

AGENDA SUPPLEMENT (2)

Meeting: Overview and Scrutiny Management Committee

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

Date: Monday 12 February 2024

Time: 1.30 pm

The Agenda for the above meeting was published on 2 February 2024. Additional documents are now available and are attached to this Agenda Supplement.

Please direct any enquiries on this Agenda to Ben Fielding - Senior Democratic Services Officer of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 718656 or email benjamin.fielding@wiltshire.gov.uk

Press enquiries to Communications on direct lines (01225)713114/713115.

This Agenda and all the documents referred to within it are available on the Council's website at www.wiltshire.gov.uk

7 **Wiltshire Council's Budget 2024/25: Amendments** *(Pages 3 - 16)*

DATE OF PUBLICATION: 8 FEBRUARY 2024

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Wiltshire Council

Full Council

20 February 2024

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

**Cabinet Member: Cllr Richard Clewer – Leader of the Council
Cllr Nick Botterill – Cabinet Member for Finance,
Development Management and Strategic Planning**

Key Decision: Key

Addendum Background

The Final Local Government Finance Settlement was announced on 5 February. As part of this final settlement additional national funding was confirmed over and above that included in the provisional settlement, for Rural Services Delivery Grant in recognition of specific cost pressures in rural areas of £15m, Social Care Grant of £500m, Services Grant of £10m and also an increase of the Minimum Funding Guarantee before any local council tax decision are made from 3% to 4%. From these national increases the council is confirmed to receive an additional £0.614m in Rural Services Delivery Grant, £3.798m Social Care Grant and £0.036m of Service Grant. To meet the Minimum Funding Guarantee the council is also receiving an additional £0.078m of Minimum Funding Guarantee Grant. This is a total increase of £4.526m compared to the provisional settlement and funding included in the budget report that was approved by Cabinet at their meeting on 6 February 2023.

An update was given at the Cabinet meeting on 6 February 2024 by both the Cabinet Member for Finance, Development Management and Strategic Planning and the Leader of the Council when the Budget 2023/24 was discussed, where it was set out that the increase in funding was proposed to be used, as follows:

- £0.100m contribution to Air Quality monitoring in 2024/25.
- £0.025m contribution towards volunteer recruitment by Libraries for residents in remote areas.
- £0.603m funding for rural play areas to enable them to continue to be used by the local community that will lead to their transfer to the local town or parish council.
- £3.798m funding for additional investment in SEND and children's services early help and prevention support.

As these changes affect the funding available to the council they affect the Net Budget Requirement and increase it by £4.526m from £485.772m to £490.298m. The Budget Report 2024/25 and Medium-Term Financial Strategy 2024/25 – 2026/27 and tables and appendices within the report have not been amended to reflect this late change in grant funding from government.

On the 5 February the Public Health Grant allocations for 2024/25 were also announced. This grant funding is ring-fenced for Public Health activity and is shown in the service budget line so does not affect the Net Budget of the council. The grant has increased from £18.718m in 2023/24 to £19.011m in 2024/25, which is an increase of £0.293m.

This addendum has the effect of amending recommendation A of the proposals included in the Budget 2024/25 report. As the funding has only been confirmed for one year the budget impact and changes affect 2024/25 only. The changes also have the effect of increasing the budget on Education and Skills, Environment, Leisure, Culture & Communities, Specific Grants and Total lines in Appendix 1 Annex 1 and Annex 2 by £4.526m and the totals in Appendix 1 Annex 6 Demand Changes and impacts several tables and the budget values in services within the report. This additional grant funding does not impact the calculations used to establish the Council Tax Requirement and therefore there is no change to the Council Tax resolution. This is because of the proposed uses of the additional funding set out in this addendum.

For transparency the recommendations are included below as amended to include the change required as a result of this addendum. Also included is the table originally set out in Appendix 1, Annex 1, Service Budget Summary 2024/25, now shown as Appendix 1 to this addendum report.

