been considered as damaging to the overall delivery of the new business plan and have therefore been discounted.

## Conclusions

161. The report supports effective decision making and allows the council to set a balanced revenue budget for 2022/23 and set council tax levels. It also ensures that the council has an MTFs to support long-term financial sustainability and aligns the budget to the Council's Business Plan.

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12 January 2022

## Appendices:

Appendix 1 – Council Budget 2022/23 & Medium Term Financial Strategy 2022/23 to 2024/25

Appendix 2 – Capital Strategy 2022/23 to 2029/30

## Background Papers

None



# **Council Budget 2022/23**

## **and**

# **Medium Term Financial Strategy**

## **2022/23 to 2024/25**

This document sets out the Council's Budget 2022/23 and Medium Term Financial Strategy (MTFS) to 2024/25.

It maps out in financial terms the Council's journey for the 2022/23 budget and the following two years, taking its direction from the Council's new Business Plan.

The budget will be refreshed annually to take account of any local or national changes and to provide for a three year financial plan in line with the Government's three year spending review. It will follow any review or refresh of the Council's new Business Plan in subsequent years, incorporating any resulting financial changes. It will also be updated for changes in national and local funding assumptions, local income projections, spending pressures and any changes in savings plans.

Finally, the document sets out in detail the proposed saving plans and the estimates and assumptions used in developing the Budget and the MTFS. Those assumptions will be reviewed on a continued basis and, if necessary, amended for future years as more data and evidence on service demands and funding becomes available.

As such, whilst the budget estimates for 2022/23 have been proposed and are set, budgets for the ensuing years 2023/24 – 2024/25 are indicative only and are likely to significantly change before the final budgets for those years are approved as part of the annual cycle.

## FUNDING ASSUMPTIONS

The Council receives its funding to deliver services in the main from local taxes, council tax and business rates. It also receives funding from Government in the form of grant. Where this grant is either ringfenced or service specific e.g. Public Health, it is budgeted for against the service it relates too. All other grants are considered core funding and are held 'below the line' to fund the spending on services.

This section will go through the assumptions and data being used to estimate the level of funding being received for those three main funding sources.

### Council Tax

The forecast for Council Tax income is driven by two main factors:

a) The number of Band D equivalent properties, known as the 'taxbase'.

The taxbase for 2022/23 is estimated 189,964.37 Band D equivalents. Going forward, the Council has assumed a collection rate of 98.8% and annual 'growth' of around 1.2% p.a. It is forecast that, by 2024/25, the taxbase will be 194,550.87 Band equivalents.

b) The charge per Band D equivalent property.

The Council tax charge 2022/23 is £1,638.16, a general rise of 1.99%, plus a further 1% levy for Adult Social Care. A total 2.99% increase on the 2021/22 charge.

Forecasts for later years of the MTFs are based on a further general rise of 1.99% p.a. in each year from 2023/24 to 2024/25, plus one more year of the Adult Social Care levy at 1% in 2023/24.

The current Government Council Tax Referendum prescribed limit of 2% for 2022/23 was announced in the provisional settlement.

Also, in the settlement an Adult Social Care levy of 1% for each of the next three years was permissible for those Councils who have social care responsibilities. This must be spent wholly on Adult Social Services.

The table below sets out the detail on the Council Tax assumptions over the MTFs.

|                                | 2021/22    | 2022/23    | 2023/24    | 2024/25    |
|--------------------------------|------------|------------|------------|------------|
| Tax base (Band D Equivalents)  | 187,517.40 | 189,964.37 | 192,243.94 | 194,550.87 |
| Increase in properties         |            | 2,446.97   | 2,279.57   | 2,306.93   |
| % increase                     |            | 1.3%       | 1.2%       | 1.2%       |
| Band D Charge (£p)             | £1,590.60  | £1,638.16  | £1,687.14  | £1,720.71  |
| Increase in £p                 |            | £47.56     | £48.98     | £33.57     |
| Price % increase               |            | 2.99%      | 2.99%      | 1.99%      |
| Total Council Tax revenue (£m) | 298.265    | 311.192    | 324.342    | 334.766    |
| Increase in £                  |            | 12.927     | 13.151     | 10.424     |
| Increase in %                  |            | 4.33%      | 4.23%      | 3.21%      |

## **Business Rates**

National Non Domestic Rates (NNDR) are charged on non-domestic properties such as shops, offices and factories. They are calculated using the rateable value (RV) of an eligible property and multiplying it by the appropriate multiplier. The RV is set by the Valuations Office Agency (VOA).

The Council bills all registered properties and under the current national 50:50 business rate retention scheme, the Council retain 49%, the Fire Authority 1% and 50% of the business rates collected is paid over to the Government.

When the 50:50 business rate retention system was introduced in 2013/14, as part of wide changing reforms to Local Government Funding, the Government also introduced a tariff and top up redistribution system based on the overall funding baseline that was set to ensure no Council lost out or indeed profited from the new Local Government funding system.

The level of tariff is estimated at circa £14m and is taken off at source as part of the business rate mechanism, when you take this into the rate retention mechanism, the Council retains around 39% of the distributable business rates within Wiltshire.

The Government announced in the spending review that it would freeze the increase in the multiplier rate for 2022/23 to provide continuing support to businesses. Consequently, the Government announced in the provisional settlement that it would compensate Local Government for the loss of business rates because of the freeze. It is estimated therefore that Wiltshire will receive around £1.16m in funding through a section 31 grant in 2022/23 only, given the intention for business rate reform in 2023/24.

## **Collection Fund Surplus/Deficit**

Over the past 2 years the Collection Fund has seen significant changes due to the economic impact of COVID-19 and the steps taken by government to support businesses and households. The main change has been within the business rates regime and the timing of the reliefs announced for certain business sectors and the timing of the grant to compensate councils for these reliefs. Due to the mechanism and regulation significant deficits have been seen in business rates, with s31 grant funding received in the year to mitigate the cashflow impact on councils.

The declared position of the overall Collection Fund administered by the council for 2021/22 is a surplus for Council Tax of £3.855m and a deficit for Business Rates of (£30.384m). The council's share of these balances is £3.266m and (£14.888m) respectively, resulting in an overall deficit of (£11.622m). Due to the accounting regulation for the Collection Fund this cost falls to the council during the 2022/23 financial year, and this is funded by s31 grant received in 2021/22 that will be rolled forward.

The previous year's deficit will continue to be funded by the monies set aside in the Collection Fund Volatility reserve over the 3 year period 2021/22-2023/24 as originally planned, with the timing of the financial impact across the 3 years set out in the regulations set by government.

Risk remains with the income from local taxation despite the positive indications of new homes growth and the on-going support from government and to support the mitigation of this risk for the council continue to hold a Collection Fund Volatility reserve that was created in 2020/21, and this reserve is forecast to hold £5.675m at the beginning of 2022/23.

### **Provisional Local Government Settlement**

The Chancellor of the Exchequer announced a three year spending review on 27 October 2021 and outlined an additional £1.6bn a year (£4.8bn over three years) in funding to Local Government and £3.6bn over three years to fund adult social care reforms.

On the 16 December 2021 the Secretary of State announced the provisional local government settlement which provided details on the grant allocations to Councils from this additional funding, together with other measures aimed at supporting Council finances.

The settlement was announced for one year with the intention for reform to take place on how local government is funded from 2023/24.

Nationally of the £1.6bn, £822m had been identified as a new grant for local services and £636m would be for social care. The balance had been top sliced by the Ministry to fund other specific activities.

Of the £636m announced nationally as additional funding for social care, £556m is to be paid as additional social care social grant and £80m to equalise out the Adult Social Care precept flexibilities. The council is set to receive £4.226m from the additional social care grant allocation but does not receive any funding from the Adult Social Care equalisation owing to its Council Tax base position compared to other authorities.

The £822m made available nationally for a new Services Grants is additional one-off funding. The Government announced that the funding covers costs for the increase in employer National Insurance contributions (see Pay Award section below) but that it would not be baselined for transitional support in future years. The allocation for the council has been confirmed as £3.991m, which is new funding for the council and was not previously included in the MTFs assumptions but has only been included for 2022/23 until Government confirm the position for 2023/24. All other grants have been assumed that they will continue at the same rate as 2022/23.

Funding for Adult Social Care reforms was also announced with £162m being made nationally for Councils with social care responsibility in 2022/23 to assist with Market Sustainability and implementing the fair cost of care. This funding will increase significantly, in line with the £3.6bn national figure, as reforms are introduced from October 2023. Wiltshire will receive £1.231m in 2022/23 and it is expected that the cost of the implementation of reforms during 2022/23 as well as the cost of the actual reforms in the latter part of the MTFs will be cost neutral, however this represents a risk to the Council given Wiltshire's high proportion of self-funders in care settings.

The provisional settlement confirmed that year 12 payments for the New Homes Bonus would now be made alongside the legacy payment of £2.407m. An additional

£4.271m of grant funding is to be paid, allocating a total of £6.678m to the council overall for the New Homes Bonus grant.

Other smaller core funding grants have been confirmed as continuing at the same level of funding as 2021/22, and these grants include the Lower Service Tier grant, confirmed at £0.498m and Rural Services Delivery Grant confirmed to continue with the same quantum and basis of allocation, which for the council is £3.480m.

Details of the core funding Government grants are provided in the table below.

| Provisional Settlement Comparison            | FINANCIAL YEAR 2022/23 |                  |               | 2023/24        | 2024/25        |
|--|------------------------|------------------|---------------|----------------|----------------|
|  | MTFS                   |                  |               | Estimate<br>£m | Estimate<br>£m |
|  | Dec 2021<br>£m         | Settlement<br>£m | Outcome<br>£m |                |                |
| Lower Tier Services Grant                    | 0.473                  | 0.498            | 0.025         | 0.498          | 0.498          |
| New Homes Bonus                              | 2.407                  | 6.678            | 4.271         | 6.678          | 6.678          |
| Rural Service Development Grant              | 3.479                  | 3.479            | -             | 3.479          | 3.479          |
| New Services Grant                           | -                      | 3.991            | 3.991         | -              | -              |
| Improved Better Care Fund                    | 9.100                  | 9.100            | -             | 9.100          | 9.100          |
| New Social Care Grant                        | -                      | 4.226            | 4.226         | 4.226          | 4.226          |
| Social Care Grant                            | 10.000                 | 10.027           | 0.027         | 10.027         | 10.027         |
| Sub total Social Care Grant                  | 10.000                 | 14.253           | 4.253         | 14.253         | 14.253         |
| <b>Total Government Core Funding</b>         | <b>25.459</b>          | <b>37.999</b>    | <b>12.540</b> | <b>34.008</b>  | <b>34.008</b>  |
| Section 31 inc. NNDR Multiplier Compensation | 9.102                  | 10.262           | 1.160         | 10.262         | 10.262         |
| <b>Total Specific Grants</b>                 | <b>34.561</b>          | <b>48.261</b>    | <b>13.700</b> | <b>44.270</b>  | <b>44.270</b>  |

The Council also received funding for specific service delivery from Government and these are budgeted for within the services net budget. The significant grants are detailed in the table below.

| Specific Grants held in the Services Net Budget  | 2022/23       | 2023/24       | 2024/25       |
|--|---------------|---------------|---------------|
| Total  | £ m           | £ m           | £ m           |
| Public Health Grant                              | 17.522        | 17.522        | 17.522        |
| Former Independent Living Fund                   | 1.081         | 1.081         | 1.081         |
| NNDR Admin Grant                                 | 0.614         | 0.614         | 0.614         |
| Housing Benefit Admin subsidy                    | 1.174         | 1.174         | 1.174         |
| Homelessness Prevention Grant                    | 1.005         | 1.005         | 1.005         |
| Market Sustainability and Fair Cost of Care Fund | 1.231         | -             | -             |
| Local Authority Bus Subsidy                      | 0.985         | 0.985         | 0.985         |
| <b>Specific Grants In the Services</b>           | <b>23.612</b> | <b>22.381</b> | <b>22.381</b> |

### Summary Forecast Resources

Based on the above assumptions the total core funding available for the Council to deliver services in 2022/23 is £418m.

It reflects the higher than anticipated increases in Council Tax income and the outcome of the provisional settlement.

