

AGENDA

Meeting: Cabinet
Place: The Kennet Room - County Hall, Trowbridge BA14 8JN
Date: Tuesday 14 June 2016
Time: 9.30 am

Membership:

Cllr Baroness Scott of Bybrook OBE	Leader of the Council
Cllr John Thomson	Deputy Leader and Cabinet Member for Communities, Campuses, Area Boards and Broadband
Cllr Fleur de Rhé-Philippe	Cabinet Member for Economic Development, Skills, Strategic Transport and Strategic Property
Cllr Keith Humphries	Cabinet Member for Health (including Public Health) and Adult Social Care
Cllr Laura Mayes	Cabinet Member for Children's Services
Cllr Jonathon Seed	Cabinet Member for Housing, Leisure, Libraries and Flooding
Cllr Toby Sturgis	Cabinet Member for Strategic Planning, Development Management, Strategic Housing, Operational Property and Waste
Cllr Dick Tonge	Cabinet Member for Finance
Cllr Stuart Wheeler	Cabinet Member for Hubs, Heritage and Arts, Governance and Support Services
Cllr Philip Whitehead	Cabinet Member for Highways and Transport

Please direct any enquiries on this Agenda to Will Oulton of Democratic Services, County Hall, Trowbridge, direct line 01225 7180243925 or email William.Oulton@wiltshire.gov.uk

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

All public reports referred to on this agenda are available on the Council's website at www.wiltshire.gov.uk

Part I

Items to be considered while the meeting is open to the public

Key Decisions Matters defined as 'Key' Decisions and included in the Council's Forward Work Plan are shown as 

1 Apologies

2 Minutes of the previous meeting (Pages 5 - 10)

To confirm and sign the minutes of the Cabinet meeting held on 17 May 2016, previously circulated.

3 Minutes - Capital Assets Committee (Pages 11 - 14)

To receive and note the minutes of the Capital Assets Committee held on 17 May 2016.

4 Declarations of Interest

To receive any declarations of disclosable interests or dispensations granted by the Standards Committee.

5 Leader's announcements

6 Public participation and Questions from Councillors

The Council welcomes contributions from members of the public. This meeting is open to the public, who may ask a question or make a statement. Questions may also be asked by members of the Council. Written notice of questions or statements should be given to Will Oulton of Democratic Services by 12.00 noon on Wednesday 8 June 2016. Anyone wishing to ask a question or make a statement should contact the officer named above.

7 Performance Management and Risk Outturn Report: Q4 2015/16 (Pages 15 - 34)

Report by Maggie Rae, Corporate Director.

8 Revenue Outturns 2015/2016 (Pages 35 - 142)

Report by Carolyn Godfrey, Corporate Director.

9 Capital Monitoring Outturn 2015/2016 (Pages 143 - 156)

Report by Carolyn Godfrey, Corporate Director.

10 Annual Report on Treasury Management 2015-16 (Pages 157 - 172)

Report by Carolyn Godfrey, Corporate Director.

11 Passenger Transport Review (Pages 173 - 236)

Report by Dr Carlton Brand, Corporate Director.

12 **'Help to Live at Home' service commissioning** (Pages 237 - 242)

🔑 Report by Carolyn Godfrey, Corporate Director.

13 **Actions to recruit and retain social workers - progress update** (Pages 243 - 268)

Report by Dr Carlton Brand, Carolyn Godfrey and Maggie Rae, Corporate Directors.

14 **Military Civilian Integration Update Report** (Pages 269 - 280)

Report by Carolyn Godfrey, Corporate Director.

15 **Urgent Items**

Any other items of business, which the Leader agrees to consider as a matter of urgency.

Part II

Items during consideration of which it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed

16 **Exclusion of the Press and Public**

This is to give further notice in accordance with paragraph 5 (4) and 5 (5) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 of the intention to take the following item in private.

To consider passing the following resolution:

To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Item Number 17 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

Reason for taking item in private:

Paragraph 3 - information relating to the financial or business affairs of any particular person (including the authority holding that information).

17 **'Help to Live at Home' service commissioning - Part ii Appendix** (Pages 281 - 282)

Our vision is to create stronger and more resilient communities. Our priorities are: To protect those who are most vulnerable; to boost the local economy - creating and safeguarding jobs; and

to support and empower communities to do more themselves.


* These headings reflect the key goals of Wiltshire Council to achieve its vision to
'Create stronger and more resilient communities'

CABINET

DRAFT MINUTES of a MEETING held in THE KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN on Tuesday, 17 May 2016.

Cllr Keith Humphries	Cabinet Member for Health (including Public Health) and Adult Social Care
Cllr Laura Mayes	Cabinet Member for Children's Services
Cllr Fleur de Rhé-Philippe	Cabinet Member for Economic Development, Skills, Strategic Transport and Strategic Property
Cllr Baroness Scott of Bybrook OBE	Leader of the Council
Cllr Jonathon Seed	Cabinet Member for Housing, Leisure, Libraries and Flooding
Cllr Toby Sturgis	Cabinet Member for Strategic Planning, Development Management, Strategic Housing, Operational Property and Waste
Cllr John Thomson	Deputy Leader and Cabinet Member for Communities, Campuses, Area Boards and Broadband
Cllr Dick Tonge	Cabinet Member for Finance
Cllr Stuart Wheeler	Cabinet Member for Hubs, Heritage and Arts, Governance and Support Services
Cllr Philip Whitehead	Cabinet Member for Highways and Transport

Also in Attendance: Cllr Glenis Ansell, Cllr Richard Clewer, Cllr Anna Cuthbert, Cllr Richard Gamble, Cllr Alan Hill, Cllr Jon Hubbard, Cllr David Jenkins, Cllr Simon Killane, Cllr Gordon King, Cllr Bill Moss, Cllr Horace Prickett and Cllr Jerry Wickham

Key Decisions Matters defined as 'Key' Decisions and included in the Council's Forward Work Plan are shown as 

57 **Apologies**

All members were present.

