

# AGENDA SUPPLEMENT (2)

Meeting: Cabinet

Place: Kennet Room - County Hall, Bythesea Road, Trowbridge, BA14 8JN

Date: Tuesday 6 February 2024

Time: 10.00 am

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**The Agenda for the above meeting was published on 29 January 2024. Additional documents are now available and are attached to this Agenda Supplement.**

Please direct any enquiries on this Agenda to Kieran Elliott of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 718504 or email [committee@wiltshire.gov.uk](mailto:committee@wiltshire.gov.uk)

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This Agenda and all the documents referred to within it are available on the Council's website at [www.wiltshire.gov.uk](http://www.wiltshire.gov.uk)

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5 **Public Participation and Questions from Councillors** *(Pages 3 - 10)*

Questions which have been submitted are attached, together with responses.

9 **Wiltshire Council Budget 2024/2025 and MTFs Update 2024/25-2026/27**  
*(Pages 11 - 22)*

The report of the Overview and Scrutiny Management Committee meeting held on 25 January 2024 to consider the draft budget is attached, together with the report of the Financial Planning Task Group.

DATE OF PUBLICATION: 5 February 2024

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**Wiltshire Council**

**Cabinet**

**6 February 2024**

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**Agenda Item 5 - Public Participation**

**Question from Celia Beckett - Chair of Hilperton Area Action Group**

**To**

**Cllr Nick Botterill - Cabinet Member for Finance, Development Management and Strategic Planning**

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**Question (24-12)**

Following the Government's decision to change the NPPF guidelines from a 5 to a 4 year housing land supply does Wiltshire Council intend to alter the number of houses that it has allocated in the Local Plan?

**Response**

No. The requirement to provide a four-year housing land supply is a transitional measure which only lasts for two years from publication of the December 2023 NPPF. The Local Plan will need to ensure that the Council can demonstrate a five-year housing land supply when it is adopted.

**Agenda Item 9 - Budget 2024/25 and Medium-Term Financial Strategy**

**2024/25 to 2026/27**

**Questions from Cllr Richard Budden, Tisbury Division**

**To**

**Cllr Caroline Thomas, Cabinet Member for Highways, Transport, and Street Scene**

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Preamble

While campaigning for election to the Council last year, the topic raised with me most often and persistently was the appalling state of the roads in the area.

It is important to recall that for the 4,300 people living in Tisbury, including the villages of Donhead St Andrew and Donhead St Mary as well as Fonthill Gifford and West Tisbury - apart from the A30 that bisects the southern edge of the Donheads - there are no 'A' or 'B' roads to provide access. And that there are very limited public transport options; residents are otherwise entirely dependent on their own transport, via 'C' and un-numbered roads (so-called 'non-principal' roads) for access.

At Parish Council meetings the message is repeated again and again:-

- Roads and path surfaces are not merely potholed, but broken down. The consequence, in conjunction with blocked drains or gulleys is persistent nuisance, damage to vehicles and safety hazards for pedestrians. These roads are widely judged to be in a worse state than those in neighbouring counties and it is also widely believed that they are worse than those elsewhere in Wiltshire.
- Cyclists are at particular hazard. The stretch of the Wiltshire Cycle Way that runs through the Donheads is virtually unusable as a result of neglect.
- Despite reports posted by residents on the MyWilts app, repairs are not carried out in a timely fashion.
- The local economy is affected; businesses (the pub, restaurant and golf club) report customers complain of the poor roads and say this deters them from visiting.
- Residents avoid driving after dark because of the condition of the roads; service providers, carers, delivery van drivers, express fears for their safety and that of their vehicles; thus, in dispersed rural communities, the neglect of road maintenance adds to social isolation and deprivation.
- Vehicles driven onto verges to avoid broken-down road surfaces cause an increase in soil run-off, blocking drains and increasing river pollution

In September the Council announced an additional £10 million will be spent over the next two years:

*“...on top of the £14m the council will spend this financial year... funded through the council's capital funding programme. [To] be spent on preventative maintenance and a road resurfacing programme including small, local repairs to the highways; verge repairs on rural roads and materials support to volunteers working on public rights of way.”*

I wrote to Cllr Thomas, congratulating her on obtaining the extra funds, saying the additional funds were urgently needed to bring roads in my district up to a satisfactory standard.