Proposal(s)

Cabinet recommends to Council:

- a) That a net general fund budget of 2024/25 of £490.298m is approved;
- b) That the 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;
- c) That the Wiltshire Council element of the Council Tax be increased in 2024/25 by the following:
 - i. A 2.99% general increase;
 - ii. Plus a levy of 2% to be spent solely on Adult Social Care;
- d) That the Extended 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 2024/25;
- e) That the Extended Leadership Team be required to deliver the revenue savings plans for each service area as set out in Appendix 1 to this report, over the MTFS period 2024/25 to 2026/27;
- f) That the changes in the fees and charges as set out in Appendix 4 are approved;
- g) That the Capital Programme 2024/25 to 2030/31 is approved;

- h) That the Capital Strategy set out in Appendix 2 is approved;
- i) That the DSG budget as approved by Schools Forum is ratified;
- j) That the Medium Term Financial Strategy, the forecast balanced budget over the 2024/25 and 2025/26 financial years and the MTFS 2024/25 to 2026/27 is endorsed.

Reason for Proposal(s)

To ensure that the additional grant funding that government announced as part of the Final Local Government Finance Settlement is included in the budget setting proposals to be considered by Council and to provide transparency on the proposal on the allocation of that funding and that recommendations to Council still provide a balanced revenue budget for the financial year 2024/25 and do not impact on the Council Tax setting.

Terence Herbert – Chief Executive

Andy Brown – Deputy Chief Executive & Corporate Director Resources

Lizzie Watkin – Director of Finance & Procurement (S151 Officer)

Perry Holmes – Director of Legal & Governance (Monitoring Officer)

Overview and Scrutiny Engagement

1. An update was provided at the Cabinet meeting on 6 February 2024 relating to this increase in funding and the planned proposed allocation and use of this additional grant funding. Overview & Scrutiny Management Committee are considering this addendum report at their meeting on 12 February 2024.

Safeguarding Implications

2. There are no additional Safeguarding implications as a result of this addendum.

Public Health Implications

3. The public health benefits of investing in outdoor recreational facilities are well documented. There is vital importance of play for the healthy development of children, offering physical, emotional, cognitive and social benefits, in addition to the wider community benefits offered in these facilities for social connections and reduction in isolation.
4. The impact of poor air quality on the population is well known and can lead to increased risk for a number of conditions, which are usually higher in our more deprived communities. Increased air monitoring provision will enable the council to identify and mitigate these risks, improving health.

Procurement Implications

5. There are no additional Procurement implications as a result of this addendum.

Equalities Impact of the Proposal

6. There are no additional Equalities impacts as a result of this addendum.

Environmental and Climate Change Considerations

7. Poor air quality can have significant detrimental impacts on the environment as well as health. Diesel vehicles are the main contributor to poor air quality areas in Wiltshire. It impacts the environment by reducing visibility and blocking sunlight, causing acid rain, and harming forests, wildlife, and agriculture.
8. Investing in air quality monitoring will provide valuable evidence and identify particular areas of concern and will allow targeted intervention to address issues with poor air quality that impact on health, the environment and the economy.

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

9. There is a statutory requirement to set a balanced budget. This report sets out the impact of the additional funding allocated to the council as part of the Local Government Final Finance Settlement published on 5 February 2024.

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

10. There are no additional risks associated with this addendum to the Budget 2024/25 and Medium-Term Financial Strategy 2024/25 – 2026/27 report.

Financial Implications – S.151 Commentary

11. The additional £4.526m funding was confirmed by government on 6 February 2024 as part of the Local Government Final Finance Settlement. The use of the funding and the implications are set out in this addendum report.

Legal Implications

12. There are no additional Legal implications as a result of this addendum.

Workforce Implications

13. The exact details of the impact of the contribution towards volunteer recruitment by Libraries for residents in remote areas will need to be assessed once more detail on the proposal is drawn up for implementation. There are no additional Workforce implications as a result of this addendum.

Options Considered

14. There is a statutory requirement to set a balanced budget. The additional funding allocation as part of the Local Government Final Finance Settlement could have been managed within the 2024/25 financial year as part of budget monitoring however time allows for consideration and a proposal to be presented for Council consideration.