58 **Minutes of the previous meeting**

The minutes of the meeting held on 19 April 2016 were presented.

Resolved

To approve as a correct record and sign the minutes of the meeting held on 19 April 2016

59 Declarations of Interest

There were no declarations of interest.

60 Leader's announcements

The Leader stated that she had asked Democratic Services to co-ordinate any donations made in memory of former Wiltshire Councillor Jeff Osborn as discussed with Cllr Glenis Ansell before the meeting.

61 Public participation and Questions from Councillors

The Leader drew the meeting's attention to the questions and responses circulated in the agenda supplement, and invited those who had submitted questions to address the committee.

(a) Question from Councillor Jon Hubbard – Five Year Land Supply

In response to a supplementary question from Councillor Hubbard, Councillor Sturgis stated that although the 5 year land supply situation can change quite rapidly, the response given in writing was correct. He did, however, explain that the final sentence in the response should be corrected to read: 'In these circumstances, the benefits should significantly and demonstrably outweigh the adverse impacts.'

Councillor Sturgis went on to state that housing numbers designated to individual communities were indicative required, and that whilst local plans, neighbourhood plans and the core strategy were important documents for communities to shape their local areas, the Secretary of State's and Inspector's decisions show that speculative developments still had to be judged on their own merits to determine whether they promote sustainable development.

(b) Question from Adrienne Westbrook - Multi Use Games Area in King George V Park

In response to a supplementary question from Councillor Westbrook, Councillor Sturgis stated that the planning application stage gave the opportunity for the Town Council to make comments. The Council had spoken to Fields in Trust prior to the application as their prior consent was required.

Furthermore, the Leader added that she would ask officers to investigate what communication was undertaken with the Local Member with a view to seeing if processes could be improved.

62 **Re-commissioning Child and Adolescent Mental Health Services (CAMHS)**

Key Councillor Laura Mayes, Cabinet Member for Children's Services, presented the report which sought approval to work with Wiltshire CCG to recommission

a new integrated service delivery model for primary and specialist CAMHS in order to meet the changing needs of children and young people. A number of options for commissioning this service were set out in the report and a recommendation provided on the best option to secure the service required.

Issues highlighted in the course of the presentation and discussion included: that Mental health had been identified as a top priority by representatives from the local Youth Parliament; how the proposed procurement process differed from the previous model; the limited number of suppliers in the market; how procurement specialists in the CCG and the Council were working together; the opportunity to provide an holistic service for children and young people; and the increase in demand for services and the changing needs of children and young people;.

In response to a request from the Leader, it was agreed to amend recommendation ii) so that officers be asked to investigate the possibility of Wiltshire Council taking a joint-lead procurer role for the new service.

Following concerns raised by Councillor Glenis Ansell, Carolyn Godfrey clarified that the preferred bidder model proposed was a commonly used procurement process and would still allow for the appropriate due diligence activity to be undertaken.

Resolved

- i. To agree that the Council should work with the Wiltshire CCG to recommission a new integrated service delivery model for primary and specialist CAMHS to meet the needs of children and young people. To include aligning Wiltshire Council funding for Primary CAMHS with Wiltshire CCG funding for specialist CAMHS;**
- ii. That officers be asked to investigate whether it would be practicable for Wiltshire Council to become a joint lead commissioner for the new service;**
- iii. To approve the commissioning approach already agreed by the Wiltshire CCG Governing Body to test the market to establish if undertaking a most capable provider process is the appropriate route to secure the service required (option 3). To include authorisation from Cabinet to undertake a tender process if required, in accordance with the 'light touch' regime as detailed within the Public Contract Regulations (option 2). This shall be led by the Wiltshire CCG with the Council as an associate; and**

- iv. **To delegate approval of the procurement process, including the development a revised service specification and decision on award of contract to the Corporate Director in consultation with the Cabinet Member for Children’s Services in consultation with the Cabinet Member for Finance, Cabinet Member for Public Health and the Solicitor of the Council.**


Reason for Decision:

The local CCG transformation plan for children and young people’s mental health and wellbeing sets out the overall joint strategic direction, clear vision and principles for delivering a child and youth mental health system that can meet the changing needs of children and young people in Wiltshire, for example, the increase in eating disorders and self-harming behaviour. The plan has been developed in partnership with a range of stakeholders from across education, health and social care and reflects the needs and views of children, young people and parents/carers.

In order to deliver the plan effectively (which has been agreed by the Health and Wellbeing Board) and ensure the continued provision of a safe and effective Child and Adolescent Mental Health Service, the Council needs to work together with Wiltshire CCG to set out a new service delivery model. This requires the Council to align its resources with the CCG and the transformation plan’s strategic objectives.

This report evaluates options for commissioning a new integrated primary and specialist Child and Adolescent Mental Health Service. In doing so, it recommends that the Council approves the decision already made by the Wiltshire CCG to test the market to establish if undertaking a most capable provider process is the appropriate route. The key argument in favour of this option is that the market for the provision of CAMHS is understood to be limited regionally.

63 **School Loans**

 Councillor Laura Mayes, Cabinet Member for Children’s Services, presented a report which provided an update on the progress of maintained schools converting to academies and the potential role of the Local Authority in converting a current budget deficit into a formal loan to a maintained school, to facilitate their transition to become an academy.

Issues highlighted in the course of the presentation and discussion included: that the proposed approach sought to reduce the financial risks to the authority; how the Council would assure itself that academies were able to meet the requirements of a loan; that the proposals should be cost-neutral for the Council; and that the proposals could encourage better financial management amongst relevant schools.