In November, at a crowded meeting of the local Area Board, she spoke of how much money and effort the Council puts into maintaining the County's roads. No questions were taken from spokesmen that were there representing the Donheads parishes, but in the days immediately afterwards I copied to her a detailed map marking 16 of the places in these two villages where the road surface has broken down and requested a meeting with officers to discuss their plans. I stressed again the urgency of improvements needed to the road network in the area. This message received no response, so in early January I wrote again, forwarding a message I had received from a local resident who lamented that:

*“roads in this village are a shambles.. When we moved here about 16 years ago the roads were in good order.. the village needs a lot of work and the lane we live in..is nearly unsurpassable. The whole lane needs to be resurfaced. Holes filled, drainage work etc. The whole village needs work, and has for many years”*

Cllr Thomas' response was to repeat the Cabinet mantra that Wiltshire is one of the very few local authorities balancing its books, permitting it to free up additional funds and inform me that officers would be in a position to reply “in due course”. When I told her that residents quite reasonably want to know what it will take for the Council to begin to fulfil its obligations to maintain the highway, and whether there is any point in paying their council tax, Cllr Thomas replied drawing attention to all the other things the Council does, and that less than 10% of the current year's £465 million revenue is spent on Highways and Transport.

Reflecting the frustration of local residents and their Parish Councils I sought the support of local media to draw attention to the issue. Finally, on 18th January, Richard Clewer, the Council leader, conceded that a stretch of damaged road surface shown him in a picture by a reporter from the BBC deserved to be treated within days.

With this history, we can agree, I am sure, on several things:

1. It shouldn't require Richard Clewer to be interviewed by the BBC and for him to view pictures from a BBC cameraman for the council to take action when it is clearly and urgently needed. There has to be a better way.
2. To 'balance the council's books' Wiltshire Council has starved the budget for maintenance of non-principal roads.

The Council's commitment to spend an additional £10 million over two years on road maintenance is, of itself, an admission that failing over a number of years to provide sufficient funds to satisfactorily maintain non-principal roads has merely stored up problems; an example of being penny-wise but pound-foolish.

Data publicly available from the Local Government Association, based on returns to the Department of Transport, shows that in 2022-23 Wiltshire spent more than £20,000/mile on maintaining principal roads, but only a very little over £1,000/mile maintaining non-principal roads.

Amongst neighbouring counties, by contrast, the spend per mile on maintaining non-principal roads in the same period was:

- In West Berkshire, nearly twice as much; in Bath & North East Somerset, and Somerset, twice as much,
- In Swindon five times as much; in Hampshire, and North Somerset, over six times as much and in South Gloucestershire nearly nine times as much.

And amongst authorities that are ‘statistical neighbours’, similar to Wiltshire in terms of population demographics, rurality and deprivation:

- Shropshire spent one third more,
- Cornwall spent over two and a half times as much,
- Cheshire West & Chester spent nearly three and a half times as much,
- Northumberland spent over five and a half times as much and the East Riding of Yorkshire spent over twelve and a half times as much.

Road Maintenance spending 2022-23	Non-principal roads ('C' + un-numbered roads)	Maintenance spend on non-principal roads		Multiple of Wiltshire's spend/mile on non-principal roads
	miles <sup>1</sup>	£K <sup>2</sup>	£K/mile	
<b>Wiltshire</b>	<b>2457</b>	<b>2,537</b>	<b>1.03</b>	<b>1.0</b>
<b>Geographical neighbours</b>				
West Berkshire	752	1,415	1.88	<b>1.8</b>
Bath and North East Somerset	595	1,247	2.10	<b>2.0</b>
Somerset	3,736	7,857	2.10	<b>2.0</b>
Swindon	474	2,448	5.17	<b>5.0</b>
Hampshire	5,032	31,623	6.28	<b>6.1</b>
North Somerset	627	4,345	6.93	<b>6.7</b>
South Gloucestershire	844	7,643	9.05	<b>8.8</b>
<b>Statistical neighbours:</b> authorities Council officers consider are statistically similar to Wiltshire in terms of population demographics, rurality and deprivation				
Shropshire	2,857	3,692	1.29	<b>1.3</b>
Cornwall	4,194	11,717	2.79	<b>2.7</b>
Cheshire West and Chester	1,203	4,212	3.50	<b>3.4</b>
Northumberland	2,723	15,614	5.74	<b>5.6</b>
East Riding of Yorkshire	1,909	24,927	13.06	<b>12.6</b>
Sources: <sup>1</sup> Road miles are taken from <a href="https://www.gov.uk/government/statistics/road-length-statistics">Road length statistics (RDL) - GOV.UK (www.gov.uk)</a>				
<sup>2</sup> Maintenance spends are taken from <a href="https://www.local.gov.uk/data-reports">Data and reports   LG Inform (local.gov.uk)</a>				

In light of which, it is hardly surprising Wiltshire’s roads compare unfavourably with similar roads in other counties.