Going forward in the MTF5 it is anticipated that although Government grant will fall, and this is a level of uncertainty around this assumption, the additional income from council tax will see the overall resources continue to increase to £437m by 2024/25.

|                         | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25</b> |
|-------------------------|----------------|----------------|----------------|
|                         | <b>£m</b>      | <b>£m</b>      | <b>£m</b>      |
| Council Tax             | 275.755        | 285.756        | 296.180        |
| Social Care Levy        | 35.437         | 38.565         | 38.565         |
| Business Rates          | 58.500         | 58.500         | 58.500         |
| Collection Fund deficit | (12.872)       | (1.250)        | -              |
| s31 Grant - CF deficit  | 11.622         | -              | -              |
| Specific Grants         | 49.261         | 44.110         | 44.110         |
| <b>Total Funding</b>    | <b>417.703</b> | <b>425.681</b> | <b>437.355</b> |

This will form the basis of the Councils Net Revenue Budget and fund service spending plans over the next three years.

## **SERVICE SPENDING PLANS**

### **Service Spending Pressures**

As for any other organisation, the Council experiences budget pressures as a result of inflation e.g. contractual and national staff pay awards, increasing demand for service provision and changes in legislation.

The Council has considered and made provision for spending pressures that are likely to materialise, totalling over £68m by 2024/25.

Some of these pressures have been recognised during the budget monitoring of the current 2021/22 financial year but the vast majority are pressures that are expected to arise based on the current assumptions and estimates. These are listed in the table below and the most significant items explained in the ensuing narrative:

|  | 2022/23        | 2023/24       | 2024/25       | Total         |
|--|----------------|---------------|---------------|---------------|
|  | £m             | £m            | £m            | £m            |
| Pay Inflation  | 7.401          | 4.063         | 4.234         | 15.698        |
| Contractual Inflation                                    | 13.608         | 8.745         | 8.197         | 30.550        |
| <b>Total Inflationary Pressures</b>                      | <b>21.009</b>  | <b>12.808</b> | <b>12.431</b> | <b>46.248</b> |
| Removal of Election Costs                                | (1.000)        | -             | -             | (1.000)       |
| Revised Income Assumptions                               | (3.485)        | (0.200)       | -             | (3.685)       |
| Demand for Adult Social Care<br>inc. Hospital Discharges | 0.365          | 3.273         | 3.449         | 7.087         |
| Demand for School Transport<br>inc. SEND Transport       | 0.001          | 2.842         | 3.165         | 6.008         |
| Demand for Children's Social Care                        | 0.742          | 0.110         | (0.212)       | 0.640         |
| Waste Management changes                                 | (0.299)        | 0.113         | 0.118         | (0.068)       |
| Increase for Ash Die Back                                | 0.500          | -             | -             | 0.500         |
| Base budget for Monkton Park PFI                         | 0.509          | -             | -             | 0.509         |
| Increase in scope of new income system                   | 0.053          | -             | -             | 0.053         |
| CCG contribution from Better Care Fund                   | (1.654)        | -             | -             | (1.654)       |
| Reduction in Corporate Legal costs                       | (0.250)        | -             | -             | (0.250)       |
| Scale back PPE requirements                              | (0.270)        | -             | -             | (0.270)       |
| Financing the Capital Programme                          | 0.154          | 8.933         | 3.483         | 12.570        |
| <b>Total Demand Pressures</b>                            | <b>(4.634)</b> | <b>15.071</b> | <b>10.003</b> | <b>20.440</b> |
|  |                |               |               | -             |
| Cabinet Investment on SEND & Inclusion                   | 1.742          | -             | -             | 1.742         |
| <b>Grand Total Spending Pressures</b>                    | <b>18.117</b>  | <b>27.879</b> | <b>22.434</b> | <b>68.430</b> |

### Pay inflation

Pay inflation includes the national pay award, annual increments for staff not at the top of their scale and the impact of national insurance rises.

In 2022/23 £7.4m has been budgeted to allow for the previously unbudgeted pay award from 2021/22, which at the time of publication the outcome was still unknown, as well as the pay award for 2022/23. Both years awards have been estimated at 2%.

In addition, from April 2022 National Insurance contribution rate will increase by an additional 1.25%. From April 2023 National Insurance will return to the current rate and the extra tax will remain as a new Health and Social Care levy.

### Contractual inflation

The total contract inflation arising over the next three years is estimated to be circa £30.5m, with £13.6m estimated in 2022/23.

The Council budgets for inflation based on the indices that those supplies and services are contractually linked to. For strategic budget planning purposes, we are looking to hold this to Consumer Price Index (CPI) but specific contracts will have different indices aligned to them.

While the Council works towards that position, the approach towards inflation management within contracts varies across the organisation and therefore reflects the actual pressures identified by services and the inflation indices used.

The majority of contracts are linked to CPI and the councils uses the Bank of England (BoE) forecast issued in November of the preceding year to estimate the CPI rate. Previously the MTFs was assuming the BoE target rate of 2% but given the recent rises in inflation the forecast for 2022/23 released in November estimated the average CPI for the year would be 4%.

All inflation assumptions linked to CPI have now used this revised higher forecast for 2022/23, returning back down to 2% from 2023/24.

There are outliers for forecasts on inflation, most notably around energy prices. Given the current volatility of the energy market the Council has moved to secure and fix the majority of its energy prices entering into the 2022/23 financial year. This provides security against the ongoing volatility but will see significant uplift against the current contract prices, with Gas at 60% and Electricity at 35%.

### **Demand for Services**

Demand for services the Council provides is driven dependent on a specific service, for Waste Management it is driven through the number of households and the total tonnage of Waste produced, for Adult Social Care the number of residents requiring packages of care or placements. For the latter an ageing demographic will have a significant impact on the amount of demand predicted to arise.

The base budget was set assuming a level of demand for services that was estimated in 2021/21, at the height of the pandemic in February 2021, and throughout the current financial year forecasts have been revised based on latest evidence and trends.

For 2022/23 revisions have been made to the base budget to accurately revise the level of base budget to reflect current demands in some services, with later years then revised to estimate the level of demand for those services from that revised base. Revisions have been made during the budget monitoring of the 2021/22 financial year where they are recognised to continue into future years e.g. hospital discharge costs, as a result of the current trends which are expected to continue, are estimated to increase by nearly £2m in 2022/23.

Income assumptions have also been updated to reflect an improving position from those income streams significantly impacted as a result of COVID-19 and the social distancing guidelines and measures that were in place during 2021/22.

### **Cabinet Investment**

As resolved at the Cabinets meeting on 21 July 2021, an investment of £1.742m has been included in the 2022/23 budget to increase capacity within Special Educational Needs and Disabilities (SEND)END & Inclusion services to ensure fit for purpose, efficient, quality sustainable and secure service to deliver the SEND & Inclusion strategy

### **SAVINGS**



The Cabinet have been working on putting together saving proposals over the three years that would not only still enable business plan priorities to be delivered but also for the Councils finances to be managed and move to a sustainable footing.

Saving proposals have been put forward that total £39m over the MTFS, significantly over £25m in the first year.

|                              | 2022/23<br>£m   | 2023/24<br>£m   | 2024/25<br>£m  | Total<br>£m     |
|------------------------------|-----------------|-----------------|----------------|-----------------|
| Previously Approved Savings  | (0.585)         | (1.000)         | (0.790)        | (2.374)         |
| Staffing Savings Proposals   | (6.985)         | (3.211)         | -              | (10.197)        |
| Service Savings Proposals    | (17.255)        | (6.476)         | (2.200)        | (25.931)        |
| <b>Total Savings Planned</b> | <b>(24.825)</b> | <b>(10.687)</b> | <b>(2.990)</b> | <b>(38.502)</b> |

The detail proposal for savings by each service are shown in annex 6 of this appendix.

## CAPITAL PROGRAMME

The Capital Programme is detailed in annex 7, a summary is provided below.

|  | Revised<br>22/23<br>Budget | Revised<br>23/24<br>Budget | Revised<br>24/25<br>Budget | Revised<br>25/26<br>Budget | Revised<br>26/27<br>Budget | Revised<br>27/28<br>Budget | Revised<br>28/29<br>Budget | Revised<br>29/30<br>Budget | TOTAL            |
|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|------------------|
| Approved Capital Programme                                 | 289.870                    | 160.874                    | 136.175                    | 66.341                     | 66.760                     | 68.047                     | 69.286                     | 70.692                     | 928.045          |
| Capital Bids approved as part of<br>2022/23 Budget Setting | 17.245                     | 44.541                     | 61.410                     | 18.866                     | 44.306                     | 87.685                     | 84.605                     | 0.250                      | 358.908          |
| <b>Total</b>   | <b>307.115</b>             | <b>205.415</b>             | <b>197.585</b>             | <b>85.207</b>              | <b>111.066</b>             | <b>155.732</b>             | <b>153.891</b>             | <b>70.942</b>              | <b>1,286.953</b> |

### Financed By:

|                               |                |                |                |               |                |                |                |               |                  |
|-------------------------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---------------|------------------|
| Grants                        | 73.152         | 79.999         | 101.497        | 40.574        | 62.232         | 99.055         | 96.387         | 24.720        | 577.616          |
| Contributions                 | 2.198          | 7.162          | 7.739          | 2.962         | 0.542          | 0.000          | 0.000          | 0.000         | 20.603           |
| HRA                           | 45.159         | 38.309         | 36.391         | 36.434        | 37.621         | 38.935         | 40.203         | 41.512        | 314.564          |
| Capital Receipts              | 3.439          | 0.250          | 0.250          | 0.250         | 0.250          | 0.250          | 0.250          | 0.250         | 5.189            |
| Flexible Capital Receipts     | 0.000          | 0.000          | 0.000          | 0.000         | 0.000          | 0.000          | 0.000          | 0.000         | 0.000            |
| Borrowing - Funded by Revenue |                |                |                |               |                |                |                |               |                  |
| Saving in Service             | 100.787        | 33.478         | 13.299         | 0.019         | 0.119          | 0.141          | 0.163          | 0.309         | 148.315          |
| Borrowing                     | 82.380         | 44.217         | 38.409         | 4.968         | 4.150          | 4.151          | 4.150          | 4.151         | 186.576          |
| Other                         | 0.000          | 2.000          | 0.000          | 0.000         | 6.152          | 13.200         | 12.738         | 0.000         | 34.090           |
| <b>Total Funding</b>          | <b>307.115</b> | <b>205.415</b> | <b>197.585</b> | <b>85.207</b> | <b>111.066</b> | <b>155.732</b> | <b>153.891</b> | <b>70.942</b> | <b>1,286.953</b> |

New schemes totalling £359m will be added to the Capital Programme, the majority of which will be funded from sources other than borrowing. The schemes are detailed below.