Resolved

- 1. To note the current position of Wiltshire schools converting to academies**
- 2. To delegate powers to the Associate Director, Finance to consider awarding loans to maintained schools to facilitate their conversion to become an academy.**
- 3. To authorise the Associate Director, Finance, to enter into appropriate formal arrangements for the award of a loan, where the maintained school currently is in a financial deficit position with the Local Authority and has an agreed recovery plan that extends beyond the standard 3-5 year recovery period. In all cases, loans will only be made following consultation with the Cabinet Member for Children's Services, Cabinet Member for Finance, Associate Director Law and Governance, Associate Director Commissioning Performance and School Effectiveness and in accordance with the requirements of the Local Government Act 1972.**

Reason for Decision:

Due to Wiltshire being a poorly funded authority for school funding, combined with the impact of the current demographics, a small number of Wiltshire schools are in a financial budget deficit position. All deficits are being managed in conjunction with the LA.

Budget deficits have proved a barrier to those schools converting to become an academy, and leave the financial risk of the deficit with the local authority. The purpose of this report is to provide members with background information and seek a decision regarding the conversion of these budget deficits into a formal loan.

64 Business Continuity Plan

Councillor Keith Humphries, Cabinet Member for Public Protection, presented a report which provided Cabinet with feedback on progress with the business continuity programme, and asked for the measures outlined in the report to be approved.

Issues highlighted in the course of the presentation and discussion included: how the programme would be progressed; how any disruptions would be managed; the support and advice available to businesses; that, on average, a fifth of businesses would suffer major disruptions in any year; the impact of disruptions on future trading; and the work undertaken with partners in the local resilience forum.

Resolved

- 1. To note the report.**
- 2. That the measures being taken to ensure effective business continuity as outlined in the report be approved.**

Reason for Decision:

To keep the Cabinet apprised of plans.

65 Urgent Items

There were no urgent items.

(Duration of meeting: 9.30 - 10.31 am)


These decisions were published on the 19 May 2016 and will come into force on 27 May 2016

The Officer who has produced these minutes is Yamina Rhouati, of Democratic Services, direct line 01225 718024 or e-mail Yamina.Rhouati@wiltshire.gov.uk
Press enquiries to Communications, direct line (01225) 713114/713115

CABINET CAPITAL ASSETS COMMITTEE

DRAFT MINUTES of a MEETING held in THE KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN on Tuesday, 17 May 2016.

Cllr Fleur de Rhé-Philipe	Cabinet Member for Economic Development, Skills, Strategic Transport and Strategic Property
Cllr Baroness Scott of Bybrook OBE	Leader of the Council
Cllr Toby Sturgis	Cabinet Member for Strategic Planning, Development Management, Strategic Housing, Operational Property and Waste
Cllr John Thomson	Deputy Leader and Cabinet Member for Communities, Campuses, Area Boards and Broadband
Cllr Dick Tonge	Cabinet Member for Finance

Key Decisions Matters defined as 'Key' Decisions and included in the Council's Forward Work Plan are shown as 

26 Apologies and Substitutions

All members were present..

27 Minutes of the previous meeting

The minutes of the meeting held on the 15 March 2016 were presented and considered.

Resolved

To approve as a correct record and sign the minutes of the meeting held on the 15 March 2016

28 Leader's Announcements

There were no leaders announcements.

29 Declarations of interest

Councillor Fleur de Rhé-Philipe declared a non-prejudicial interest in agenda item 6 as a member of the Canal Trust.

30 Public Participation and Questions from Councillors

It was noted that no requests for public participation had been received, and that there were no members of the public present.

31 Transfer of land to the Wiltshire and Berkshire Canal Trust.

Councillor Toby Sturgis, Cabinet Member for Operational Property, presented a report which sought authorisation for the transfer, by way of long lease or freehold (as appropriate), of 6 areas of land in Wiltshire to the Wilts & Berks Canal Trust (WBCT) to enable it to fulfil its aim of re-creating a navigable canal route linking the Kennet & Avon Canal at Semington.

Resolved

- 1. That Committee is asked to support the Wilts & Berks Canal Trust by agreeing to the principle of transferring the assets listed in this report.**
- 2. That Committee delegates authority to the Associate Director for People & Business, the Associate Director for Finance and the Associate Director for legal and governance in consultation with Cabinet Member for Economic Development, Skills, Strategic Transport and Strategic Property, Cllr Fleur de Rhé-Philippe the basis of transfer (freehold or long leasehold) and the detailed terms of each transfer/lease.**
- 3. That Committee confirms at this time that its intentions are limited to transferring the assets only and they do not extend to seeking compulsory purchase powers on behalf of the Wilts & Berks Canal Trust.**

Reason for Decision:

To support the aspirations of the Council's business plan, the Wilts & Berks Canal Trust's aims, the Council's Core strategy and to reduce the Council's liabilities associated with those pieces of land already restored.

32 Urgent items

There were no urgent items.

(Duration of meeting: 11.30 - 11.45 am)

These decisions were published on the 19 May 2016 and will come into force on 27 May 2016

The Officer who has produced these minutes is Will Oulton, of Democratic Services, direct line 01225 713935 or e-mail william.oulton@wiltshire.gov.uk
Press enquiries to Communications, direct line (01225) 713114/713115

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Wiltshire Council

Cabinet

14th June 2016

Subject: Update on Q4 2015/16 outturns reported as part of the corporate performance framework including the Citizens' Dashboard and the strategic risk register

Cabinet member: Councillor Dick Tonge – Cabinet Member for Performance and Risk

Key Decision: No

Executive Summary

This report provides a quarter four update on outturns against the measures and activities compiled and reported through the council's website via the [Citizens' Dashboard](#) and other key measures, as well as latest outturns on the council's strategic risk register.