Before members of the Cabinet jeer or sneer “that way bankruptcy lies”, they should

reflect that in villages and rural communities with no shops, doctors' surgeries, schools or other services, and with scant public transport, there are very few things that have more impact more immediately on more people, than broken down roads.

To avoid the capital cost penalty of fundamental repair to roads, following years of neglect, we need to see that 'C' roads providing access routes for rural communities are given the same priority for maintenance as 'B' roads elsewhere, and to maintain un-numbered roads also to a higher standard than previously, so they do not break down in the manner we observe currently in the Donheads and elsewhere in the Tisbury district.

### **Question (24-13)**

In light of the foregoing, would you not agree with me that the budget in £ per mile for maintenance of Wiltshire's non-principal roads should be at least doubled, even though that will still leave it well short of the average among our statistical neighbouring counties, to match some at least of our immediate geographical neighbours?

### **Response**

We have been very clear about how we prioritise highway maintenance, including at our programme of 'Highways Matters' events.

The expenditure figures quoted by Cllr Budden are for revenue expenditure only, which usually covers maintenance such as gully emptying, grass cutting, road sweeping and winter gritting.

The figures he provided do not cover the extensive capital investment which is generally used to improve the condition, including surfacing and surface dressing, with an annual budget provided by the DfT along with additional one-off grants such as the £3.6m for pot holes in 2023/24.

We take a risk-based approach to asset management in Wiltshire in line with the "Well Managed Highway Infrastructure Code of Practice", and this is incorporated and documented in the "Wiltshire Highways Safety Inspection Manual".

The percentages of road treated are published by the DfT. They group the non-principal roads together (B, C and Unclassified roads) and list the Principal Road (A Road) percentages. The 2022/23 figures indicate Wiltshire Council's % of A roads treated was 5.2% and B/C/U roads 2.6%. This compares with the national average of 5.3% and 2.4% respectively.

With the additional £10m capital investment, we will be able to undertake further work on non-principle roads across Wiltshire. The Forward Work Programme, which is evidence led, is in the final stages of preparation and the next step will be to publish the Plan through our Area Boards and once confirmed, schedule and undertake the work.

Road safety is a priority for the Council and network safety condition and resilience is an essential component in our comprehensive approach, including working with

partners, to reduce the number of people Killed and Seriously Injured on the County's network. The condition of roads (their surface and related infrastructure) and appropriately prioritised maintenance and improvement related to road use, can make a significant contribution to reducing collisions particularly those resulting in death and seriously injury.

With over 2,800 miles of road, the highway network in Wiltshire forms the Council's largest asset and it is important that it is maintained in the most cost-effective way that demonstrates value for money. This includes the use of asset management and whole life costing approaches to inform investment decisions, taking into account all factors including enabling sustainable economic growth and the environmental implications.

It is not realistic, or appropriate, to expect a 'per mile' doubling or more for maintenance of Wiltshire's non-principled roads which experience significantly less traffic.

It is important that residents continue to report defects to the Council so we can inspect all defects and take appropriate action.

### **Question (24-13)**

Would you not also agree with me that, to allay suspicions of differences in the treatment of different areas of the county, the budgets, both revenue and capital, for principal and non-principal roads' maintenance and improvements needs to be clearly set out and publicly available in £ per mile, broken down at least to Community Area level?

### **Response**

There are differences in the treatment of roads in the Community Areas due to the nature of roads and their distribution across the county. Our safety led prioritisation process inevitably leads to a focus on those roads with high usage.

As we have previously explained at the Highways Matters events, our new 'defect dashboard' is broken down by Community Area and regular updates will be provided through Area Boards.

We highlighted the data for South West Wiltshire at the Highways Matters event before Christmas, and it is also worth noting our Highways Annual Review of Service is presented to Environment Select Committee every year – 14 March last year and it is on the Agenda for March again this year.

The Highways Annual Review of Service is a comprehensive report detailing performance in the last 12 months and includes road surfacing, repairs, road safety improvements and structures work.

The concept of a spend per mile is not adopted by Local Authorities or the DfT given the wide variation in the asset - from dual carriage ways with junctions, lights and bridges used by thousands of vehicles a day, including HGVs, to single carriages way primarily used by tractors, horse riders and pedestrians.