Conclusions

15. The report supports effective decision making and allows the council to set a balanced revenue budget for 2024/25 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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Lizzie Watkin, Director of Finance & Procurement (S151 Officer),

lizzie.watkin@wiltshire.gov.uk

08/02/2024

Appendices:

Appendix 1 - Service Budget Summary 2024/25

Background Papers

None

Appendix 1 – Service Budget Summary 2024/25

Analysis of Movement in the 2023-24 Budget to the Proposed 2024-25 Budget

Service	2023/24 Budget £m	Funding Changes £m	Technical Adjustments £m	Pay Award £m	Prior Year Pressures £m	Contractual Inflation £m	Demand £m	2024/25 Savings Proposals £m	2024/25 Budget £m	Change in Budget £m
Adults Services total	180.537	-	(7.042)	1.464	3.572	9.226	1.402	(9.721)	179.437	(1.100)
Public Health Total	-	-	-	-	-	-	-	-	-	-
Education & Skills Total	29.278	-	-	0.993	1.498	0.452	7.367	(0.687)	38.901	9.623
Families & Children Services Total	64.224	-	-	1.339	3.499	1.688	1.367	(1.264)	70.852	6.628
Commissioning Total	2.799	-	-	0.174	1.372	0.008	0.014	(0.060)	4.306	1.507
Corporate Director People Total	276.838	-	(7.042)	3.970	9.940	11.374	10.149	(11.733)	293.496	16.659
Finance Total	6.458	-	-	0.391	0.469	0.018	0.335	(0.049)	7.622	1.164
Assets Total	17.767	-	-	0.207	(0.042)	1.433	(0.711)	(0.457)	18.197	0.430
Information Services Total	11.903	-	-	0.174	0.036	0.179	0.586	(0.495)	12.383	0.480
HR & OD Total	4.101	-	-	0.247	0.061	-	0.051	(0.167)	4.293	0.193
Transformation & Business Change Total	0.560	-	-	0.106	0.374	-	-	(1.040)	-	(0.560)
Corporate Director Resources Total	40.789	-	-	1.125	0.898	1.631	0.261	(2.209)	42.495	1.706
Highways & Transport Total	40.177	-	-	0.502	(0.468)	1.372	1.718	(0.238)	43.063	2.887
Economy & Regeneration Total	2.520	-	-	0.069	0.015	-	0.130	(0.209)	2.526	0.006
Planning Total	3.396	-	-	0.398	0.065	-	0.296	(1.347)	2.808	(0.588)
Environment Total	48.485	-	-	0.266	(0.317)	2.139	0.186	(1.125)	49.634	1.148
Leisure Culture & Communities Total	6.580	-	-	0.838	(1.348)	0.027	0.628	(0.793)	5.932	(0.648)
Corporate Director Place Total	101.158	-	-	2.073	(2.053)	3.538	2.958	(3.711)	103.963	2.805
Legal & Governance Total	10.168	-	-	0.513	0.400	0.008	(0.117)	(0.593)	10.380	0.212
Corporate Directors & Members Total	3.147	-	-	0.132	0.014	-	-	-	3.292	0.146
Chief Executive Directorates Total	13.315	-	-	0.645	0.414	0.008	(0.117)	(0.593)	13.672	0.358
Movement on Reserves Total	2.457	1.453	-	-	-	-	-	-	3.910	1.453
Finance & Investment Income & Expense	24.945	-	-	-	0.198	0.054	0.589	-	25.786	0.841
Corporate Costs Total	5.434	-	-	-	(0.036)	0.061	(0.620)	(1.428)	3.411	(2.023)
Corporate Levies Total	4.093	-	-	-	(0.095)	0.066	(0.500)	-	3.564	(0.529)
Corporate Total	36.929	1.453	-	-	0.067	0.182	(0.531)	(1.428)	36.671	(0.258)
Grand Total	469.029	1.453	(7.042)	7.812	9.266	16.732	12.720	(19.673)	490.298	21.269
Council Tax Requirement	(290.422)	(12.201)	-	-	-	-	-	-	(302.623)	(12.201)
Social Care Levy	(41.765)	(6.687)	-	-	-	-	-	-	(48.453)	(6.687)
Rates Retention	(49.444)	(7.016)	-	-	-	-	-	-	(56.460)	(7.016)
Collection Fund (surplus) / deficit	(6.850)	8.353	-	-	-	-	-	-	1.503	8.353
Specific Grants	(80.548)	(10.760)	7.042	-	-	-	-	-	(84.266)	(3.718)
Income/Funding Total	(469.029)	(28.311)	7.042	-	-	-	-	-	(490.298)	(21.269)
Funding GAP									(0.000)	

**Meeting of the Overview and Scrutiny Management Committee
Report on Proposed Amendments for the 2024/25 Budget**

Purpose of report

1. To report to the Overview and Scrutiny Management Committee the proposed amendments from Cllr Gavin Grant and Cllr Ian Thorn to the budget recommended to Cabinet on 6 February 2024 for the committee to appraise and raise any comments to Full Council.