Proposal(s)

To note updates and outturns against the measures and activities ascribed against the council's key outcomes.

To note updates and outturns to the strategic risk register.

Reason for Proposal

The performance framework compiles and monitors outturns in relation to the outcomes laid out in the Business Plan. The framework is distilled from individual services' delivery plans. In doing so, it captures the main focus of activities of the council against each outcome.

The strategic risk register captures and monitors significant risks facing the council: in relation to significant in-service risks facing individual areas, in managing its business across the authority generally and in assuring our preparedness should a national risk event occur.

Maggie Rae
Corporate Director

Subject: Update on Q4 2015/16 outturns reported as part of the corporate performance framework including the Citizens' Dashboard and the strategic risk register

Cabinet member: Councillor Dick Tonge – Cabinet Member for Performance and Risk

Key Decision: No

Purpose of Report

1. This report provides a quarter four update on outturns against the measures and activities compiled and reported through the council's website via the Citizens' Dashboard and other key measures, as well as latest outturns on the council's strategic risk register.

Relevance to the Council's Business Plan

2. This report updates Cabinet on outturns and significant activities against each of the outcomes contained in the Business Plan.

Overview of outturns

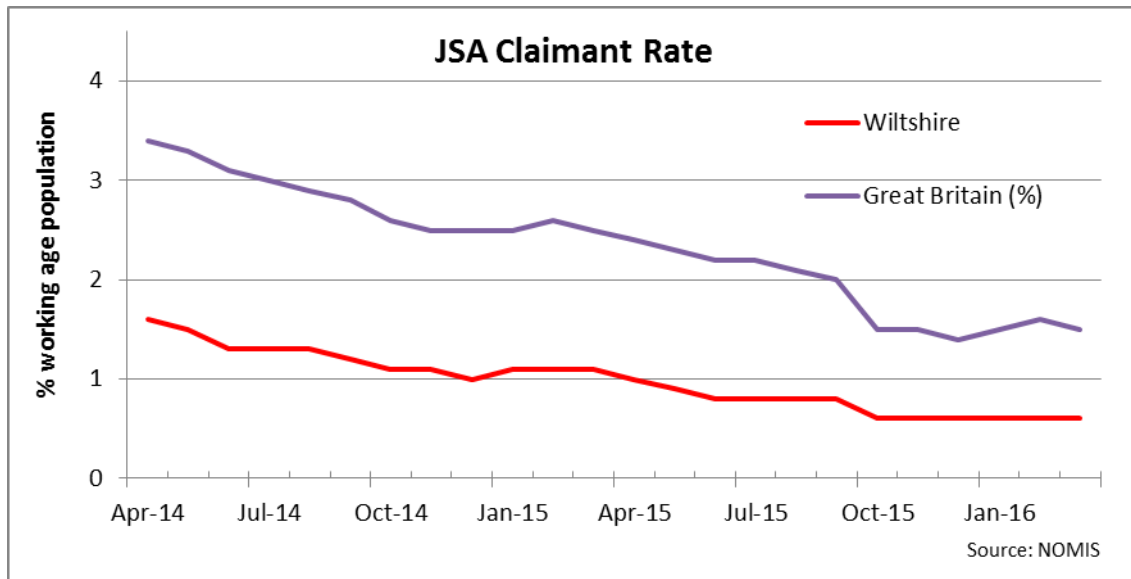
3. Measures within the [Citizens' Dashboard](#) were revised, using information drawn from individual 2015/16 services' delivery plans. These measures form the basis of the performance framework used to monitor progress through 2015/16, against the objectives set out in the Business Plan.
4. In addition to headline measures in the Citizens' Dashboard the performance framework includes measures drawn from service areas that add to the overall understanding of progress against the business plan outcomes.
5. A summary of key published measures – as well as some more general supporting information about each theme – is provided below.

Outcome 1: thriving and growing local economy

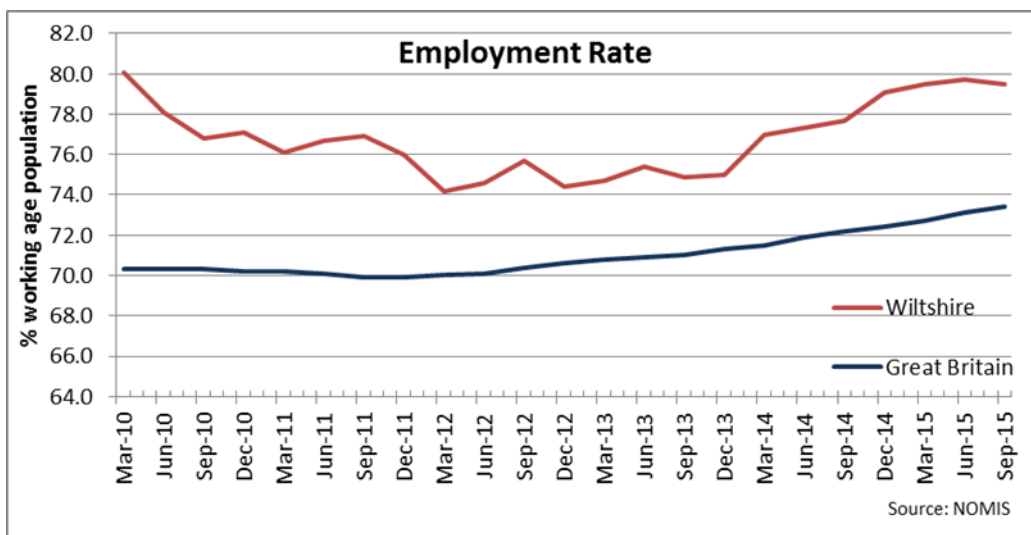
6. The number of people claiming Job Seeker's Allowance (JSA) in Wiltshire at the end of quarter four was just over 1,800. This represents 0.6% of the working age population. The number is around 200 higher than at the end of quarter three and is the first quarterly increase since the same period last year. Previous years suggest a standard seasonal pattern where the claimant numbers rise in the first three months of the calendar year and fall in the following quarters. However, the numbers have been historically

low this year and, as the graph below suggests, we may be seeing a plateau.