**Agenda Item 12 – Public Transport Strategy**

**Questions from Colin Gale, Pewsey Community Area Partnership**

**To**

**Cllr Caroline Thomas, Cabinet Member for Highways, Transport, and Street Scene**

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**Question (24-14)**

The report, page 392 paints Demand Responsive Transport in a bad light following a public consultation survey conducted from September to October 2023. Demand Responsive Transport was only introduced in the Pewsey Vale on 31st July 2023 and was progressively rolled out to the other operating zones of Marlborough and Great Bedwyn in September 2023 and Marlborough and Hungerford on 30th October 2023. Experience during the preparation to the roll out of the new DRT service identified that the majority of the public did not know/understand what Demand Responsive Transport was and how it operated. Between August and December 2023, daily patronage per DRT vehicle has grown by 49%. The DRT vehicles are now carrying more passengers than the timetabled parts of the services. The average customer rating is 4.9 out of 5 stars in the first 5 months of operation.

The timing of the public consultation and the introduction of the Pewsey Vale DRT service has not given sufficient time for the public to appreciate the benefits of the service and hence perhaps the poor/negative responses. PCAP believe an update should be provided to the report and to the strategy to reflect the updated situation since the public consultation.

Will Wiltshire Council provide an update based on the latest information gained from the operation of the DRT services in the Pewsey Vale to offset the current report?

**Response**

As stated above, the whole DRT service (Wiltshire Connect) in the Pewsey Vale has been up and running since the 30 October 2023. It consists of 3 DRT vehicles and 2 semi-flexible/timetabled vehicles. It is agreed that giving more time for the DRT service to bed-in, may well help to change public opinion on the positive role that DRT can play in Wiltshire.

So far, data shows:

- Over 4,000 people have registered and downloaded the 'Wiltshire Connect' app.
- Over 2,500 individuals have made at least one journey.
- Over 17,000 passengers were carried in the first 5 months of operation.

- Between August and December 23, daily patronage per DRT vehicle has grown by 49%.
- DRT vehicles are now carrying more passengers than the timetabled services.
- There is an average of 3.7 passengers per vehicle per hour across the service in November. (Previously the 101/2 service averaged approx. 3 passengers per hour excluding schools).
- The average customer rating for the service is 4.9 out of 5 stars.

Despite some negative comments on DRT in the public consultation, our Public Transport Strategy will continue to look at DRT solutions to help complement mainline public transport services where it is deemed appropriate.

**APPENDIX to the Overview and Scrutiny Management Committee Minutes of 25  
January 2024  
Wiltshire Council**

**Cabinet 6 February 2024**

**Council 20 February 2024**

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**Report of the Overview and Scrutiny Management Committee on the Draft Budget  
2024/25 and Medium-Term Financial Strategy 2024/25-2026/27**

**Purpose of report**

1. To report to Full Council a summary of the main issues discussed at the meeting of the Overview and Scrutiny Management Committee held on 25 January 2024.

**Background**

2. The meeting of the Overview and Scrutiny Management Committee provides an opportunity for non-executive councillors to question the Cabinet Member with responsibility for Finance and the Chief Executives with the Director of Finance on the draft 2024-25 budget and medium-term financial strategy before it is considered at Cabinet on 6 February 2024 and Full Council on 20 February 2024.
3. The Leader of the Council, Councillor Richard Clewer and The Cabinet Member for Finance, Councillor Nick Botterill were supported by the Deputy Chief Executive and Corporate Director for Resources Andy Brown; and Section 151 Officer, Lizzie Watkin. In addition, Director of Legal & Governance (Monitoring Officer) and other members of the Corporate Leadership Team were present to provide clarification and answers to issues and queries raised by the Committee.
4. In addition to the draft Budget and Medium-Term Financial Strategy made available on the Council's website on 16 January 2024 and other public events, a briefing had been arranged on 17 January 2024 open to all elected Members to explain the budget and for technical questions to be answered.
5. Details had included:
  - The net general fund budget of 2024/2025 was proposed as £485.772m.
  - Council Tax requirement for the Council be set at £351.077m for 2024/25 with a Band D charge of £1,805.73, an increase of £1.65 per week; which would be a 2.99% general increase plus a levy of 2% to be spent solely on Adult Social Care.

**Main issues raised during questioning and debate**

6. This report is divided into sections relating to each of the Select Committee areas as budget proposals and impacts on services were discussed, before opening up to general queries.

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### Financial Planning Task Group

7. The report of the Financial Planning Task Group on the budget proposals was received. The report and its comments would be forwarded for attention at Cabinet and Full Council along with the report of the Overview and Scrutiny Management Committee itself.