The revenue financing of new schemes that are funded from borrowing, which totals over £45m, has been factored in the pressures of the MTFS.

|   | Revised<br>22/23<br>Budget | Revised<br>23/24<br>Budget | Revised<br>24/25<br>Budget | Revised<br>25/26<br>Budget | Revised<br>26/27<br>Budget | Revised<br>27/28<br>Budget | Revised<br>28/29<br>Budget | Revised<br>29/30<br>Budget | TOTAL          |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------|
| Major Road Network M4 Junction 17                   | 1.007                      | 1.233                      | 17.033                     | 8.567                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 27.840         |
| A338 Salisbury Junction Improvements MRN            | 0.759                      | 0.561                      | 10.136                     | 4.114                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 15.570         |
| A350 Chippenham Bypass (Ph 4&5) MRN                 | 1.091                      | 19.056                     | 11.070                     | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 31.217         |
| A3250 Melksham Bypass LLM - Full Scheme             | 2.825                      | 5.630                      | 5.795                      | 5.935                      | 44.056                     | 87.435                     | 84.355                     | 0.000                      | 236.031        |
| Parking Contactless Machines                        | 0.127                      | 0.127                      | 0.126                      |                            |                            |                            |                            |                            | 0.380          |
| Trowbridge Leisure Centre                           | 2.000                      | 13.000                     | 10.000                     |                            |                            |                            |                            |                            | 25.000         |
| FME - Commercial & Rural Estate Planned Maintenance | 0.630                      | 0.250                      | 0.250                      | 0.250                      | 0.250                      | 0.250                      | 0.250                      | 0.250                      | 2.380          |
| FMOE - Car Parks - Structural & Lighting            | 1.000                      | 0.500                      | 0.500                      |                            |                            |                            |                            |                            | 2.000          |
| FMOE -Salisbury Library                             |                            | 0.750                      |                            |                            |                            |                            |                            |                            | 0.750          |
| Fleet - Carbon Neutral Fleet                        | 1.410                      |                            |                            |                            |                            |                            |                            |                            | 1.410          |
| Drainage Improvements                               | 0.500                      | 0.500                      | 0.500                      |                            |                            |                            |                            |                            | 1.500          |
| HRC Savings Infrastructure                          | 0.100                      |                            |                            |                            |                            |                            |                            |                            | 0.100          |
| Passenger Transport RTP1                            | 0.695                      |                            |                            |                            |                            |                            |                            |                            | 0.695          |
| SMM - School Mobile Accomodation Replacement        | 0.500                      | 1.500                      | 1.000                      |                            |                            |                            |                            |                            | 3.000          |
| Early Years Buildings                               | 1.170                      |                            |                            |                            |                            |                            |                            |                            | 1.170          |
| Waste Collection Vehicle Replacement                | 0.500                      |                            |                            |                            |                            |                            |                            |                            | 0.500          |
| MBT Emissions Control Equipment                     | 0.300                      |                            |                            |                            |                            |                            |                            |                            | 0.300          |
| Closed Landfill Sites - Review & Works              | 0.219                      | 0.219                      |                            |                            |                            |                            |                            |                            | 0.438          |
| Leisure Centres Requirements                        | 2.412                      | 1.215                      | 5.000                      |                            |                            |                            |                            |                            | 8.627          |
| <b>Total</b>  | <b>17.245</b>              | <b>44.541</b>              | <b>61.410</b>              | <b>18.866</b>              | <b>44.306</b>              | <b>87.685</b>              | <b>84.605</b>              | <b>0.250</b>               | <b>358.908</b> |

## RESERVES

The Council holds reserves to either undertake planned one off investment/spending or to deal with financial shocks/risk that face the authority in its operations.

In the setting of the 2021/22 budget the Cabinet unveiled its intention to be more transparent on the reserves held and to move the Council to holding reserves that are commensurate with the level of financial risk being faced, and where that was lower than how it would plan to move towards the level of risk assessed balance.

The General Fund Reserve is the Councils reserve held to deal with all financial shocks, whatever they may be. The table below shows the estimated opening balance, reflecting the increased balance as a result of the increases planned during 2021/22, and the balances as a result of holding to the planned strategy of increasing contributions to bring the reserve up to the risk assessed level over the MTFs.

### General Fund Reserve Forecast

| Year Ended 31 March           | 2022/23<br>£M | 2023/24<br>£M | 2024/25<br>£M |
|-------------------------------|---------------|---------------|---------------|
| Opening Balance               | 18.256        | 18.256        | 19.656        |
| Contribution to / (from)      | 1.400         | 1.400         | 1.400         |
| Removed as per budget setting | (1.400)       | -             | -             |
| Closing Balance               | 18.256        | 19.656        | 21.056        |

Annex 8 provides the full detail on the general fund risk assessment. The table below then provides an estimate of the reserves held against the risk assessed level. The budget equalisation reserve is being estimated to be used to balance the 2023/24 budget and then exhausted in 2024/25, however the reality is likely that either further

saving proposals will come forward or Government's funding reforms will become clearer for Wiltshire.

### Reserves Held Against Assessed Financial Risk

| Year Ended 31 March                | 2022/23<br>£M | 2023/24<br>£M | 2024/25<br>£M |
|------------------------------------|---------------|---------------|---------------|
| General Fund                       | 18.256        | 18.256        | 19.656        |
| Budget Equalisation                | 16.520        | 16.520        | 7.418         |
| Collection Fund Volatility         | 6.438         | 5.188         | 3.938         |
| Latent Demand                      | 7.034         | 4.034         | -             |
| Opening Balance                    | 48.248        | 43.998        | 31.012        |
| Net Movement on General Fund       | -             | 1.400         | 1.400         |
| Planned use of Budget Equalisation | -             | (9.102)       | (7.418)       |
| Planned use of Collection Fund     | (1.250)       | (1.250)       | -             |
| Estimated use of Latent Demand     | (3.000)       | (4.034)       | -             |
| Closing Balance                    | 43.998        | 31.012        | 24.994        |
| Represented By:                    |               |               |               |
| General Fund                       | 18.256        | 19.656        | 21.056        |
| Budget Equalisation                | 16.520        | 7.418         | -             |
| Collection Fund Volatility         | 5.188         | 3.938         | 3.938         |
| Latent Demand                      | 4.034         | -             | -             |
| Closing Balance                    | 43.998        | 31.012        | 24.994        |
| Risk Assessed Balance*             | 27.615        | 27.615        | 27.615        |
| Cover                              | 159%          | 112%          | 91%           |

The Council also holds Earmarked Reserves to deliver on planned or ringfenced spending. The table below provides details on the total level of reserves held by the Council, including Earmarked Reserves as well as Dedicated Schools Grant (DSG) and school balances.

| Reserve                    | Closing Balance<br>2021/22<br>£m | Closing Balance<br>2022/23<br>£m | Closing Balance<br>2023/24<br>£m | Closing Balance<br>2024/25<br>£m |
|----------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| <b>General Fund</b>        | <b>18.256</b>                    | <b>18.256</b>                    | <b>19.656</b>                    | <b>21.056</b>                    |
| <b>EARMARKED RESERVES:</b> |                                  |                                  |                                  |                                  |
| Budget Equalisation        | 16.520                           | 16.520                           | 7.418                            | 0.000                            |
| Latent Demand              | 7.034                            | 4.034                            | 0.000                            | 0.000                            |
| Collection Fund Volatility | 6.925                            | 5.675                            | 4.425                            | 4.425                            |
| Public Health              | 4.823                            | 4.823                            | 4.823                            | 4.823                            |
| Transformation             | 3.299                            | 3.299                            | 3.299                            | 0.000                            |
| Business Plan Priorities   | 0.397                            | 0.509                            | 0.000                            | 0.000                            |
| PFIs                       | 5.494                            | 5.494                            | 5.494                            | 5.494                            |
| Insurance                  | 2.338                            | 2.038                            | 1.738                            | 1.738                            |
| Other Earmarked            | 4.993                            | 3.910                            | 4.041                            | 4.041                            |
| <b>Total Earmarked</b>     | <b>51.823</b>                    | <b>46.302</b>                    | <b>31.239</b>                    | <b>20.522</b>                    |
| <b>Schools Balances</b>    | 12.542                           | 12.542                           | 12.542                           | 12.542                           |
| <b>DSG</b>                 | -27.708                          | -38.708                          | -51.708                          | -51.708                          |
| <b>TOTAL</b>               | <b>54.913</b>                    | <b>38.392</b>                    | <b>11.729</b>                    | <b>2.412</b>                     |

## Annexes

Annex 1 – Service Budget Targets 2022/23

Annex 2 – Detail by Service on Technical Adjustments. Pay Award & Investment

Annex 3 – Detail by Service on Budget Monitoring Permanent Changes

Annex 4 – Detail by Service on Contractual Inflation

Annex 5 – Detail by Service on Service Demand Changes

Annex 6 – Detail by Service on Saving Proposals

Annex 7 – Capital Programme 2022/23 to 2029/30

Annex 8 – General Fund Reserve Risk Assessment 2022/23

Annex 9 – Fees and Charges (TO FOLLOW)

Wiltshire Council - MTFP Model 2022-23 to 2024-25  
Annex 1 - Service Budget Targets 2022/23