7. At the end of quarter four last year we saw just over 2,600 people claiming JSA (1.5% of the working age population). The March 2016 figures represents a 30% fall in the number of people claiming JSA across Wiltshire over the last 12 months.



8. From January 2016 JSA has been replaced by Universal Credit for single people. Those remaining on the JSA register will be those who are harder to help. This will reset the base level for JSA claimant count figures. A new measure will replace the JSA claimant rate in future reports.
9. Through the work on superfast broadband, investments in advanced engineering and life sciences and involvement in the Enterprise Network (attracting employers and investment into the county, supporting existing businesses and providing a comprehensive and efficient planning service) the council has supported the creation of more than 1,000 new jobs in the last 12 months. These jobs are not created in a steady pattern but in peaks as large scale partnership projects (including projects involving the Local Enterprise Partnership) come to fruition. Intensive work with a number of key local businesses has been successful with significant growth recorded.
10. Latest figures show Wiltshire's employment rate is stable having risen to just under 80% for the 12 months ending September 2015. This is a return towards the peak levels achieved in 2009 and is an employment rate seven percentage points above the national average.



11. In the 12 months to March 2016, Wiltshire Council supported just under 2,800 separate businesses with advice and support including over 200 start-up businesses. Businesses have been supported through the Superfast Broadband Programme, [Inspire](#), [Wiltshire 100](#), [The Enterprise Network](#), and [Project Impress](#).
12. 2015/16 saw fewer start-up businesses supported than in the previous year, possibly due to the change in emphasis of the main programme. The final year of the [Gateway to Growth](#) pilot project aimed to provide higher quality, more intensive support to start-up businesses. 2016/17 will see a new funding programme and it is expected that there will be a steady increase in the number of start-up businesses supported throughout the year.
13. In the final quarter of 2015/16 there were an additional 100 affordable homes completed which in an increase on the previous quarter but gives an overall annual figure nearly 100 below the 500 planned. Changes in the housing sector, including the reductions in housing association rents required by the July Budget, have had a negative impact on the number of affordable homes that can be delivered.
14. During 2015/16 there were over 4,000 occasions where Wiltshire Council supported individuals in accessing skills development, training and education. The [Skills for Success](#) programme delivered a range of support including key worker support to 67 young people.

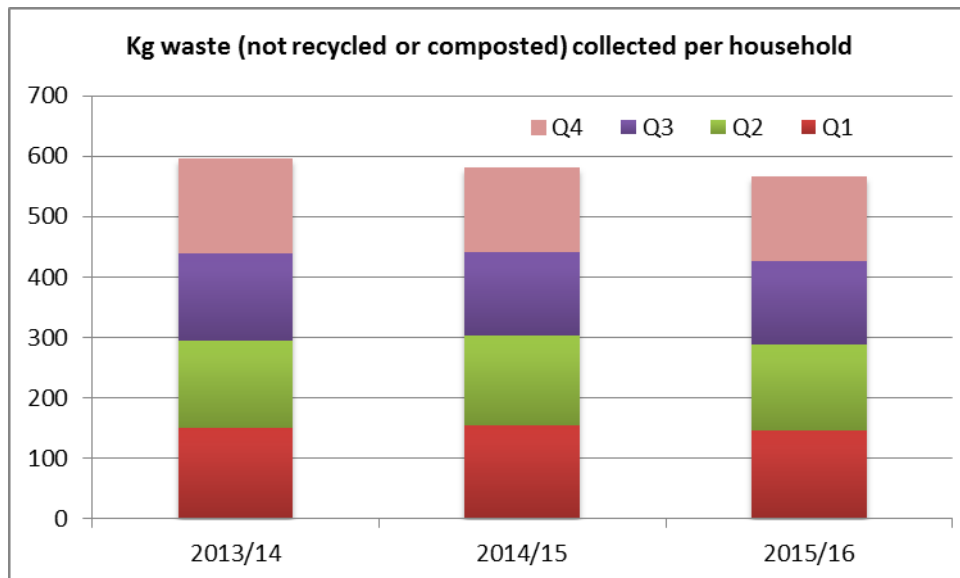
Outcome 2: people working together to solve problems and participate in decisions

15. Total spend through Area Boards in 2015/16 was £1.7 million. All of the projects supported through Wiltshire's Area Boards are listed [on the council's website](#). In total the area boards supported 1,038 projects in the year.
16. During quarter four nearly £191,000 of delegated youth funding was allocated by area boards. This brings the total allocated in the year to £811,000. The area boards have supported just under 300 local youth projects during the financial year.