### Environment Select Committee

8. Clarity was provided regarding the staff vacancy factor (paragraph 183), which had been set at 6.5% having previously been as low as 1.5%. It was noted that it was a varied picture across Council services regarding vacancies and that the Council was trying not to take a corporate view of this as some areas would have greater gaps and pressures and that this was difficult to ascertain with recruitment difficulties. It was noted that the Quarter 3 Budget Monitoring reports which would go to Cabinet would monitor and manage setting out implications.
9. Regarding a breakdown of the revenue and capital budgets for the council's de-carbonisation programme as set out in the Climate Strategy and whether other funding was being assigned for climate adaptation in 2024/2025, it was agreed that this was not possible to set out due to the way the budget was presented but would be brought back to the Environment Select Committee for further scrutiny.
10. Clarity was provided regarding the identification and consultation of affected groups by the removal of 20 cash ticket machines from car parks (Appendix 1, page 64). It was noted that, ten machines would be replaced and ten removed, with these considered to be carparks where residents were buying MiPermits and season tickets. Cash would still be accepted and due to the context of Wiltshire not having mobile coverage akin to places like London, it would be essential to retain the ability of people being able to pay by cash.
11. It was noted that green waste collection would increase from £66 to £70 and that there had been an uptake in the green waste service since Covid. Detail was provided that though there were 84,000 residents who paid for the service, collections would take place the same as other waste with vehicles having to attend every street. The cost would be to cover collections as a cost neutral exercise and would not be for profit as was the policy of the Environment Agency.
12. With the government funding of public transport savings deferred until 2025/2026 (Paragraph 78), officers provided assurance that Wiltshire Council would meet the deadline for delivering savings and enough time to plan for a sustainable and financially viable network with a timeline of action provided.
13. Clarity was sought that though planning fees have increased, the number of houses being built does seem to be slowing. Was this reflected in the income assumptions for planning fees? (Paragraph 87, Appendix 1, page 64). It was noted that the latest housing delivery test figures from government with 106% of the annual housing

## **APPENDIX to the Overview and Scrutiny Management Committee Minutes of 25 January 2024**

requirement in Wiltshire being delivered with it suggested that there was a healthy supply of planning permissions in the pipeline. It was anticipated that progressing the local plan at a pace would stimulate interest in the market and generate additional planning application. Officers were content to keep fees at the same level as previously and would review each year.

14. Assurance was provided that though the Leisure Culture & Communities income target had increased to £0.492m 2024/25 (Paragraph 97), it was believed that this was achievable. Further reassurance was sought that though the general budget was decreasing from £6.5m to £5.3m this wouldn't lead to losing a communal service to the wider public. Reassurance was provided that budget management was a top priority for leisure and a commercial team had been assembled with commercial operations experience.

### Health Select Committee

15. Concern was raised about how vacancy rates were being managed to provide services and that if money is being saved by not replacing people this might lead to managing services in a non-strategic way. In addition, clarity was sought as to how the risk of people leaving critical internal posts was mitigated. It was noted that there is an importance of recognising how important partners are in delivering care and though there is less control working externally, the Council works closely with recruitment of staff and developing a workforce with the promotion of the values of roles. Any savings would be made through vacancies, and internally they are not critical roles.
16. A breakdown of the savings cited for Adult Services was provided for 2023, with it noted that in 2023/24 there are £6.455m of savings in adults. £0.242m (3.75%) of these are unachievable. Further information on savings was in the Quarterly budget monitoring reports and the planned future savings were in appendix 1, annex 7 of the budget papers.
17. Regarding the £0.242m (3.75%) of savings being unachievable, it was noted that this might be due to factors beyond control such as unexpected demands in specific areas and shifts in some parts of care having high costs. A lot of monitoring is done to see what is to be expected.
18. Clarity was provided on what work is being done to reduce costs whilst maintaining good quality services, including the Adult Care Transformation Programme and the preventative agenda, and managing demand.
19. It was noted that the outreach enablement service is not compromised by the availability of adequate housing to support independent living and works with anyone wherever they might be, including placement settings or at home. Investment has allowed for the purchase of additional properties which can deliver more living solutions.

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20. It was stated that strategically there are opportunities for more joined up working between health and planning with health accounted within the local plan in the form of policies to encourage more cycling, designs to have open space, air quality and developers being required to contribute positively to residents through the Health and Wellbeing Policy.
21. Optimism was shared that savings might be made through taking an Integrated Care approach, however there was concern regarding the withdrawal of Integrated Care Board (ICB) funding from some services. It was stated that long term duplication would be reduced with staff capacity released to do other things. Working with the ICB would have to be strategically looked at as the long-term direction of travel with the need to advocate the priorities of the local authority and social care as key partners.
22. It was questioned whether the budget should not err on the side of caution inflation rates and whether the assessment was ambitious or realistic, to which it was stated that the Council is an evidence led organisation and the assumptions used are based upon evidence. Where inflation is included in contracts the specific inflation projection rate is used and when not, the Bank of England CPI forecast is used. Appendix 1, annex 5 set out the details of inflation pressures applied to the budget. The importance of budget monitoring processes was stressed with pressure built into the budget for costs in the current financial year where higher levels of inflation had not been able to be contained.