Background

2. This meeting of the Overview and Scrutiny Management Committee provides an opportunity for non-executive councillors to question Cllr Gavin Grant and Cllr Ian Thorn, on the proposed amendments before the budget is considered by Full Council on 20 February 2024.
3. The Member proposal is amendment to the proposed Cabinet budget, as set out as follows:
 - A £0.003m increase in social welfare funding to each of the 18 Area Boards, and the establishment of a central fund of £0.036m that Area Boards can bid for extra social welfare funding.
4. The above proposal has the following impact on the 2024/25 base budget:

Proposal	Impact £m
£0.003m increase in social welfare funding to each of the 18 Area Boards	0.054
Establishment of a central fund of £0.036m that Area Boards can bid for extra social welfare funding	0.036
Total annual pressure of proposals	0.090
Total pressure across MTFs	0.270
Funding Proposal of Pressure	
Reduce the Business Plan Priority reserve allocation of £0.821m for Council wide enforcement activity by the total of £0.270m	0.270

5. The proposal has the effect of increasing budgets in the 2024/25 financial year which results in a revenue pressure in every year of the MTFS, with proposals for funding this pressure set out in the table above.
6. The impact of the funding of the proposal has the effect of reducing the Business Priority Plan Fund commitment of £0.821m to Council wide enforcement activity by £0.090m in 2024/25, and by a total of £0.270m over the MTFS period.

S.151 Officer Comments

7. The proposal has been costed and this has been included in the figures above. This identifies that the amendment balances and therefore does not impact on the 2023/24 base budget proposed in the original paper to Cabinet and in doing so meets the financial test for an amendment to the budget to be considered by Full Council
8. The amendment looks to provide additional funding to Area Boards for social welfare. It increases the base budget for Area Boards and reduces the funding held in the Business Plan Priority reserve that was allocated to fund Council wide enforcement activity.

Monitoring Officer Comments

9. Subject to the views of the Chairman of the Council and subject to this proposal being moved in accordance with the Rules of Procedure in Part 4 of the Constitution, this is an appropriate amendment within the meaning of Rule 20.6. There are no other legal implications.

Head of Paid Service Comments

10. As Head of Paid Service, I can confirm that officers have provided independent advice. We are aware of the full details of the amendments, and they are policy amendments in nature.

Conclusion

11. Overview and Scrutiny Management Committee are asked to consider the proposed amendments to the financial plan 2024/25 and inform Full Council on 20 February 2024.

**Meeting of the Overview and Scrutiny Management Committee
Report on Proposed Amendments for the 2024/25 Budget**

Purpose of report

1. To report to the Overview and Scrutiny Management Committee the proposed amendments from Cllr Gavin Grant and Cllr Ian Thorn to the budget recommended to Cabinet on 6 February 2024 for the committee to appraise and raise any comments to Full Council.

Background

2. This meeting of the Overview and Scrutiny Management Committee provides an opportunity for non-executive councillors to question Cllr Gavin Grant and Cllr Ian Thorn, on the proposed amendments before the budget is considered by Full Council on 20 February 2024.
3. The Member proposal is amendment to the proposed Cabinet budget, as set out as follows:
 - To remove the income budget introduced in 2022/23 as a result of the saving included in the budget to introduce parking charges for Blue Badge holders of £0.040m.
4. The above proposal has the following impact on the 2024/25 base budget:

Proposal	Impact £m
Remove the income budget introduced in 2022/23 as a result of the saving included in the budget to introduce parking charges for Blue Badge holders	0.040
Total annual pressure of proposal	0.040
Total pressure across MTFS	0.120
Funding Proposal of Pressure	
Reduce the Business Plan Priority reserve allocation of £0.821m for Council wide enforcement activity by the total of £0.120m	0.120

5. The proposal has the effect of reducing the income budget for car parking in the 2024/25 financial year which results in a revenue pressure in every year of the MTFS, with proposals for funding this pressure set out in the table above.
6. The impact of the funding of the proposal has the effect of reducing the Business Priority Plan Fund commitment of £0.821m to Council wide enforcement activity by £0.040m in 2024/25, and by a total of £0.120m over the MTFS period.