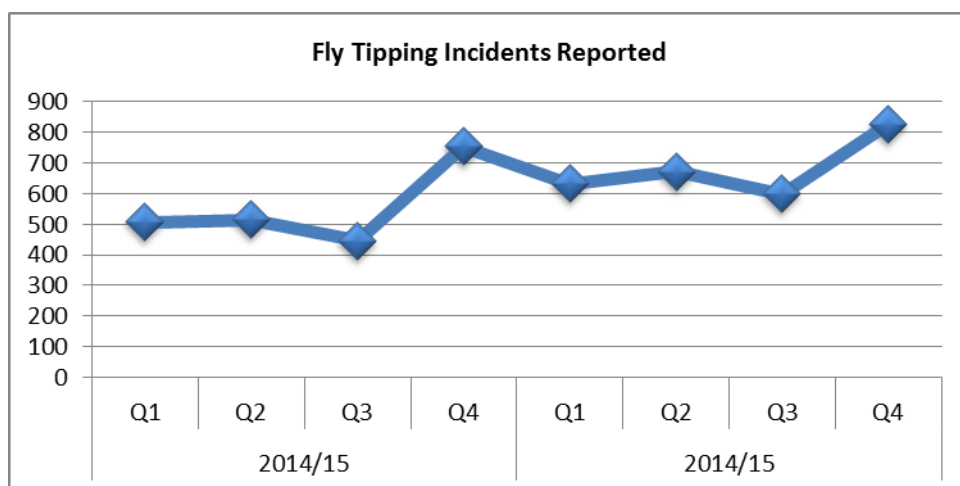
17. In the 12 months to April 2016 area boards achieved leverage of £4.53 for every pound awarded from the capital grants budget, bringing the total investment in Wiltshire's communities for the year to just under £5.7m.
18. Area Boards use the [Our Community Matters](#) platform to engage and communicate with local residents. This consists of 18 individual community blogsites featuring events, news, jobs and comments and each week a local mailing is generated from the content posted and sent to the community area network - subscribers who have signed up to receive the news service. Each blogsite is supported by a specific Twitter account. During quarter four, the number of subscribers to these social media channels increased from just under 14,500 to just over 16,000 due to the launch and promotion of new Twitter accounts.
19. Additionally, Wiltshire Council (@WiltsCouncil) has acquired another 700 [Twitter](#) followers in quarter four. This takes the total to over 12,500.
20. A strong sense of community engagement is evident in maintaining our rights of ways, as well as our countryside sites. Volunteers carry out a wide range of activities from replacing stiles, gates and signposts through building bridges to clearing paths.
21. Volunteers are also essential in Wiltshire's Libraries where usage rates remain high with just under 2.25 million transactions in the 12 months to the end of March 2016.
22. Around 1,400 volunteers took part in 70 organised litter picks for the Clean for the Queen even during the first weekend in March. More than 1,800 bags of rubbish, weighing more than 14 metric tonnes, were collected. A further 82 litter picks have been held after that date bringing the total to 152. In total 20 metric tonnes of waste has been collected. The initiative was supported by The Landscape Group who donated £6,000 worth of equipment.
23. Neighbourhood planning enables communities to develop a shared vision for their neighbourhood and shape the development and growth of their local area. There are currently four Neighbourhood Plans in place across Wiltshire. Three of those were completed during 2015/16 with Compton Bassett being the most recent in May 2016. A further two plans are out for consultation.
24. Wiltshire communities have come together to have more than 40 Neighbourhood Planning areas designated and working towards putting a plan in place.

Outcome 3: living in a high quality environment

25. The average amount of waste collected from each household and not recycled or composted was just under 570 kg in 2015/16. This represents a 2.4% reduction on the 2014/15 figure.



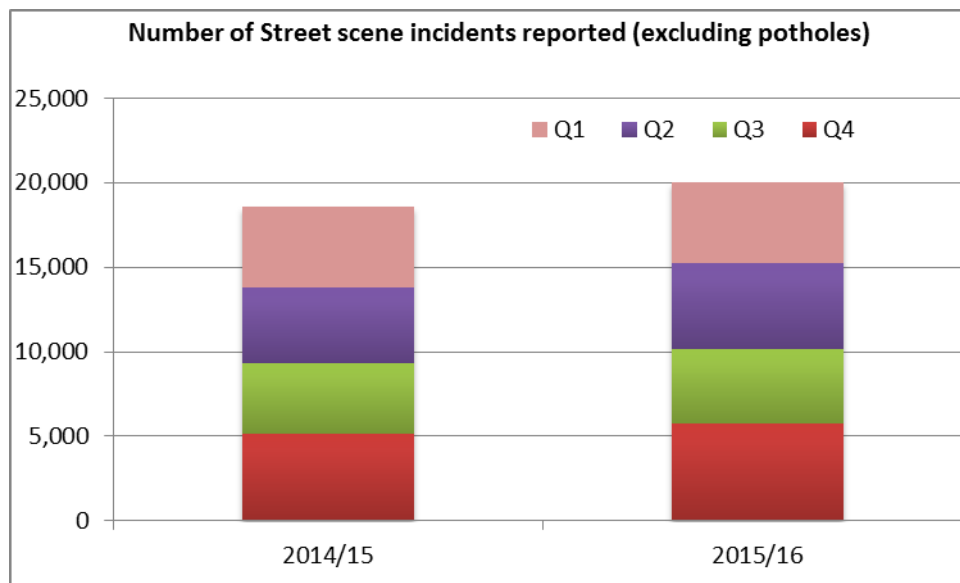
26. However, there has been a 1.5% point reduction in the proportion of household waste sent for recycling or composting in the last 12 months. An overall reduction in municipal waste of 11,255 tonnes, of which 8,200 tonnes equates to reduced garden waste tonnage, has contributed to this reduction.
27. The national waste strategy includes a target of 50% recycling by 2020. New waste and recycling contracts due to start in 2017 and are expected to increase household recycling by providing more opportunities.
28. The proportion of waste diverted from landfill in Wiltshire remains just under 80% and has been stable for the last 24 months.
29. The final quarter of 2015/16 saw rise in the number of fly tipping incidents reported. There were over 800 between the start of January and the end of March which was 10% higher than the same period in the previous year. During the whole of 2015/16 the relevant service dealt with a total of more than 2,700 reports of fly-tipping.