### Children's Select Committee

23. Clarity was provided regarding 21% of the council spend on supporting and safeguarding children and young people and that the actual current DSG deficit was £56.247m and that a scale of £70-90m had been identified for potential repayment which was influenced by the contribution towards the DSG deficit from the Department of Education.
24. It was noted that there was a budgeted contribution of £7m this year with no indication of the amount to be set aside in the MTFs. It was clarified that it was anticipated that there would be an opening balance on this reserve in the region of £11m and the reserve will have at least £18m by the end of 2024/25. Any residual balance, where reserves are not either set aside or identified to fund the deficit when required would require exceptional financial support from government, with a likely requirement to capitalise the balance, and either funded by capital receipts or borrowing. Borrowing for these purposes would attract a cost premium and would likely have to be paid over a period of 10 years.
25. It was stated that the council would remain liable for an estimated £60m to £70m cumulative deficit in the SEND funding when the Safety Valve programme ends (paras 51 and 142). Regarding addressing this deficit above and beyond the Safety Valve programme, currently national government funding for Councils is only confirmed for the 2024/25 financial year, with further updates awaited. Funding would also be affected by an expected election this year. Funding is not confirmed for years 2 and 3 of current MTFs period and when greater clarity of the government approach

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for local authority funding is given a strategy will be required as part of the budget setting process next year to identify funding for the high needs deficit liability.

26. Assurance was provided that regarding the High Needs Block deficit, senior officers and Cabinet are fully aware that this is the most significant financial liability risk for the council's financial sustainability and are prioritising accordingly.
27. It was stated that the school's forum had agreed to transfer £2m from the school's block to support high needs pupils, 0.55% requested which is above the 0.5% allowable without government approval. The disapplication was submitted by the deadline on 12 January 2024 and the school's forum agreed support in principle for the transfer at the meeting of 5th December and confirmed support for the transfer through a formal vote at the meeting on 18th January. This was not the first time the school's forum had done this as they approved a 0.7% transfer in 2020-21 however this was rejected by the Secretary of State for Education. It is understood that any disapplication received by local authorities with a Safety Valve agreement in place would be looked on favourably by the Secretary of State.
28. It was stated that page 50 of the draft budget showed £10m in the Capital Programme for the High Needs Block, to which it was clarified that this bid was made in lieu of any future High Needs Places Capital Allocation grant from the DfE and included a number of programmes aligned to the SEN Strategy and the safety valve plan includes the continued demand for Special School places and additional resource base places. The development of additional places is integral to the delivery of the safety valve plan.
29. Reference was made to page 14, paragraph 53 regarding traded services, with savings including increases in traded services income prices to reflect staff pay inflation. It was stated that regarding confidence of these savings, though there is always risk around ability to afford local authority services, the Council had seen increased buyback in the current financial year in School Effectiveness for example which might suggest services are well regarded by schools. This also includes trade in and outside of Wiltshire and the schools funding increasing by 1.7%.
30. Clarity was provided regarding the savings created by the PAUSE project which cost £0.3m per annum but created savings of £0.7m per annum.
31. Clarity was provided in relation to paragraph 48 that that an additional £22k would be made available for an increase in education welfare officers. £22k would be sufficient to cover the pay inflation of the EWOs rather than the cost of the additional posts investment. The EWO capacity had increased via latent demand reserve funding and growth.
32. Regarding anticipated pressure on children's statutory services, it was stated that it is difficult to estimate what is latent demand and then differentiate this from post pandemic business as usual. The decision was therefore made not to request additional draws on the latent demand reserve for next year but deal with anticipated demand and inflation through the MTFS. Previous years' drawdowns would stand.

