

## **Wiltshire Council**

### **Overview and Scrutiny Management Committee**

**26 July 2023**

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#### **Financial Planning Task Group Update**

#### **Year End Revenue Financial Outturn Position 2022/23**

##### **Purpose**

1. To update Overview and Scrutiny Management Committee on the discussions of the Financial Planning Task Group on 7 July 2023 regarding the Year End Revenue Financial Outturn Position 2022/23.

##### **Background**

2. The Financial Planning Task Group (FPTG) is a standing task group reporting to the Overview and Scrutiny Management Committee.

##### **Membership**

3. The membership of the task group is as follows:

Cllr Gavin Grant (Vice-chairman)  
Cllr Gordon King  
Cllr Charles McGrath  
Cllr Richard Britton  
Cllr Pip Ridout (Chairman)  
Cllr Ian Thorn  
Cllr Elizabeth Threlfall  
Cllr Mark Verbinnen

##### **Terms of Reference:**

4. The terms of reference of the task group are:
  - a) To review the council's draft Financial Plan, Medium-Term Financial Strategy (4-year financial model) and Treasury Management Strategy, reporting its findings to OS Management Committee.
  - b) To undertake regular monitoring of the council's capital and revenue budgets (including the delivery of savings), ensuring that mid-year trends and developments are considered when the council's Financial Plan is updated.
  - c) To undertake ongoing review of the council's financial position, including the monitoring of reserves, investments, debt, and financial risks.

- d) Where they materially affect the council's overall financial position, to consider the council's:
  - i. approach to strategic procurement
  - ii. major contracts
  - iii. financial investment in, and liability to, its wholly owned subsidiaries.
- e) To help develop the council's approach to the annual budget setting cycle, including the specific contribution of Overview and Scrutiny.
- f) To bring regular reports to OS Management Committee, highlighting key financial developments and risks for further discussion.

### Year End Revenue Financial Outturn Position 2022/23

The Task Group met on 7 July 2023 to discuss the reports going to Cabinet on 11 July 2023, also present were:

Cllr Nick Botterill	Cabinet Member for Finance, Development Management and Strategic Planning
Andy Brown	Corporate Director Resources & Deputy Chief Executive (S151 Officer)
Lizzie Watkin	Director of Finance
Leanne Sykes	Head of Finance Growth Investment & Place

### Observing:

Cllr Graham Wright	Chairman, OS Management Committee
Cllr Chris Williams	Vice-Chairman, OS Management Committee
Cllr Jerry Kunkler	Chairman, Environment Select Committee

### Year End Revenue Financial Outturn Position 2022/23

Issue (Page and paragraphs numbers refer to the reports)	Further information / Comments
<b>Adult Social Care recoverability of debt</b> (para 20)	The council is better at identifying the size of the debt. There is, however, an unknown historical debt which can be handed back by social care providers. Debt is being actively chased down so that the bad debt provision can be lowered.
<b>Budget variations in Adult Services, Education &amp; Skills, and Families &amp; Children's Services</b> (Table 3 – Corporate Director People	The Education and Skills budget variation is due to the Dedicated Schools Grant (DSG). Adult Social Care had many government grants in-year, increasing the income (these were not budgeted for), but was also expended in year. There have also

2022/23 Final Year End Position)	been inflationary pressures, as well as the staff pay award and the use of agency staff.
<b>Corporate expenditure variance</b> (Table 12 – Corporate 2022/23 Final Year Position)	There was a large variance in capital financing. Two factors play a part, interest rate rises since Feb 2022 and a cash surplus. By not spending on the capital programme the council has not needed to borrow.
<b>High needs block</b> (Table 13 DSG Block Summary)	Nationally, high needs services are under pressure. A programme to deliver better value is being undertaken. The council is looking again at a £9.840m overspend on the DSG, which is similar to in previous years. The council is raising many of these DSG issues with Government. The current government override, which protects the council from having to effectively make good any DSG deficit from its own reserves, ends in March 2026.
<b>Savings</b> (Table 15 – 2022/23 Savings Summary)	There are still gaps in savings, but 87.9% of savings achievement was the highest yet delivered.
<b>Budget risks</b>	Inflation is currently at 8.7% and though this is coming down, previous projections have not always been accurate. The staff pay award is already greater than was budgeted for. Adult social care is particularly exposed as it is pay dependent. Inflation will have an impact through 2023/24. Some service pressures e.g., in planning may be diminishing.

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**Cllr Pip Ridout, Chairman of the Financial Planning Task Group**

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