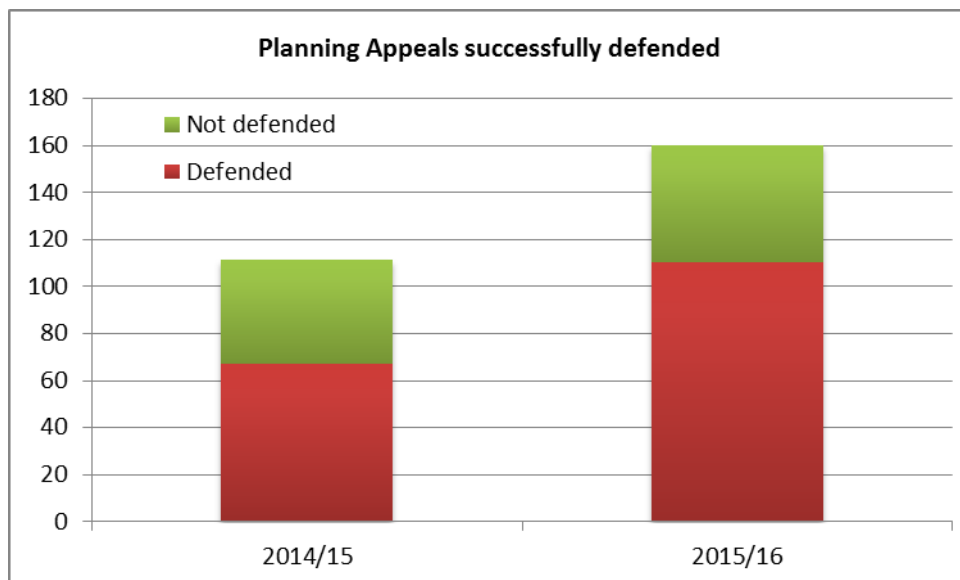
30. There has been an increase in the fly tipping of garden waste. However, the data in respect of this change suggests this is mainly waste of a commercial nature and not directly from households, based on the quantity of garden waste that is abandoned. There has also been a small

increase in fly tipping of black sacks containing household waste and of white goods. Actions to reduce the number of incidents include increased proactive enforcement (camera surveillance) and increased joint working operations with the Police to intercept waste which is being transported illegally. In addition, the service will make full use of the new fly tipping fixed penalty notice (introduced in May 2016) as an added deterrent to would be fly tippers.

31. In March Wiltshire Council teams took part in the multi-agency response to storm Katie. More than 75 fallen or weakened trees were dealt with; six walls were rebuilt and many flooded highways were cleared.
32. Over 5,700 highways, street cleaning and amenities issues were reported to Wiltshire Council's Highways teams in the final quarter of the year. Across the whole year there were just under 20,000 incidents which is a 7.7% increase in 2014/15.

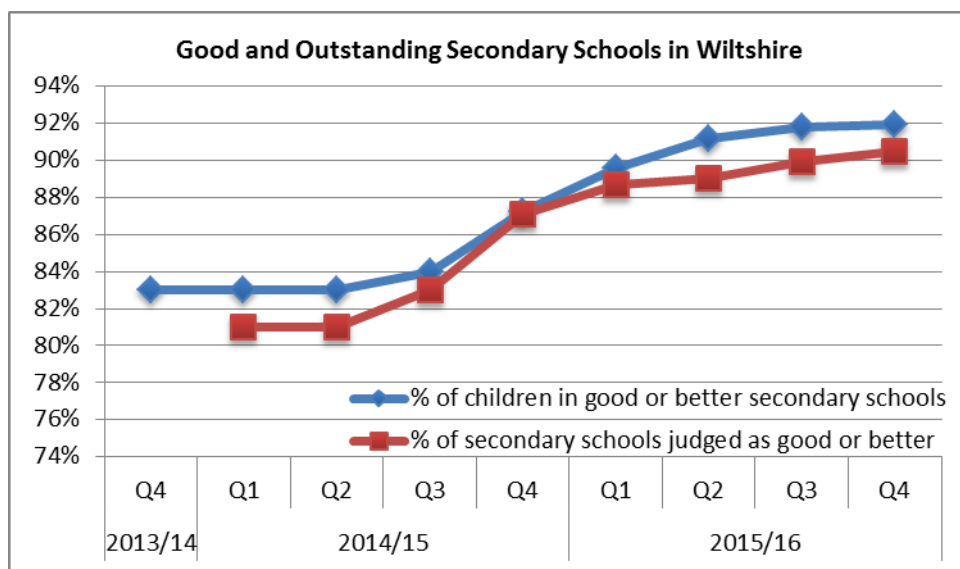


33. In quarter four Wiltshire Council processed just under 1,150 planning applications – which is equivalent to quarter four in 2014/15. In the year as a whole just under 5,250 applications were processed which is just 3% lower than 2014/15.
34. In each of the categories (major, minor and other) the planning team helped to determine 94% or more of the applications within the given time period. This improved performance on the same period last year is due to the recruitment of trained planning officers.
35. Despite a less successful quarter in which only 31 of 46 planning appeals were successfully defended the council defended 69% across 2015/16 which is an 8.4 percentage point improvement on 2014/15 despite a 44% increase in the overall number of appeals.



Outcome 4: inclusive communities where everyone can achieve their potential

36. School inspections generally show Wiltshire in a positive light as revealed in the medium term trend in the graph below. As of the end of 2015/16 over 90% of Wiltshire secondary schools were deemed 'good' or better by Ofsted in the most recent inspections. This translates into 92% of pupils attending good or outstanding secondary schools in Wiltshire. This is a small improvement on the previous quarter and a 5% point improvement on the same period last year.