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33. Clarity was sought regarding whether the care placement market was saturated, and children could not be placed anywhere or whether there was not enough capacity in house. It was stated that the Council was using more residential placements at a higher cost as a result. The Council was keen to further expand its own foster carers and the commitment to Fostering Excellence and the Mockingbird programme was reflective of this. Post pandemic carers have been challenging to recruit despite best efforts. IFA providers and external residential providers could “cherry pick” children and young people from across the southwest and as a result the Council could be subject to high-cost placements. The plans for children’s homes, solo children’s homes in Wiltshire aim to negate this pressure.
34. It was clarified that on page 15 paragraph 57, that £3.9m related to all demand and £4.7m related to all inflation.
35. Regarding Adoption West, the £1.125m related to the 2023/24 in year increase reflecting increased adoption support activity and 2023/24 pay inflation above the 4.5% budgeted plus the 4.5% budgeted for 2024/25. The Adoption West contractual commitment for 2024/25 was estimated to be £1m for 2024/25.
36. It was noted that paragraph 60 listed a £0.180m saving by using a Public Health Grant, which was confirmed as being an existing grant badged against existing children’s services expenditure.
37. Clarity was provided in relation to the following sentence from paragraph 62, “Other non-placement demand included is in the third year of the MTFS”, which related to the increased running costs of Canons House, assuming the capital investment was approved. The demand for more beds would bring cost avoidance in future years after 2026/27.
38. Clarity was provided relating to page 16, paragraph 62, “The increased running costs included within the demand estimates for providing respite to more children is estimated at £0.526m.” It was outlined that it was difficult to badge future savings (post the term of this MTFS) to this programme of work. The additional 4 beds would require more staffing and the larger building would have increased running costs. The investment aimed to ensure that families do not breakdown and respite avoids external residential care however, the numbers of children are small and future savings would need to be carefully considered.
39. Detail was provided on the Data and Performance team for people services, hosted within Families and Children’s, with it noted that the team supports the People Directorate as a whole, providing system and performance support, the demand is to support Education and Skills receiving the same level of funding as the other areas with a specific focus on pupil moves and statutory responsibilities related to children missing education and quality assurance.
40. It was questioned how certain the Council was that the latent demand would not be needed beyond the £3.2m drawdown in 23/24 and the £2.6m in the MTFS? It was



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noted that funding was required for further transformation across the council to ensure capacity to change to remain financially sustainable. Residual demand pressure had been built into the base budget and would continue to be assessed during the year through budget monitoring and setting future years budgets.

41. Clarity was sought regarding the school maintenance backlog and whether the £2m allocated yearly up to 2026/27 would be enough to clear the backlog and prevent new projects from being delayed. It was stated that this would not clear the backlog as the total backlog was £22.5m, which had grown from around £15.6m in the last year. The funding outlined would help prevent further growth in the backlog and enable the Council to address the highest priority work. Furthermore, the notion of prioritisation of work through condition surveys was outlined and that with the additional capital funding, the Council would have £5k per annum for the next few years. The Council was allocating £3.9m of this in 2024/25 to planned maintenance work and keeping £1.1m for emergency works to keep schools safe and open. This would almost double the usual funding for emergencies, so anything identified as "new" and requiring immediate funding would be able to be done rather than waiting for next year. It was noted that most work could only be done in school holidays which means that the Council would struggle to get enough competent contractors to increase the programme any more beyond the funding requested.
42. Regarding the decrease in SEN social care placements compared to 2023/24 (page 55), it was noted that the decrease of £0.297m related to the young people reaching 18 in 2024/25 and transferring to adult services, with fluctuations in the SEN social care support reflecting the actual cohort of children and young people.

### General Queries

43. It was questioned whether the final figures for 2023/24 would affect the budget figures for 2024/25 as these would not be known until May and what scrutiny measures were in place for making changes to the agreed budget for 2024/25. It was noted that the Council was always exposed to risk of changes to the financial position, however when making decisions, officers use what is currently known. Regarding 2023/24 there was a forecasted underspend, which was a good reflection of financial management and control and taking response to variances and undertaking mitigations. Assumptions are updated as late as possible and should any additional changes and mitigations be made, this would go through the budget monitoring process of Scrutiny, the Financial Planning Task Group and quarterly budget monitoring reports. Assurance was provided that a robust governance process was in place. Further clarity was provided that the Council would have to confirm the budget by 10 March 2024.
44. Clarity was provided that individual service areas make use of different levels of detail for individual contracts and use different inflation rates for different aspects. Officers were confident they had captured the different natures across services.
45. Detail was provided about the risk assessment of general reserves on page 96, with it noted that the new provider risk in adult social care was a one-off anticipated cost of

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having to find another care provider and that these were not hard and fast values but an assessment of a one-year implication. The listing of Stone Circle on the risk register was also discussed, with it stated that this register represented a worst-case scenario, and it was right and proper to have these funds set aside in case. Furthermore, the Stone Circle related risks were reported through the Stone Circle Shareholder Group.

### **Conclusion**

46. To note the Draft Wiltshire Council budget for 2024-25 and Medium-Term Financial Strategy for 2024-25 to 2026-27 and to refer the comments of the Committee and the report of the Financial Planning Task Group to Cabinet and Full Council for consideration on 6 February and 20 February respectively.
47. To support the Financial Planning Task Group's ongoing monitoring of the delivery of the budget and the development of the budget for 2025-26.