S.151 Officer Comments

7. The proposal has been costed and this has been included in the figures above. This identifies that the amendment balances and therefore does not impact on the 2023/24 base budget proposed in the original paper to Cabinet and in doing so meets the financial test for an amendment to the budget to be considered by Full Council.
8. The amendment looks to reverse the decision that was made in the 2022/23 budget. It reduces the income in the base budget and reduces the funding held in the Business Plan Priority reserve that was allocated to fund Council wide enforcement activity.
9. From a purely financial perspective the proposal reduces the risk to the Council over the period of the MTFS. Income sources are subject to potential fluctuations in demand, although these had been factored into the budget, the replacement of this income source with guaranteed funding from the reserve reduces risk. Equally though any upside from an increase in demand for parking that will outstrip the budget estimate will not be made. The amendment however introduces a gap in the year following the MTFS period as there is also no plan set out for the year following the MTFS period to address the budget gap that, in effect, is slipped to that year by this temporary funding from the reserve.

Monitoring Officer Comments

10. Subject to the views of the Chairman of the Council and subject to this proposal being moved in accordance with the Rules of Procedure in Part 4 of the Constitution, this is an appropriate amendment within the meaning of Rule 20.6. There are no other legal implications.

Head of Paid Service Comments

11. As Head of Paid Service, I can confirm that officers have provided independent advice. We are aware of the full details of the amendments, and they are policy amendments in nature.

Conclusion

12. Overview and Scrutiny Management Committee are asked to consider the proposed amendments to the financial plan 2024/25 and inform Full Council on 20 February 2024.

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**Meeting of the Overview and Scrutiny Management Committee
Report on Proposed Amendments for the 2024/25 Budget**

Purpose of report

1. To report to the Overview and Scrutiny Management Committee the proposed amendments from Cllr Gavin Grant and Cllr Ian Thorn to the budget recommended to Cabinet on 6 February 2024 for the committee to appraise and raise any comments to Full Council.

Background

2. This meeting of the Overview and Scrutiny Management Committee provides an opportunity for non-executive councillors to question Cllr Gavin Grant and Cllr Ian Thorn, on the proposed amendments before the budget is considered by Full Council on 20 February 2024.
3. The Member proposal is amendment to the proposed Cabinet budget, as set out as follows:
 - Provision of funding of £0.075m to enable partnership working with VisitWiltshire or an equivalent body in both 2024/25 and 2025/26.
4. The above proposal has the following impact on the 2024/25 base budget:

Proposal	Impact £m
Provision of funding of £0.075m to enable partnership working with VisitWiltshire or an equivalent body	0.075
Total pressure of proposal in 2024/25	0.075
Total pressure across 2024/25 and 2025/26	0.150
Funding Proposal of Pressure	
Reduce the Wiltshire Towns Funding by £0.150m to allow for a budget surplus to fund this pressure	0.150

5. The proposal for this new provision of funding results in a budget pressure of £0.075m in 2024/25 and in 2025/26 with proposals for funding this pressure set out in the table above.

6. The impact of the funding of the proposal has the effect of reducing the Wiltshire Towns funding by £0.075m in 2024/25 and by £0.150m in total over the two years 2024/25 and 2025/26.

S.151 Officer Comments

7. The proposal has been costed and this has been included in the figures above. This identifies that the amendment balances and therefore does not impact on the 2023/24 base budget proposed in the original paper to Cabinet and in doing so meets the financial test for an amendment to the budget to be considered by Full Council
8. The amendment looks to provide funding to enable partnership working with VisitWiltshire or an equivalent body in both 2024/25 and 2025/26. It increases the base budget for tourism and reduces the budget held for supporting Wiltshire's High Streets. There is a risk that the funding taken from supporting Wiltshire's High Streets may have a detrimental impact on economic growth and subsequent income from business rates but this is assessed as low.

Monitoring Officer Comments

9. Subject to the views of the Chairman of the Council and subject to this proposal being moved in accordance with the Rules of Procedure in Part 4 of the Constitution, this is an appropriate amendment within the meaning of Rule 20.6. Any procurement of a service will need to be in accordance with the Financial Regulations in Part 9 of the Constitution, the Subsidy Control Act 2022 and other relevant legislation.

Head of Paid Service Comments

10. As Head of Paid Service, I can confirm that officers have provided independent advice. We are aware of the full details of the amendments, and they are policy amendments in nature.

Conclusion

11. Overview and Scrutiny Management Committee are asked to consider the proposed amendments to the financial plan 2024/25 and inform Full Council on 20 February 2024.