| Service                                   | Analysis of Movement in the 2021-22 Budget to the Proposed 2022-23 Budget |                   |                       |                   |                    |                                     |                       |                    |                             |                            |                           |                         |                    |
|---|---|-------------------|-----------------------|-------------------|--------------------|-------------------------------------|-----------------------|--------------------|-----------------------------|----------------------------|---------------------------|-------------------------|--------------------|
|   | Revised Base Budget 2021/22   | Funding Changes   | Technical Adjustments | Pay Award         | Cabinet Investment | Budget Monitoring Permanent Changes | Contractual Inflation | Demand             | Previously Approved Savings | Staffing Savings Proposals | Service Savings Proposals | Proposed Budget 2022/23 | Change in Budget   |
| Living and Ageing Well Total              | £67,894,905   | -                 | -                     | £936,400          | -                  | £1,996,000                          | £2,455,600            | £4,111,700         | -£60,000                    | -£788,700                  | -£4,450,000               | £72,095,905             | £4,201,000         |
| Whole Life Pathway Total                  | £81,004,825   | -                 | £2,793,000            | £410,000          | -                  | -                                   | £2,896,800            | -£5,742,300        | -                           | -£439,400                  | -£2,920,000               | £78,002,925             | -£3,001,900        |
| Education & Skills Total                  | £20,466,610   | -                 | -                     | £826,700          | £1,742,000         | -                                   | £507,100              | -£89,200           | -                           | -£390,500                  | -£334,500                 | £22,728,210             | £2,261,600         |
| Families & Children's Total               | £60,509,910   | -                 | £750,000              | £1,220,200        | -                  | -                                   | £1,045,400            | £741,700           | -£525,000                   | -£1,039,400                | -£528,100                 | £62,174,710             | £1,664,800         |
| <b>Corporate Director People Total</b>    | <b>£229,876,250</b>   | <b>-</b>          | <b>£3,543,000</b>     | <b>£3,393,300</b> | <b>£1,742,000</b>  | <b>£1,996,000</b>                   | <b>£6,904,900</b>     | <b>-£978,100</b>   | <b>-£585,000</b>            | <b>-£2,658,000</b>         | <b>-£8,232,600</b>        | <b>£235,001,750</b>     | <b>£5,125,500</b>  |
| Finance Total                             | £3,685,820  | -                 | -                     | £389,800          | -                  | -                                   | -                     | -                  | -                           | -£170,500                  | -£10,200                  | £3,894,920              | £209,100           |
| Assets & Commercial Development Total     | £15,382,270   | -                 | -                     | £137,900          | -                  | £509,200                            | £1,454,000            | -£411,600          | -                           | -£365,600                  | -£445,500                 | £16,260,670             | £878,400           |
| Information Services Total                | £11,413,020   | -                 | -                     | £364,900          | -                  | -                                   | £299,300              | £53,100            | -                           | -£401,800                  | -£133,000                 | £11,595,520             | £182,500           |
| Procurement & Commissioning Total         | £8,252,130  | -                 | -                     | £261,400          | -                  | -£1,654,000                         | -                     | -                  | -                           | -£363,100                  | -£1,186,300               | £5,310,130              | -£2,942,000        |
| HRA Total                                 | -   | -                 | -                     | -                 | -                  | -                                   | -                     | -                  | -                           | -                          | -                         | -                       | -                  |
| <b>Corporate Director Resources Total</b> | <b>£38,733,240</b>  | <b>-</b>          | <b>-</b>              | <b>£1,154,000</b> | <b>-</b>           | <b>-£1,144,800</b>                  | <b>£1,753,300</b>     | <b>-£358,500</b>   | <b>-</b>                    | <b>-£1,301,000</b>         | <b>-£1,775,000</b>        | <b>£37,061,240</b>      | <b>-£1,672,000</b> |
| Highways & Transport Total                | £36,891,750   | -                 | -                     | £561,000          | -                  | -£160,000                           | £2,405,600            | £425,900           | -                           | -£455,700                  | -£1,907,900               | £37,760,650             | £868,900           |
| Economy & Regeneration Total              | £2,777,516  | -                 | -                     | £94,500           | -                  | -                                   | -                     | -£37,400           | -                           | -£253,500                  | -£90,600                  | £2,490,516              | -£287,000          |
| Planning Total                            | £2,372,551  | -                 | -                     | £358,900          | -                  | -                                   | -                     | -£623,900          | -                           | -£164,400                  | -£273,000                 | £1,670,151              | -£702,400          |
| Environment Total                         | £42,879,913   | -                 | -                     | £198,600          | -                  | -£945,000                           | £2,522,500            | £36,400            | -                           | -£145,500                  | -£1,332,000               | £43,214,913             | £335,000           |
| Leisure Culture & Communities Total       | £9,581,930  | -                 | -                     | £566,400          | -                  | -£800,000                           | -                     | -£816,700          | -                           | -£959,400                  | -£97,900                  | £7,474,330              | -£2,107,600        |
| <b>Corporate Director Place Total</b>     | <b>£94,503,660</b>  | <b>-</b>          | <b>-</b>              | <b>£1,779,400</b> | <b>-</b>           | <b>-£1,905,000</b>                  | <b>£4,928,100</b>     | <b>-£1,015,700</b> | <b>-</b>                    | <b>-£1,978,500</b>         | <b>-£3,701,400</b>        | <b>£92,610,560</b>      | <b>-£1,893,100</b> |
| Public Health Total                       | £1,465,300  | -                 | -                     | £194,000          | -                  | -                                   | -                     | -                  | -                           | -£57,900                   | -£4,100                   | £1,597,300              | £132,000           |
| Legal & Governance Total                  | £8,672,560  | -                 | -                     | £403,900          | -                  | -                                   | £5,400                | -£1,131,400        | -                           | -£468,600                  | -                         | £7,481,860              | -£1,190,700        |
| HR&OD and Transformation Total            | £6,437,050  | -                 | -                     | £425,200          | -                  | -                                   | -                     | -                  | -                           | -£182,200                  | -£1,211,700               | £5,468,350              | -£968,700          |
| Corporate Directors & Members Total       | £3,328,570  | -                 | -                     | £51,500           | -                  | -                                   | -                     | -                  | -                           | -£339,000                  | -                         | £3,041,070              | -£287,500          |
| <b>Chief Executive Directorates Total</b> | <b>£19,903,480</b>  | <b>-</b>          | <b>-</b>              | <b>£1,074,600</b> | <b>-</b>           | <b>-</b>                            | <b>£5,400</b>         | <b>-£1,131,400</b> | <b>-</b>                    | <b>-£1,047,700</b>         | <b>-£1,215,800</b>        | <b>£17,588,580</b>      | <b>-£2,314,900</b> |
| Movement on Reserves Total                | -£8,444,000   | £7,306,100        | -                     | -                 | -                  | -                                   | -                     | -                  | -                           | -                          | -                         | -£1,137,900             | £7,306,100         |
| Capital Financing Total                   | £27,167,100   | -                 | -                     | -                 | -                  | -                                   | -                     | £153,500           | -                           | -                          | -£480,000                 | £26,840,600             | -£326,500          |
| Corporate Costs Total                     | £4,196,170  | -                 | -                     | -                 | -                  | -                                   | £16,400               | -£250,000          | -                           | -                          | -£850,000                 | £3,112,570              | -£1,083,600        |
| Corporate Levies Total                    | £6,625,200  | -                 | -                     | -                 | -                  | -                                   | -                     | -                  | -                           | -                          | -                         | £6,625,200              | -                  |
| <b>Corporate Total</b>                    | <b>£29,544,470</b>  | <b>£7,306,100</b> | <b>-</b>              | <b>-</b>          | <b>-</b>           | <b>-</b>                            | <b>£16,400</b>        | <b>-£96,500</b>    | <b>-</b>                    | <b>-</b>                   | <b>-£1,330,000</b>        | <b>£35,440,470</b>      | <b>£5,896,000</b>  |
| <b>WILTSHIRE COUNCIL NET BUDGET</b>       | <b>£412,561,100</b>   | <b>£7,306,100</b> | <b>£3,543,000</b>     | <b>£7,401,300</b> | <b>£1,742,000</b>  | <b>-£1,053,800</b>                  | <b>£13,608,100</b>    | <b>-£3,580,200</b> | <b>-£585,000</b>            | <b>-£6,985,200</b>         | <b>-£16,254,800</b>       | <b>£417,702,600</b>     | <b>£5,141,500</b>  |
| Council Tax Requirement                   | -£265,849,900   | -£9,904,700       | -                     | -                 | -                  | -                                   | -                     | -                  | -                           | -                          | -                         | -£275,754,600           | -£9,904,700        |
| Social Care Levy                          | -£32,415,700  | -£3,021,600       | -                     | -                 | -                  | -                                   | -                     | -                  | -                           | -                          | -                         | -£35,437,300            | -£3,021,600        |
| Rates Retention                           | -£58,500,000  | -                 | -                     | -                 | -                  | -                                   | -                     | -                  | -                           | -                          | -                         | -£58,500,000            | -                  |
| Collection Fund (surplus) / deficit       | £1,250,000  | £11,621,876       | -                     | -                 | -                  | -                                   | -                     | -                  | -                           | -                          | -                         | £12,871,876             | £11,621,876        |
| s31 Grant - Collection Fund deficit       | -   | -£11,621,876      | -                     | -                 | -                  | -                                   | -                     | -                  | -                           | -                          | -                         | -£11,621,876            | -£11,621,876       |
| Specific Grants                           | -£36,744,000  | -£7,973,700       | -£3,543,000           | -                 | -                  | -                                   | -                     | -                  | -                           | -                          | -£1,000,000               | -£49,260,700            | -£12,516,700       |
| Hardship & Emergency Funding              | -£20,301,500  | £20,301,500       | -                     | -                 | -                  | -                                   | -                     | -                  | -                           | -                          | -                         | -                       | £20,301,500        |
| <b>Income/Funding Total</b>               | <b>-£412,561,100</b>  | <b>-£598,500</b>  | <b>-£3,543,000</b>    | <b>-</b>          | <b>-</b>           | <b>-</b>                            | <b>-</b>              | <b>-</b>           | <b>-</b>                    | <b>-</b>                   | <b>-£1,000,000</b>        | <b>-£417,702,600</b>    | <b>-£5,141,500</b> |

## Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25

## Annex 2 – Detail by service on Technical Adjustments

| Corporate Directorate                                 | Service               | Description  | 2022/23           | 2023/24          | 2024/25          |
|---|-----------------------|--|-------------------|------------------|------------------|
| Corporate Director People                             | Whole Life Pathway    | Learning Disabilities & Autism Service - Technical adjustment to move Social Care Grant Income budget from Service to Funding so full grant recognised centrally | 2,793,000         | -                | -                |
| Corporate Director People                             | Families & Children's | Children in Care & Young People - Technical adjustment to move Social Care Grant Income budget from Service to Funding so full grant recognised centrally        | 750,000           | -                | -                |
| Corporate   | Movement on Reserves  | Removal of one off use of Budget Equalisation Earmarked Reserve  | 7,194,000         | -                | -                |
| Corporate   | Movement on Reserves  | Create one off Business Plan Priorities Earmarked Reserve in 2022/23   | 112,100           | (112,100)        |                  |
| Corporate   | Movement on Reserves  | Removal of Collection Fund Volatility Reserves funding of collection fund deficit  | -                 | -                | 1,250,000        |
| <b>Funding and Technical Adjustment Changes Total</b> |                       |  | <b>10,849,100</b> | <b>(112,100)</b> | <b>1,250,000</b> |

## Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25

## Annex 2 – Detail by service on Pay Award Changes

| Corporate Directorate  | Service | Description   | 2022/23          | 2023/24          | 2024/25          |
|------------------------|---------|---|------------------|------------------|------------------|
| All                    | All     | Pay Award at 2% for 2021/22 and 2022/23 and NI increase of 1.25% for 2022/23<br>Pay Award of 2% for 2023/24 & 2024/25 | 7,401,300        | 4,063,000        | 4,234,000        |
| <b>Pay Award Total</b> |         |   | <b>7,401,300</b> | <b>4,063,000</b> | <b>4,234,000</b> |

## Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25

## Annex 2 – Detail by service on Cabinet Investment

| Corporate Directorate     | Service            | Description  | 2022/23          | 2023/24  | 2024/25  |
|---------------------------|--------------------|--|------------------|----------|----------|
| Corporate Director People | Education & Skills | Investment in SEN & Inclusion service (Cabinet decision) | 1,742,000        | -        | -        |
| <b>Growth Total</b>       |                    |  | <b>1,742,000</b> | <b>-</b> | <b>-</b> |

Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25  
Annex 3 – Detail by service on Budget Monitoring Permanent Changes

| Corporate Directorate                            | Service                         | Description   | 2022/23            | 2023/24          | 2024/25  |
|--|---------------------------------|---|--------------------|------------------|----------|
| Corporate Director People                        | Living and Ageing Well          | Living Well - Net impact on level of demand that the removal of Hospital Discharge Funding by central Government imposes on the Council   | 1,996,000          | -                | -        |
| Corporate Director Resources                     | Assets & Commercial Development | Monkton Park PFI, Ear Marked Reserve exhausted in 2020/21 so base budget required   | 509,200            | -                | -        |
| Corporate Director People                        | Procurement & Commissioning     | Better Care Fund - CCG provide Wiltshire Council an element of funding from BCF for protecting Adult Social Care. This increase is inline with CCG responsibility to increase that amount inline with CCG minimum contribution. | (1,654,000)        | -                | -        |
| Corporate Director Place                         | Highways & Transport            | Local Highways - Street works Income budgets in line with 2021/22 demand  | (250,000)          | -                | -        |
| Corporate Director Place                         | Highways & Transport            | Passenger Transport - Additional Buses required for Wootton Bassett Academy so that busses arrive on site no earlier than 10 minutes before the start of the school day   | 90,000             | -                | -        |
| Corporate Director Place                         | Environment                     | Waste Management - Increase Income budgets for Green Waste, Bulky and Lot 2 HRC Recyclables Income budgets in line with 2021/22 demand  | (545,000)          | -                | -        |
| Corporate Director Place                         | Environment                     | Waste Management - implement waste collection round efficiencies  | (400,000)          |                  |          |
| Corporate Director Place                         | Leisure Culture & Communities   | Leisure Operations - Alignment of pricing levels as part of Insourcing Leisure Centres and setting target at 80% of pre-covid levels  | (800,000)          | (200,000)        | -        |
| <b>Budget Monitoring Permanent Changes Total</b> |                                 |   | <b>(1,053,800)</b> | <b>(200,000)</b> | <b>-</b> |

Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25  
Annex 4 – Detail by service on Contractual Inflation

| Corporate Directorate              | Service                         | Description  | 2022/23           | 2023/24          | 2024/25          |
|------------------------------------|---------------------------------|--|-------------------|------------------|------------------|
| Corporate Director People          | Living and Ageing Well          | Living Well - Contractual uplifts have been applied in the range of 0% to 2.68% ; in addition it is anticipated that there are specific areas where there may be significant increases in prices, and 5% for some specific services has been factored in | 2,455,600         | 2,122,100        | 2,198,700        |
| Corporate Director People          | Whole Life Pathway              | Mental Health Service - Contractual uplifts have been applied in the range of 0% to 2.5%; in addition it is anticipated that there are specific areas where there may be significant increases in prices   | 1,228,200         | 562,200          | 578,200          |
| Corporate Director People          | Whole Life Pathway              | Learning Disabilities & Autism Service - Contractual uplifts have been applied in the range of 0% to 2.5%; in addition it is anticipated that there are specific providers where there may be significant increases in prices                            | 1,668,600         | 976,300          | 1,003,300        |
| Corporate Director People          | Education & Skills              | SEND Inclusion - Inflation increase  | 507,100           | 292,700          | 331,400          |
| Corporate Director People          | Families & Children's           | Children in Care & Young People - SEN and Social Care Placements Contractual Inflation   | 840,600           | 1,039,400        | 1,068,800        |
| Corporate Director People          | Families & Children's           | Children in Care & Young People -SEN Social Care Placements Contractual Inflation  | 204,800           | 201,500          | 219,600          |
| Corporate Director Resources       | Assets & Commercial Development | Inflation increase for the estate - rates for 2022/23 Electricity 35%, Gas 60%, water 4%, biomass 10%, cleaning 5%, waste & NNDR 4%  | 1,454,000         | 336,900          | 350,600          |
| Corporate Director Resources       | Information Services            | CPI at 4% on Applications and Microsoft Applications, assumes Licences are static  | 299,300           | 155,900          | 158,900          |
| Corporate Director Place           | Highways & Transport            | Local Highways and Passenger Transport - Inflation rates linked to contracts or CPI (range 4-7.5%). Street Lighting Energy at 35%  | 2,405,600         | 1,060,800        | 1,114,300        |
| Corporate Director Place           | Environment                     | Waste Management - CPI (blended rate as applies from Jul) at 3.6% on all contracts except Landfill Tax, Lakeside and MBT contract which is at 6%   | 2,522,500         | 1,994,300        | 1,170,500        |
| Chief Executive Directorates       | Legal & Governance              | Inflation increase for Mortuary Transport contract CPI at 4%   | 5,400             | 2,800            | 2,900            |
| Corporate                          | Corporate Costs                 | SWAP Audit 3% price increase   | 16,400            | -                | -                |
| <b>Contractual Inflation Total</b> |                                 |  | <b>13,608,100</b> | <b>8,744,900</b> | <b>8,197,200</b> |



Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25  
Annex 5 – Detail by service on Service Demand changes

| Corporate Directorate        | Service                         | Description   | 2022/23     | 2023/24   | 2024/25   |
|------------------------------|---------------------------------|---|-------------|-----------|-----------|
| Corporate Director People    | Living and Ageing Well          | Living Well - Adjustments in light of demand levels in line with 2021/22 forecast, new model to predict changes in demand using POPPI and PANSI population projections                            | 4,111,700   | 1,426,300 | 1,497,400 |
| Corporate Director People    | Whole Life Pathway              | Learning Disabilities & Autism Service - Adjustments in light of demand levels in line with 2021/22 forecast, new model to predict changes in demand using POPPI and PANSI population projections | (4,868,900) | 1,434,300 | 1,514,600 |
| Corporate Director People    | Whole Life Pathway              | Learning Disabilities & Autism Service - Transitions reflected in ASC as a pressure   | 1,358,300   | -         | -         |
| Corporate Director People    | Whole Life Pathway              | Community Support - Adjustments in light of demand levels in line with 2021/22 forecast, new model to predict changes in demand using POPPI and PANSI population projections                      | (2,231,700) | 412,500   | 437,400   |
| Corporate Director People    | Education & Skills              | SEN Education - Revised PTU estimate, SEN Transport aligned to 2021/22  | (974,000)   | 1,340,900 | 1,518,200 |
| Corporate Director People    | Education & Skills              | SEN Education - Anticipated demand at current prices which reflect the higher unit cost due to the national taxi driver shortage  | 884,800     | 1,501,200 | 1,647,000 |
| Corporate Director People    | Families & Children's           | Children in Care & Young People - Social Care Placements Demand   | 472,900     | 109,800   | (211,500) |
| Corporate Director People    | Families & Children's           | Children in Care & Young People - Connected Persons Rate change following case law  | 268,800     | -         | -         |
| Corporate Director Resources | Assets & Commercial Development | Puts Sales Fees and Charges budgets up so back to 100% of pre-covid level   | (141,600)   | -         | -         |
| Corporate Director Resources | Assets & Commercial Development | Remove PPE element for one of pressure in 2021/22. Assumes some additional cleaning for Council building (excluding Leisure) in response to COVID measures has to continue.                       | (270,000)   | -         | -         |
| Corporate Director Resources | Information Services            | Digital Board Civica application increase in scope  | 53,100      | -         | -         |
| Corporate Director Place     | Highways & Transport            | Local Highways - increased budget for Ash Die Back programme to inspect and remove diseased trees   | 500,000     | -         | -         |
| Corporate Director Place     | Highways & Transport            | Local Highways - Puts Sales Fees and Charges budgets up so back to 98% of pre-covid level   | (74,100)    | -         | -         |
| Corporate Director Place     | Economy & Regeneration          | Puts Sales Fees and Charges budgets up so back to 98% of pre-covid level  | (37,400)    | -         | -         |

Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25  
Annex 5 – Detail by service on Service Demand changes

| Corporate Directorate        | Service                       | Description  | 2022/23            | 2023/24           | 2024/25           |
|------------------------------|-------------------------------|--|--------------------|-------------------|-------------------|
| Corporate Director Place     | Planning                      | Puts Sales Fees and Charges budgets up so that overall now at pre-covid level for Development Management and 98% of pre-covid levels for Building Control and Local Land Charges | (623,900)          | -                 | -                 |
| Corporate Director Place     | Environment                   | Waste Management - Tonnage increase linked to Household growth, has been assumed at 1% increase based on Q2 2021/22 tonnages   | 101,200            | 113,100           | 117,700           |
| Corporate Director Place     | Environment                   | Public Protection - Puts Sales Fees and Charges budgets up so that overall back to 98% of pre-covid level  | (64,800)           | -                 | -                 |
| Corporate Director Place     | Leisure Culture & Communities | Puts Sales Fees and Charges budgets up so that overall Leisure Operations back to 80% , Libraries 94% and Heritage 98% of pre-covid levels                                       | (816,700)          | -                 | -                 |
| Chief Executive Directorates | Legal & Governance            | Removes one off base budget adjustment in 2021/22 for Elections for when reserve was used as part of 2019/20 spend mitigations.  | (1,000,000)        | -                 | -                 |
| Chief Executive Directorates | Legal & Governance            | Puts Sales Fees and Charges budgets up so that overall back to 98% of pre-covid level  | (131,400)          | -                 | -                 |
| Corporate                    | Capital Financing             | Capital Financing increase based on 2021/22 Q3 Capital Programme and approved BIDS, covers MRP and Interest  | 153,500            | 8,933,000         | 3,483,000         |
| Corporate                    | Corporate Costs               | 50% reduction in Corporate Legal costs budget  | (250,000)          | -                 | -                 |
| <b>Demand Total</b>          |                               |  | <b>(3,580,200)</b> | <b>15,271,100</b> | <b>10,003,800</b> |

## Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25

## Annex 6 – Detail by service on Previously Approved Savings

| Corporate Directorate         | Service                | Description  | 2022/23          | 2023/24          | 2024/25          |
|-------------------------------|------------------------|--|------------------|------------------|------------------|
| Corporate Director People     | Living and Ageing Well | Living Well - Adults 18+ Hospitals & Integration       | (60,000)         | -                |                  |
| Corporate Director People     | Families & Children's  | Children in Care & Young People - Fostering Excellence | (525,000)        | (999,600)        | (789,500)        |
| <b>Approved Savings Total</b> |                        |  | <b>(585,000)</b> | <b>(999,600)</b> | <b>(789,500)</b> |

## Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25

## Annex 6 – Detail by service on Savings Proposals

| Corporate Directorate     | Service                | Description   | 2022/23     | 2023/24   | 2024/25 |
|---------------------------|------------------------|---|-------------|-----------|---------|
| Corporate Director People | Living and Ageing Well | Living Well - Continue with the brokerage process for allocating domiciliary care packages to Tier 1 providers  | (100,000)   | -         | -       |
| Corporate Director People | Living and Ageing Well | Living Well - Improved pricing and more effective demand management to be achieved with the introduction of additional zones of delivery and/or specialist tariffs (e.g. complex needs/end of life) through the Help to Live at Home (homecare) Alliance  | (50,000)    | (450,000) | -       |
| Corporate Director People | Living and Ageing Well | Living Well - Improved pricing and hospital discharge flow to nursing homes improved by increasing bed capacity block contracts and framework beds, particularly in locations where there is low bed capacity or where there are delays in meeting demand   | (100,000)   | -         | -       |
| Corporate Director People | Living and Ageing Well | Living Well - Increase Occupational Therapists to review large packages of care where there are moving and handling needs that require two support workers. Through use of specialist equipment and techniques, it is often possible to reduce the need for two support workers and therefore the costs also reduce | (100,000)   | -         | -       |
| Corporate Director People | Living and Ageing Well | Living Well - Convert spot placements to block contract and negotiate reduced prices in Older People residential and nursing placements   | (200,000)   | (500,000) | -       |
| Corporate Director People | Living and Ageing Well | Living Well - New Prevention & Well being team in adults. Early support replacing Local Area Co-ordinators  | (100,000)   | -         | -       |
| Corporate Director People | Living and Ageing Well | Living Well - Improved Better Care Fund to be used to support social care, reduce pressure on NHS & support care market   | (2,900,000) | -         | -       |

Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25  
Annex 6 – Detail by service on Savings Proposals

| Corporate Directorate     | Service                | Description  | 2022/23   | 2023/24   | 2024/25 |
|---------------------------|------------------------|--|-----------|-----------|---------|
| Corporate Director People | Living and Ageing Well | Living Well - To ensure we are achieving best value when delivering outcomes for individuals in order to meet their social care needs. This will involve using a strengths based approach to care and and support planning and increased use of direct payments.   | (813,000) | -         | -       |
| Corporate Director People | Living and Ageing Well | Housing Services - Due to an increase in housing provider fees over a three year period we need to increase our income. This is the housing provider fee we charge to run and manage the Councils allocation system to enable us to be able to allocate homes in line with government guidance and legislation on behalf of the providers. | (30,000)  | -         | -       |
| Corporate Director People | Living and Ageing Well | Housing Services - No longer provide Handy person scheme, service now managed differently through HIA service  | (57,000)  | -         | -       |
| Corporate Director People | Whole Life Pathway     | Learning Disabilities & Autism Service - Roll out Enablement outreach model supporting people with LD or MH in crisis to reduce demand on specialist placements and supporting them to be as independent as possible   | (90,000)  | -         | -       |
| Corporate Director People | Whole Life Pathway     | Learning Disabilities & Autism Service - Improved use of Care Cubed, a tool to help us obtain an evidence-based picture of what a placement is likely to cost, based on benchmarking data. It aids negotiation   | (500,000) | -         | -       |
| Corporate Director People | Whole Life Pathway     | Learning Disabilities & Autism Service - Contract variations and re-commissioning of Good Lives Alliance (Framework Contract for rates for care of adults with LD)   | (250,000) | (750,000) | -       |
| Corporate Director People | Whole Life Pathway     | Learning Disabilities & Autism Service - Convert spot to block contracts and negotiate reduced prices in working age residential placements (commissioning activity related to placements for adults with learning disability)   | (250,000) | (750,000) | -       |
| Corporate Director People | Whole Life Pathway     | Learning Disabilities & Autism Service - Re-commission day opportunities for working age adults and older people so less are spot purchased and they better meet need and provide value for money  | -         | (100,000) | -       |

Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25  
Annex 6 – Detail by service on Savings Proposals

| Corporate Directorate     | Service               | Description   | 2022/23     | 2023/24   | 2024/25   |
|---------------------------|-----------------------|---|-------------|-----------|-----------|
| Corporate Director People | Whole Life Pathway    | Learning Disabilities & Autism Service - Increased use of Shared Lives  | (150,000)   | -         | -         |
| Corporate Director People | Whole Life Pathway    | Learning Disabilities & Autism Service - Savings against high cost action plan to address spend on under 65 placements (mainly adults with learning disabilities)   | (500,000)   | (500,000) | -         |
| Corporate Director People | Whole Life Pathway    | Community Support - Income collection from clients in LD who only use in house services   | (80,000)    | -         | -         |
| Corporate Director People | Whole Life Pathway    | Community Support - Travel reduction resulting from greater outreach and reduction of use of day centres for adults with LD   | (100,000)   | -         | -         |
| Corporate Director People | Whole Life Pathway    | Mental Health & Safeguarding - CCG contribution to customers following discharge from mental health hospital (Section 117 Aftercare) has increased                  | (1,000,000) | -         | -         |
| Corporate Director People | Education & Skills    | Targeted Education - Increase Schools traded Service income by CPI 4%   | (6,400)     | -         | -         |
| Corporate Director People | Education & Skills    | Inclusion & SEND - SEND Travel Review for transport for children with Special educational needs   | (140,000)   | (250,000) | -         |
| Corporate Director People | Education & Skills    | Inclusion & SEND Increase Schools traded Service income by CPI 4%   | (5,300)     | -         | -         |
| Corporate Director People | Education & Skills    | School Effectiveness - Moving Early Years Entitlement payments to Liquid Logic database will reduce staffing admin requirements                                     | (28,000)    | -         | -         |
| Corporate Director People | Education & Skills    | School Effectiveness - Removal of funding for consultants in the School Place Commissioning Team  | (38,000)    | -         | -         |
| Corporate Director People | Education & Skills    | School Effectiveness - Increase Schools traded Service income by CPI 4%   | (6,800)     | -         | -         |
| Corporate Director People | Education & Skills    | Employment & Skills - Review of service delivery to align with the Wiltshire Council funded element solely to statutory duties and crucial partnership engagement   | (110,000)   | -         | -         |
| Corporate Director People | Families & Children's | Support & Safeguarding - Make efficiencies across the contract portfolio in Families and Children's Commissioning, through contract negotiation and service reviews | (50,000)    | (50,000)  | (50,000)  |
| Corporate Director People | Families & Children's | Support & Safeguarding - Apply Supporting families grant to address multiple disadvantages through a whole family approach, delivered by keyworkers                 | (225,000)   | -         | -         |
| Corporate Director People | Families & Children's | Children in Care & Young People - New residential Children's Home Block Contract  | (50,000)    | (150,000) | (150,000) |

Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25  
Annex 6 – Detail by service on Savings Proposals

| Corporate Directorate        | Service                         | Description   | 2022/23   | 2023/24   | 2024/25   |
|------------------------------|---------------------------------|---|-----------|-----------|-----------|
| Corporate Director People    | Families & Children's           | Children in Care & Young People - Residential Step Forward Programme, moving children from residential placements in foster placements  | (200,000) | (105,000) | (100,000) |
| Corporate Director People    | Families & Children's           | Children in Care & Young People - Increase Schools traded Service income by CPI 4%  | (3,100)   | -         | -         |
| Corporate Director Resources | Finance                         | Increase Schools traded Service income by CPI 4%  | (10,200)  | -         | -         |
| Corporate Director Resources | Assets & Commercial Development | Housing related support contracts saving from recommissioning service   | (100,000) | -         | -         |
| Corporate Director Resources | Assets & Commercial Development | Generation of rental and service charge income from the Operational Estate, through lettings to third partners, commissioned services, public body partners or commercial companies   | (170,000) | -         | -         |
| Corporate Director Resources | Assets & Commercial Development | Property cost avoided in Busines rates, utilities and security by the demolition, where appropriate of void buildings. The demolition should remove the liabilities and risks, and add value to the capital receipt potential of the site to be taken forward   | (51,500)  | -         | -         |
| Corporate Director Resources | Assets & Commercial Development | Property operating costs reduced by the close down and disposal of buildings  | (19,500)  | -         | -         |
| Corporate Director Resources | Assets & Commercial Development | Utility savings (gas and electricity) from improved building energy performance following capital investment through the Property Carbon Reduction Programme  | (60,000)  | -         | -         |
| Corporate Director Resources | Assets & Commercial Development | Re-investment of increase capital receipt into the commercial and rural estates.<br>The aim is to invest capital into sites that mitigate reactive management costs and improve the lettability of the units to maintain income streams.<br>The proposal encourages an active asset management approach for the council's investment estates, which currently have to compete with operational assets | (25,000)  | -         | -         |
| Corporate Director Resources | Assets & Commercial Development | Future target for income generation through our assets as well reduction in operating costs following asset rationalisation through service reviews   | -         | (500,000) | (500,000) |
| Corporate Director Resources | Assets & Commercial Development | Increase Schools traded Service income by CPI 4%  | (19,500)  | -         | -         |
| Corporate Director Resources | Information Services            | Review and reduce Applications costs by rationalising   | (25,000)  | -         | -         |

Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25  
Annex 6 – Detail by service on Savings Proposals

| Corporate Directorate        | Service                     | Description  | 2022/23   | 2023/24   | 2024/25 |
|------------------------------|-----------------------------|--|-----------|-----------|---------|
| Corporate Director Resources | Information Services        | Reduce spend on corporate network  | (50,000)  | -         | -       |
| Corporate Director Resources | Information Services        | Reduce spend on telephony  | (25,000)  | -         | -       |
| Corporate Director Resources | Information Services        | Reduce costs as a result the new Liquid Logic Children's system  | (33,000)  | -         | -       |
| Corporate Director Resources | Procurement & Commissioning | Reduce funding for lunch clubs for older adults  | (60,000)  | (60,000)  | -       |
| Corporate Director Resources | Procurement & Commissioning | Decommission Housing Related Support   | (958,000) | -         | -       |
| Corporate Director Resources | Procurement & Commissioning | Reduce funding for Friendship Clubs for adults with learning disabilities  | (46,300)  | (46,300)  | -       |
| Corporate Director Resources | Procurement & Commissioning | Reduce grant funding to Citizens Advice to core funding only   | (122,000) | -         | -       |
| Corporate Director Place     | Highways & Transport        | Car Parking - Introduce Parking charges for Blue Badge Holders   | (40,000)  | -         | -       |
| Corporate Director Place     | Highways & Transport        | Car Parking - Introduce Sunday charges in all carparks   | (50,000)  | -         | -       |
| Corporate Director Place     | Highways & Transport        | Car Parking - Increase the daily fee for Tradesmen's waivers from £11 to £15   | (4,000)   | -         | -       |
| Corporate Director Place     | Highways & Transport        | Car Parking - Increase the charge for daily visitor permits for on street residential zones. From £0.040 to £0.060   | (10,000)  | -         | -       |
| Corporate Director Place     | Highways & Transport        | Car Parking - Introduce a new charge of £20 for the currently free annual visitor permit. This is a permit available to a household where the occupant is over 60 and does not own a car | (5,400)   | -         | -       |
| Corporate Director Place     | Highways & Transport        | Car Parking - Remove the current arrangement of free parking after 3pm in Culver Street car park Salisbury   | (40,000)  | -         | -       |
| Corporate Director Place     | Highways & Transport        | Car Parking - Remove free event parking from Town Councils. We provide the equivalent of two days free parking to all Town Councils.   | (20,000)  | -         | -       |
| Corporate Director Place     | Highways & Transport        | Car Parking - Increase car parking charges by 10p per hour on every tariff; factors in a small drop in service demand  | (600,000) | (120,000) | -       |
| Corporate Director Place     | Highways & Transport        | Car Parking - Introduce car parking charges at Castle Combe car park   | (30,000)  | -         | -       |
| Corporate Director Place     | Highways & Transport        | Highways Operations - Charge for advertising on Bus Shelters   | (100,000) | -         | -       |
| Corporate Director Place     | Highways & Transport        | Highways Operations - Reduce Consultants and Professional fees for Highways  | (100,000) | -         | -       |
| Corporate Director Place     | Highways & Transport        | Highways Operations - Fleet Strategy savings from capital investment in the stock  | (57,000)  | -         | -       |

Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25  
Annex 6 – Detail by service on Savings Proposals

| Corporate Directorate    | Service                | Description   | 2022/23   | 2023/24   | 2024/25 |
|--------------------------|------------------------|---|-----------|-----------|---------|
| Corporate Director Place | Highways & Transport   | Highways Operations - Retender a revised Streetscene Grounds Maintenance contract. Reduce quantity of grass cutting by changing suitable areas of land to less frequent cuts, including changing use to wildflower areas, engagement in "No Mow May" initiative. Replace petrol and diesel vehicles, machinery and tools with electric power. Delegate services and/or transfer areas of amenity land to town/parish councils. Transfer Council managed allotments. | (260,500) | (140,000) | -       |
| Corporate Director Place | Highways & Transport   | Highways Operations - Road Safety programme efficiencies  | (70,000)  | -         | -       |
| Corporate Director Place | Highways & Transport   | Highways Operations - Grey Fleet saving from the allocation of a vehicles to any Wiltshire Grey fleet driver doing over 8000 miles  | (20,000)  | -         | -       |
| Corporate Director Place | Highways & Transport   | Local Highways - Skips & Scaffolding fees and charges apply inflation increase from £69 to £85 and £81 to £100  | (25,000)  | -         | -       |
| Corporate Director Place | Highways & Transport   | Local Highways - Look at alternative support to Canal Trust and AONB  | (40,000)  | -         | -       |
| Corporate Director Place | Highways & Transport   | Local Highways - Asset transfer Countryside sites, due to timing may need to hibernate service for 22/23  | (25,000)  | (25,000)  | -       |
| Corporate Director Place | Highways & Transport   | Passenger Transport - Reduce Concessionary fares to 90% .   | (411,000) | -         | -       |
| Corporate Director Place | Economy & Regeneration | Reduce Consultants budgets in Economic Regeneration   | (78,600)  | -         | -       |
| Corporate Director Place | Economy & Regeneration | Review Enterprise Centre model to rationalise floor space and income generation   | (12,000)  | -         | -       |
| Corporate Director Place | Planning               | Introduce new charge for S106 monitoring fees   | (60,000)  | -         | -       |
| Corporate Director Place | Planning               | Reduce Spatial Planning Professional fees   | (13,000)  | -         | -       |
| Corporate Director Place | Planning               | Align Local Plan budget to programme and capacity and use Earmarked Reserve to balance fluctuations   | (200,000) | -         | -       |
| Corporate Director Place | Environment            | Waste Management - Introduce a charge at HRCs for disposal of non-household waste at the HRCs. For the purposes of charging, items that fall into this category (of non-household waste) will include asbestos, gas bottles, tyres, plasterboard, soil and rubble   | (100,000) | (200,000) | -       |
| Corporate Director Place | Environment            | Waste Management - Consult on the closure in 2023 of Lower Compton HRC  | -         | (100,000) | -       |
| Corporate Director Place | Environment            | Waste Management - Increase Bulky Waste collection fee from £25.30 per item to £28 per item to fully recover contract costs, assumes demand is not impacted by price increase   | (24,000)  | -         | -       |



Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25  
Annex 6 – Detail by service on Savings Proposals

| Corporate Directorate        | Service                       | Description  | 2022/23     | 2023/24   | 2024/25     |
|------------------------------|-------------------------------|--|-------------|-----------|-------------|
| Corporate Director Place     | Environment                   | Waste Management - Increase Green Waste collection charge from £50 to £60 per bin, assumes demand is not impacted by price increase (90,000 customers)   | (488,000)   | -         | -           |
| Corporate Director Place     | Environment                   | Waste Management - Increase Lot 1 Recyclables Income budget in line with prices received in 2021   | (625,000)   | -         | -           |
| Corporate Director Place     | Environment                   | Waste Management - Increase Lot 2 (HRC) Recyclables Income budget in line with prices received for 2021  | (50,000)    | -         | -           |
| Corporate Director Place     | Environment                   | Waste Management – The Council currently has contracts in place to treat 110ktpa of household waste (60ktoa to MBT in Westbury, 50kpta to Lakeside EFW). Ongoing risk of under delivery of contracted tonnage, resulting in Compensation payment to contractor. Review contract to inform ability to negotiate the “sell off” of some contracted capacity. This will reduce council exposure to Compensation Events, plus realise the financial benefit of sale of capacity. | -           | (500,000) | -           |
| Corporate Director Place     | Environment                   | Cabinet intend to increase recycling rates as per their commitment in the new Business Plan, and there are a number of opportunities to achieve this that will also bring about efficiencies and potential income generation in future years in the way we deliver Wiltshire's recycling service going forward   | -           | (500,000) | -           |
| Corporate Director Place     | Environment                   | Public Protection - Increases Fees and Charges in Pest control to maintain competitive pricing but move to full cost recovery of the service   | (45,000)    | -         | -           |
| Corporate Director Place     | Leisure Culture & Communities | Leisure Operations - Recruit and improve Debt collection for Leisure Centre income   | (50,000)    | -         | -           |
| Corporate Director Place     | Leisure Culture & Communities | Leisure Operations - Future income and rationalisation target for Leisure and Library services following service reviews   | -           | (500,000) | (1,000,000) |
| Corporate Director Place     | Leisure Culture & Communities | Libraries - Work with Town and Parish Councils so that Libraries are housed in the community and WC no longer have facility costs for the smaller Libraries  | (47,900)    | -         | -           |
| Chief Executive Directorates | Public Health                 | Increase Schools traded Service income by CPI 4%   | (4,100)     | -         | -           |
| Chief Executive Directorates | HR&OD and Transformation      | Reduce supplies & services budgets   | (154,000)   | -         | -           |
| Chief Executive Directorates | HR&OD and Transformation      | Remove public transport budget, vehicle hire and reduce travel   | (16,000)    | -         | -           |
| Chief Executive Directorates | HR&OD and Transformation      | Increase Schools traded Service income by CPI 4%   | (41,700)    | -         | -           |
| Chief Executive Directorates | HR&OD and Transformation      | Proposal to fund Transformation activities from flexible use of Capital Receipts   | (1,000,000) | -         | -           |

Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25  
Annex 6 – Detail by service on Savings Proposals

| Corporate Directorate                  | Service           | Description  | 2022/23             | 2023/24            | 2024/25            |
|--|-------------------|--|---------------------|--------------------|--------------------|
| Corporate                              | Capital Financing | Effective management of schemes in Capital Programme & where necessary reprogramming   | (200,000)           | -                  | -                  |
| Corporate                              | Capital Financing | Treasury Strategy investment strategy risk & cash mgmt   | (30,000)            | -                  | -                  |
| Corporate                              | Capital Financing | Removal of additional Hardship Funding   | (250,000)           | -                  | -                  |
| Corporate                              | Corporate Costs   | Reduction in Redundancy budget   | (750,000)           | -                  | -                  |
| Corporate                              | Corporate Costs   | Renewable energy investment opportunities  | -                   | (180,000)          | (400,000)          |
| Corporate                              | Corporate Costs   | Reduction in Bank charges as a result of improvements in the controls for digital payments   | (100,000)           | -                  | -                  |
| Specific Grants                        | Specific Grants   | Remove the £1m set aside for business rates uncertainty  | (1,000,000)         | -                  | -                  |
| <b>Service Savings Proposals Total</b> |                   |  | <b>(17,254,800)</b> | <b>(6,476,300)</b> | <b>(2,200,000)</b> |
| All                                    | All               | Reduction in staffing budgets, subject to negotiations with Unions. Applied at service level within the MTFs based on current assumptions and estimates. | (6,985,200)         | (3,211,400)        | -                  |
| <b>Staff Savings Proposals Total</b>   |                   |  | <b>(6,985,200)</b>  | <b>(3,211,400)</b> | <b>-</b>           |

## Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25

## Annex 7 – Capital Programme 2022/23 to 2029/30

| Scheme name                                       | Revised<br>22/23<br>Budget | Revised<br>23/24<br>Budget | Revised<br>24/25<br>Budget | Revised<br>25/26<br>Budget | Revised<br>26/27<br>Budget | Revised<br>27/28<br>Budget | Revised<br>28/29<br>Budget | Revised<br>29/30<br>Budget | TOTAL          |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------|
| <b>Education &amp; Skills</b>                     |                            |                            |                            |                            |                            |                            |                            |                            |                |
| Access and Inclusion                              | 0.100                      | 0.100                      | 0.100                      | 0.100                      | 0.100                      | 0.100                      | 0.100                      | 0.100                      | 0.800          |
| Basic Need  | 18.221                     | 4.355                      | 2.042                      | 0.400                      | 0.400                      | 0.400                      | 0.400                      | 0.400                      | 26.618         |
| Stonehenge School Replacement of Lower Block      | 3.342                      | 0.750                      | 0.053                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 4.145          |
| Devolved Formula Capital                          | 0.500                      | 0.500                      | 0.500                      | 0.500                      | 0.500                      | 0.500                      | 0.500                      | 0.500                      | 4.000          |
| Schools Maintenance & Modernisation               | 6.557                      | 5.300                      | 4.750                      | 2.700                      | 2.650                      | 2.600                      | 2.550                      | 2.500                      | 29.607         |
| Early Years Buildings                             | 1.170                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 1.170          |
| Special Schools                                   | 16.068                     | 10.262                     | 9.545                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 35.875         |
| Abnormal Costs in Development of SEND Free School | 0.350                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.350          |
| <b>Education &amp; Skills Total</b>               | <b>46.308</b>              | <b>21.267</b>              | <b>16.990</b>              | <b>3.700</b>               | <b>3.650</b>               | <b>3.600</b>               | <b>3.550</b>               | <b>3.500</b>               | <b>102.565</b> |
| <b>Families &amp; Children's</b>                  |                            |                            |                            |                            |                            |                            |                            |                            |                |
| Children's Home                                   | 1.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 1.000          |
| <b>Families &amp; Children's Total</b>            | <b>1.000</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>1.000</b>   |
| <b>Finance</b>                                    |                            |                            |                            |                            |                            |                            |                            |                            |                |
| Evolve Project                                    | 4.982                      | 2.500                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 7.482          |
| <b>Finance Total</b>                              | <b>4.982</b>               | <b>2.500</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>7.482</b>   |

## Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25

## Annex 7 – Capital Programme 2022/23 to 2029/30

| Scheme name   | Revised<br>22/23<br>Budget | Revised<br>23/24<br>Budget | Revised<br>24/25<br>Budget | Revised<br>25/26<br>Budget | Revised<br>26/27<br>Budget | Revised<br>27/28<br>Budget | Revised<br>28/29<br>Budget | Revised<br>29/30<br>Budget | TOTAL          |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------|
| <b>Assets &amp; Commercial Development</b>            |                            |                            |                            |                            |                            |                            |                            |                            |                |
| Capital Receipt Enhancement                           | 0.170                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.170          |
| Commercial - Commercial Investment                    | 24.849                     | 12.500                     | 12.500                     | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 49.849         |
| Depot & Office Strategy                               | 4.160                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 4.160          |
| Disabled Facilities Grants                            | 5.000                      | 4.000                      | 4.000                      | 3.000                      | 3.000                      | 3.000                      | 3.000                      | 3.000                      | 28.000         |
| Facilities Management Operational Estate              | 2.651                      | 3.250                      | 2.500                      | 2.000                      | 2.000                      | 2.000                      | 2.000                      | 2.000                      | 18.401         |
| Gypsies and Travellers Projects                       | 1.300                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 1.300          |
| Housing Infrastructure Fund (HIF)                     | 7.501                      | 21.121                     | 37.581                     | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 66.203         |
| Porton Science Park                                   | 3.709                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 3.709          |
| Health and Wellbeing Centres - Live Schemes           | 7.850                      | 0.441                      | 0.045                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 8.336          |
| Non-Commercial Property Purchases                     | 0.059                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.059          |
| North Wiltshire Schools PFI Playing Fields            | 0.300                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.300          |
| Operational Property Energy Efficiency and Generation | 8.400                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 8.400          |
| Park & Ride Solar Panel Canopys                       | 3.500                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 3.500          |
| Salisbury Central Car Park & Maltings                 | 32.630                     | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 32.630         |
| Facilities Management Investment Estate               | 0.630                      | 0.250                      | 0.250                      | 0.250                      | 0.250                      | 0.250                      | 0.250                      | 0.250                      | 2.380          |
| Social Care Infrastructure & Strategy                 | 0.634                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.634          |
| <b>Assets &amp; Commercial Development Total</b>      | <b>103.343</b>             | <b>41.562</b>              | <b>56.876</b>              | <b>5.250</b>               | <b>5.250</b>               | <b>5.250</b>               | <b>5.250</b>               | <b>5.250</b>               | <b>228.031</b> |

| <b>Capital Loans</b>                  |               |               |              |              |              |              |              |              |               |
|---------------------------------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Stone Circle Housing Company Loan     | 33.488        | 12.227        | 0.799        | 0.019        | 0.119        | 0.141        | 0.163        | 0.309        | 47.265        |
| Stone Circle Development Company Loan | 11.050        | 8.751         | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 19.801        |
| <b>Capital Loans Total</b>            | <b>44.538</b> | <b>20.978</b> | <b>0.799</b> | <b>0.019</b> | <b>0.119</b> | <b>0.141</b> | <b>0.163</b> | <b>0.309</b> | <b>67.066</b> |

## Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25

## Annex 7 – Capital Programme 2022/23 to 2029/30

| Scheme name                       | Revised<br>22/23<br>Budget | Revised<br>23/24<br>Budget | Revised<br>24/25<br>Budget | Revised<br>25/26<br>Budget | Revised<br>26/27<br>Budget | Revised<br>27/28<br>Budget | Revised<br>28/29<br>Budget | Revised<br>29/30<br>Budget | TOTAL         |
|-----------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|---------------|
| <b>Information Services</b>       |                            |                            |                            |                            |                            |                            |                            |                            |               |
| ICT Applications                  | 4.258                      | 2.914                      | 2.914                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 10.086        |
| ICT Business as Usual             | 1.627                      | 2.284                      | 1.575                      | 0.721                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 6.207         |
| ICT Other Infrastructure          | 0.400                      | 0.400                      | 0.400                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 1.200         |
| ICT Get Well                      | 3.474                      | 1.607                      | 1.504                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 6.585         |
| <b>Information Services Total</b> | <b>9.759</b>               | <b>7.205</b>               | <b>6.393</b>               | <b>0.721</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>24.078</b> |

|   |               |               |               |               |               |                |                |               |                |
|---|---------------|---------------|---------------|---------------|---------------|----------------|----------------|---------------|----------------|
| <b>Highways &amp; Transport</b>                       |               |               |               |               |               |                |                |               |                |
| Churchyards & Cemeteries                              | 0.000         | 0.000         | 0.000         | 0.000         | 0.000         | 0.000          | 0.000          | 0.000         | 0.000          |
| CIL Funded Schemes                                    | 0.000         | 0.000         | 0.000         | 0.000         | 0.000         | 0.000          | 0.000          | 0.000         | 0.000          |
| Farmers Roundabout                                    | 0.000         | 0.000         | 0.000         | 0.000         | 0.000         | 0.000          | 0.000          | 0.000         | 0.000          |
| Parking Contactless Machines                          | 0.127         | 0.127         | 0.126         | 0.000         | 0.000         | 0.000          | 0.000          | 0.000         | 0.380          |
| Fleet Vehicles  | 4.091         | 0.500         | 0.500         | 0.500         | 0.500         | 0.500          | 0.500          | 0.500         | 7.591          |
| Highway flooding prevention and Land Drainage schemes | 0.000         | 0.000         | 0.000         | 0.000         | 0.000         | 0.000          | 0.000          | 0.000         | 0.000          |
| Integrated Transport                                  | 1.781         | 1.781         | 1.781         | 1.781         | 1.781         | 1.781          | 1.781          | 1.781         | 14.248         |
| Local Highways and Footpath Improvement Groups        | 0.800         | 0.800         | 0.800         | 0.800         | 0.800         | 0.800          | 0.800          | 0.800         | 6.400          |
| LED Street Lighting                                   | 0.200         | 0.000         | 0.000         | 0.000         | 0.000         | 0.000          | 0.000          | 0.000         | 0.200          |
| Major Road Network (MRN)                              | 0.000         | 0.000         | 0.000         | 0.000         | 0.000         | 0.000          | 0.000          | 0.000         | 0.000          |
| Pothole Fund Grant                                    | 0.000         | 0.000         | 0.000         | 0.000         | 0.000         | 0.000          | 0.000          | 0.000         | 0.000          |
| Structural Maintenance & Bridges                      | 16.140        | 16.139        | 16.139        | 16.139        | 16.139        | 16.139         | 16.139         | 16.139        | 129.113        |
| Churchfields Depot Drainage and Traffic Management    | 0.000         | 0.000         | 0.000         | 0.000         | 0.000         | 0.000          | 0.000          | 0.000         | 0.000          |
| Passenger Transport RTP1                              | 0.695         | 0.000         | 0.000         | 0.000         | 0.000         | 0.000          | 0.000          | 0.000         | 0.695          |
| Drainage Improvements                                 | 0.500         | 0.500         | 0.500         | 0.000         | 0.000         | 0.000          | 0.000          | 0.000         | 1.500          |
| Major Road Network M4 Junction 17                     | 1.007         | 1.233         | 17.033        | 8.567         | 0.000         | 0.000          | 0.000          | 0.000         | 27.840         |
| A338 Salisbury Junction Improvements MRN              | 0.759         | 0.561         | 10.136        | 4.114         | 0.000         | 0.000          | 0.000          | 0.000         | 15.570         |
| A350 Chippenham Bypass (Ph 4&5) MRN                   | 1.091         | 19.056        | 11.070        | 0.000         | 0.000         | 0.000          | 0.000          | 0.000         | 31.217         |
| A3250 Melksham Bypass LLM - Full Scheme               | 2.825         | 5.630         | 5.795         | 5.935         | 44.056        | 87.435         | 84.355         | 0.000         | 236.031        |
| <b>Highways &amp; Transport Total</b>                 | <b>30.016</b> | <b>46.327</b> | <b>63.880</b> | <b>37.836</b> | <b>63.276</b> | <b>106.655</b> | <b>103.575</b> | <b>19.220</b> | <b>470.785</b> |

## Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25

## Annex 7 – Capital Programme 2022/23 to 2029/30

| Scheme name                             | Revised<br>22/23<br>Budget | Revised<br>23/24<br>Budget | Revised<br>24/25<br>Budget | Revised<br>25/26<br>Budget | Revised<br>26/27<br>Budget | Revised<br>27/28<br>Budget | Revised<br>28/29<br>Budget | Revised<br>29/30<br>Budget | TOTAL         |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|---------------|
| <b>Economy &amp; Regeneration</b>       |                            |                            |                            |                            |                            |                            |                            |                            |               |
| Boscombe Down                           | 1.191                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 1.191         |
| Salisbury Future High Streets           | 5.005                      | 3.214                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 8.219         |
| Trowbridge Future High Streets          | 5.827                      | 8.363                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 14.190        |
| Carbon reduction                        | 0.009                      | 0.009                      | 0.009                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.027         |
| Wiltshire Online                        | 0.847                      | 0.097                      | 0.097                      | 0.097                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 1.138         |
| <b>Economy &amp; Regeneration Total</b> | <b>12.879</b>              | <b>11.683</b>              | <b>0.106</b>               | <b>0.097</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>0.000</b>               | <b>24.765</b> |

| <b>Environment</b>         |              |              |              |              |              |              |              |              |              |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Waste Services             | 1.019        | 0.719        | 0.500        | 0.500        | 0.500        | 0.500        | 0.500        | 0.500        | 4.738        |
| HRC Savings Infrastructure | 0.100        | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 0.100        |
| <b>Environment Total</b>   | <b>1.119</b> | <b>0.719</b> | <b>0.500</b> | <b>0.500</b> | <b>0.500</b> | <b>0.500</b> | <b>0.500</b> | <b>0.500</b> | <b>4.838</b> |

| <b>Leisure Culture &amp; Communities</b>       |              |               |               |              |              |              |              |              |               |
|--|--------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Area Boards and LPSA PRG Reward Grants         | 0.400        | 0.400         | 0.400         | 0.400        | 0.400        | 0.400        | 0.400        | 0.400        | 3.200         |
| Community Projects                             | 0.400        | 0.000         | 0.000         | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 0.400         |
| Fitness Equipment for Leisure Centres          | 0.800        | 0.250         | 0.250         | 0.250        | 0.250        | 0.250        | 0.250        | 0.250        | 2.550         |
| Libraries - Self Service                       | 0.500        | 0.000         | 0.000         | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 0.500         |
| Trowbridge Leisure Centre                      | 2.000        | 13.000        | 10.000        | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 25.000        |
| Leisure Requirements                           | 3.912        | 1.215         | 5.000         | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 10.127        |
| <b>Leisure Culture &amp; Communities Total</b> | <b>8.012</b> | <b>14.865</b> | <b>15.650</b> | <b>0.650</b> | <b>0.650</b> | <b>0.650</b> | <b>0.650</b> | <b>0.650</b> | <b>41.777</b> |

|                           |                |                |                |               |               |                |                |               |                |
|---------------------------|----------------|----------------|----------------|---------------|---------------|----------------|----------------|---------------|----------------|
| <b>GENERAL FUND TOTAL</b> | <b>261.956</b> | <b>167.106</b> | <b>161.194</b> | <b>48.773</b> | <b>73.445</b> | <b>116.796</b> | <b>113.688</b> | <b>29.429</b> | <b>972.387</b> |
|---------------------------|----------------|----------------|----------------|---------------|---------------|----------------|----------------|---------------|----------------|

## Wiltshire Council Budget 2022/23 and Medium Term Financial Strategy 2022/23 to 2024/25

## Annex 7 – Capital Programme 2022/23 to 2029/30

| Scheme name                                     | Revised<br>22/23<br>Budget | Revised<br>23/24<br>Budget | Revised<br>24/25<br>Budget | Revised<br>25/26<br>Budget | Revised<br>26/27<br>Budget | Revised<br>27/28<br>Budget | Revised<br>28/29<br>Budget | Revised<br>29/30<br>Budget | TOTAL          |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------|
| HRA - Council House Build Programme (Phase 2)   | 1.387                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 1.387          |
| HRA - Council House Build Programme (Phase 3.1) | 10.326                     | 0.277                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 10.603         |
| HRA - Council House Build Programme (Phase 3.2) | 12.125                     | 2.499                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 0.000                      | 14.624         |
| HRA - Council House Build Programme (Phase 3.3) | 4.032                      | 17.858                     | 20.537                     | 20.847                     | 21.472                     | 22.117                     | 22.780                     | 23.464                     | 153.107        |
| HRA - Refurbishment of Council Stock            | 17.289                     | 17.675                     | 15.854                     | 15.587                     | 16.149                     | 16.819                     | 17.423                     | 18.049                     | 134.845        |
| <b>Housing Revenue Total</b>                    | <b>45.159</b>              | <b>38.309</b>              | <b>36.391</b>              | <b>36.434</b>              | <b>37.621</b>              | <b>38.936</b>              | <b>40.203</b>              | <b>41.513</b>              | <b>314.566</b> |

|                                     |                |                |                |               |                |                |                |               |                  |
|-------------------------------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---------------|------------------|
| <b>GENERAL FUND &amp; HRA TOTAL</b> | <b>307.115</b> | <b>205.415</b> | <b>197.585</b> | <b>85.207</b> | <b>111.066</b> | <b>155.732</b> | <b>153.891</b> | <b>70.942</b> | <b>1,286.953</b> |
|-------------------------------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---------------|------------------|

## Capital Programme Funding:

|   |                |                |                |               |                |                |                |               |                  |
|---|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---------------|------------------|
| Grants  | 73.152         | 79.999         | 101.497        | 40.574        | 62.232         | 99.055         | 96.387         | 24.720        | 577.616          |
| Contributions                                   | 2.198          | 7.162          | 7.739          | 2.962         | 0.542          | 0.000          | 0.000          | 0.000         | 20.603           |
| HRA   | 45.159         | 38.309         | 36.391         | 36.434        | 37.621         | 38.935         | 40.203         | 41.512        | 314.564          |
| Capital Receipts                                | 3.439          | 0.250          | 0.250          | 0.250         | 0.250          | 0.250          | 0.250          | 0.250         | 5.189            |
| Borrowing - Funded by Revenue Saving in Service | 100.787        | 33.478         | 13.299         | 0.019         | 0.119          | 0.141          | 0.163          | 0.309         | 148.315          |
| Borrowing                                       | 82.380         | 44.217         | 38.409         | 4.968         | 4.150          | 4.151          | 4.150          | 4.151         | 186.576          |
| Other   | 0.000          | 2.000          | 0.000          | 0.000         | 6.152          | 13.200         | 12.738         | 0.000         | 34.090           |
| <b>Total Funding</b>                            | <b>307.115</b> | <b>205.415</b> | <b>197.585</b> | <b>85.207</b> | <b>111.066</b> | <b>155.732</b> | <b>153.891</b> | <b>70.942</b> | <b>1,286.953</b> |

## ANNEX 8 - GENERAL FUND RESERVE - RISK ASSESSED BALANCE

Key Financial Risks (Weighted Impact)

| Risk   | Quantification   | ASSESSED FOR 2022/23      |                 |                          |
|--|--|---------------------------|-----------------|--------------------------|
|  |  | Potential Magnitude<br>£M | Likelihood<br>% | Weighted Magnitude<br>£M |
| Non Delivery of Savings  | Level of 2022/23 savings built into the budget - potential for an element of non delivery during the year based on previous years delivery rates   | 25.000                    | 25%             | 6.250                    |
| Drop in demand for key income streams for services   | Current levels to meet estimated income levels fluctuate beyond expected market conditions & customer behavioural trends   | 45.000                    | 10%             | 4.500                    |
| Adult Social Care Contractual Costs & Care Provider Market   | A number of factors may impact upon price inflation for commissioned care costs. One of the most significant being insufficient supply of workforce resulting in wage inflation and therefore higher costs of services. The lack of capacity in some sectors of the care market, as well as changing behaviour and need as a result of the pandemic, creates challenges around market shaping, market growth, and ultimately competitive commissioning rates. Based upon gross commissioned care expenditure of circa £130m per annum, a price inflation of 10% (above budgeted assumptions) driven by lack of capacity would equate to a cost pressure of £13m. | 13.000                    | 25%             | 3.250                    |
| Risk of adverse weather conditions   | Extreme weather instances are increasing, coupled with reduced budgets   | 15.000                    | 15%             | 2.250                    |
| Impact of key Adult Social Care large homecare contractor and/or care home going into administration / liquidation   | Would require a new provider to carry out the service  | 20.000                    | 10%             | 2.000                    |
| Realisation of future 'Accountable Body' liabilities   | Financial exposure on funding being directed through SWLEP and other projects where the Council acts as the Accountable body   | 200.000                   | 1%              | 2.000                    |
| Collection Fund Volatility   | Volatility in Collection Fund on collection rates, bad debts - assume 0.5% of total Collection Fund collectable for Wiltshire Council  | 350.000                   | 0.5%            | 1.750                    |
| Children's Social Care increased demand for services above that built into the MTFS  | Increased pressured on child in care placements, this is also a national concern & heightened given the recent high profile cases in relation to social care. Wiltshire placements have increased significantly in the last two years, there is a risk this trajectory could continue beyond preventative measures. A 10% increase in the gross expenditure of Children Social Care would be circa £6m. This is the equivalent of 12 high-end agency residential placements.   | 6.000                     | 25%             | 1.500                    |
| Adult Social Care reduction in the level of income received.   | The move to gross payments to care providers, client debt recovery has/is become the responsibility of the Council, may increase the council's risk of irrecoverable debt.   | 3.000                     | 25%             | 0.750                    |
| Universal Credit reducing the level of housing subsidy reclaimable from DWP as well as increasing demand for services & cost through Local Council Tax Support | The level of Universal Credit claimants has not reduced in 2021/22 to pre-pandemic levels. This results in potential for increased overpayment recoveries from DWP as a result of the introduction of Universal Credit, and an increased demand for services and reduced level of Council Tax receipts   | 7.000                     | 10%             | 0.700                    |
| Potential non-delivery of capital receipts to fund the capital programme   | Subject to property market and asset rationalisation programme / devolution  | 10.000                    | 5%              | 0.500                    |
| Investment Loss  | Based on an assessment of risk within the Council's General Fund Treasury Cash Investment Portfolio  | 100.000                   | 0.5%            | 0.500                    |
| Adult Social Care increased demand for services above that built into the MTFS   | Increased demand / demographic - with increasing demand for services nationally, and an ageing population being an acute pressure in Wiltshire, this could be higher.  | 3.000                     | 15%             | 0.450                    |
| 2021/22 & 2022/23 national pay deal to be negotiated with the Unions   | The pay deal for 2021/22 & 2022/23 are both still an unknown quantity. Negotiations will need to take place but this risk is based on being 1% of pay over & above budgeted assumptions compounded for both  | 2.800                     | 15%             | 0.420                    |
| Loss of VAT Partial Exemption  | Total impact of losing exemption   | 3.800                     | 10%             | 0.380                    |
| Abortive Costs on Capital Programme  | Approved Capital Programme £300m - assumed 3% default on loans to Stone Circle due to schemes not being successful and 2% abortive costs on remainder being mainly fees on schemes that prove not to be  | 6.800                     | 5%              | 0.340                    |
| Planning Appeals   | Estimated cost to the Council of successful planning appeals, no longer mitigated through other reserves   | 0.500                     | 15%             | 0.075                    |
| <b>Total</b>   |  |                           |                 | <b>27.615</b>            |



**Annex 9 – Fees and Charges**

**TO FOLLOW**

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