**Councillor Graham Wright**  
**Chairman of the Overview and Scrutiny Management Committee**

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Report Date: 5 February 2024

**Report of the Financial Planning Task Group:**

**Budget 2024/25 and Medium Term Financial Strategy 2024/25 to 2026/27**

The Task Group met with the following guests, on 19 January 2024, to discuss the reports:

Cllr Nick Botterill	Cabinet Member for Finance, Development Management and Strategic Planning
Lizzie Watkin	Director Finance & Procurement (S151 Officer)
Sarah Rose	Head of Finance – Adults & Health

**Observing:**

Cllr Jon Hubbard	Chairman, Children’s Select Committee
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<b>Issue</b> (page and paragraphs numbers refer to the <a href="#">draft budget papers</a> )	<b>Further information / Comments</b>
<b>Adult social care budget assessment of risks</b> (Para 20)	<i>Work is undertaken with the social care market to understand demand and inflationary costs. The social care levy will raise £6.7m and will help to fund, in part the £16m of inflation and demand growth that has been built into the Adult Social Care budget and overall, the increases will provide sufficient funding to enable the delivery of vital services The council is confident, given what is currently known, that these assessments are robust. Uncertainty remains around social care reform and any additional funding government will give.</i>
<b>Social Care transformation</b> (Paras 25-39)	<i>What happened to the unachievable savings from last year (2023/24). The quarterly budget reports focus upon savings and report progress through the year. There will be significant savings next year but where there has been no delivery this year, e.g. due to timing issues, then those savings are still in the base budget. Where savings are not able to be achieved, they have been built into the budget as</i>

	<i>pressures (Appendix 1 Service Spending Pressures).</i>
<b>Safety Value reserves</b> (Para 51, 142)	<i>It is expected that the Council will be required to contribute between £70m and £90m at the end of the 5 year plan and therefore a reserve to begin to support the Council's contribution is being set up. There are a lot of unknowns, except that the deficit is increasing. It is not clear at this stage how much funding will come from government. Currently projecting £19m in reserves by the end of 2024/25, more will need to be put aside and it is a key priority. This reserve will rise over the next few years. It may be that any deficit still in existence after 5 years would be capitalised (borrowed) and paid off over a longer period of time.</i>
<b>Cannons House</b> (Paras 62, 125)	<i>There is an £3.5m investment in the expansion of Cannons House, with running costs of £0.526m per year. It is not clear where the corresponding savings from an expanded Cannons House are set out. This information will be shared with the Chairman of Children's Select Committee.</i>
<b>Budget for staff pay award</b> (Para 119 Table)	<i>The budget for the staff pay award is slightly less than last year (£7.833m 2023/24, £7.788m 2024/25). Forecasts for CPI are around 3% next year but the council has budgeted for 4.5% 2024/25. Have benchmarked assumptions to other local authorities and the council is in the middle of those authorities' assumptions. Have also considered the impact of the national living wage on next year's pay award. Officers and the Cabinet are comfortable with the assumptions made and that any potential risk is adequately covered.</i>
<b>Lower Tax Base</b> (Para 171; Tax Base App1 Table pg. 47)	<i>The lower tax base is due to an increase in households receiving a council tax reduction, (CTR) exacerbated by the cost of living crisis, and fewer new houses constructed. The reduction of £0.5m in the new homes bonus illustrates the slowing of housing growth. However, the specific split of these factors was taken away to be presented at OSMC on 25 January 2024.</i>
<b>Lower Tax Base</b> (See above)	<i>No comparison has been undertaken with other local authorities to see if they are similarly affected by a lower tax base 2024/25. Any comparisons would need to be with appropriate local authorities that are similar in terms of geography,</i>

	<i>demographics, and economies. This would not be easy to achieve. The council tax base will continue to be monitored, with a focus upon CTR and Universal Credit as the main metrics monthly.</i>
<b>Consumer Prices Index (CPI) base indices for inflation</b> (Para 172)	<i>The chart on page 48 (Appendix 1) gives the Bank of England (BoE) trend for CPI, showing the potential range of the index forecast for future years. The forecast from the BoE is for inflation to continue to fall during 2024 and future year assumptions are based upon this materialising. Forecasts for CPI are around 3% next year. It was noted that some contracts use different inflationary mechanisms than CPI.</i>
<b>Leisure Culture &amp; Communities - community projects</b> (Appendix 1 Annex 9 pg. 70)	<i>In the capital programme 2025/26 there is £0.4m funding set aside for community projects. There is no further funding over the period of the MTFS. What specifically this related to could not be answered during the meeting and was taken away to be circulated later.</i>

The task group thanked officers for the presentation and reports which continue to improve in terms of clarity.

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

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