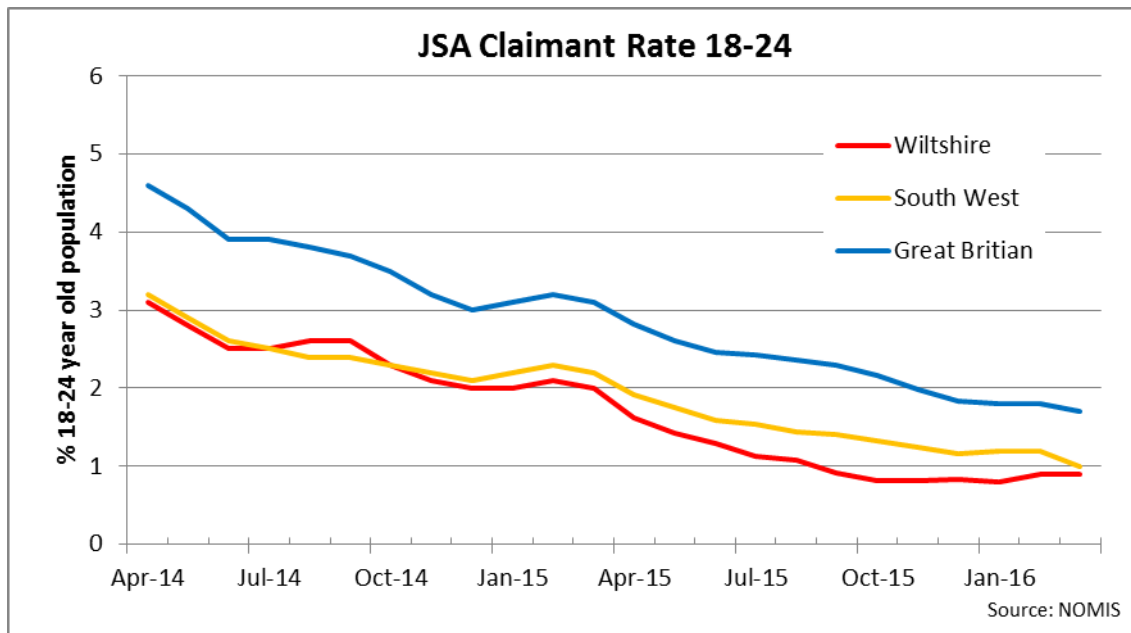


37. Only eight Looked After young people (3.7% of the total number) received at least one period of fixed term exclusion in the current academic year. This compares to 9.94% in 2013. No Looked After child has been permanently excluded from a Wiltshire school since 2008.

38. The admissions process for secondary school places was completed within the quarter. Wiltshire Council dealt with just over 4,500 applications 88% of which were online applications (up from 65% in the previous year). More than 95% of applicants were offered their first choice (up by

1% point on the previous year) and over 99% of applicants were offered one of their first three choices.

39. School attendance of looked after children for the first half of the current academic year was at 94.8% which is an improvement on 93% overall for the academic year 2014/15. Absence is currently slightly higher than final reported figure for 2014 and is dominated by authorised absence. Details of all absence are known and effective actions are taken. 85.9% of Wiltshire’s Looked after Children are placed in schools rated by Ofsted as Good or Outstanding. No Looked after Children are in a school rated Inadequate, whether within Wiltshire or placed in another authority.
40. The proportion of young people (aged 18-24) claiming Job Seekers’ Allowance (JSA), having fallen below 1% for the first time in quarter two, remained below 1% for the following six months. There were 300 young people claiming JSA at the end of March 2016. This is equivalent to the level at the end of the previous quarter but 57% lower than the same period 12 months previously. Wiltshire performs well against both regional and national comparators.



41. Wiltshire Council is leading a campaign to increase the number of apprenticeships across the county. The aim is to have 5,600 apprenticeships in Wiltshire in the current year. Progress towards this target has been good with particular success amongst 16 to 19 year-olds. 700 young people from this age group started apprenticeships between August and December 2015 that figure is almost 40% higher than the previous year.

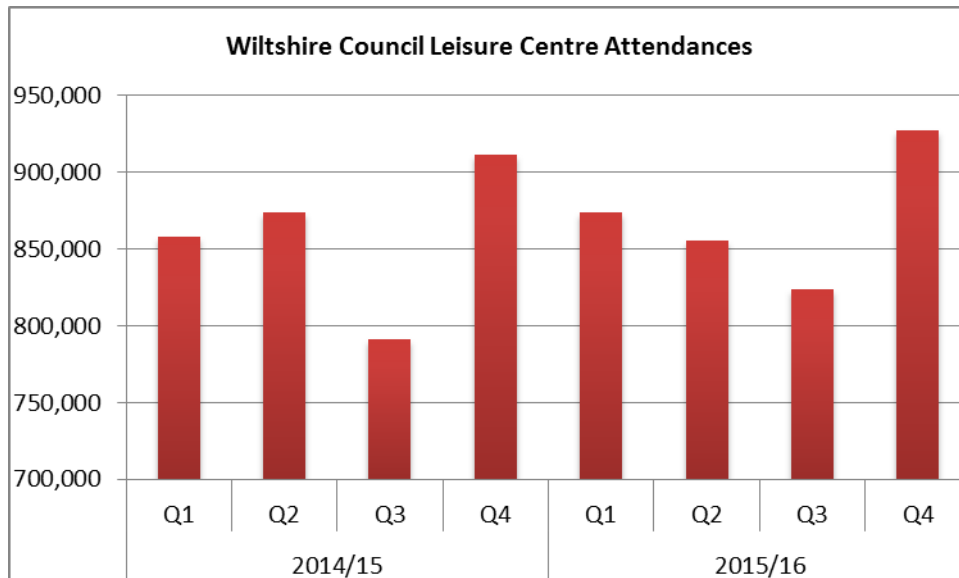
Outcome 5: healthy, active and high quality lives

42. In quarter four over 7,100 eligible people were invited for their NHS Health Check of which over 3500 people accepted the invitation and attended. The percentage uptake for quarter four was 49.5%, which is

lower than quarter four in the previous year which was 53.7%. Overall in 2015/16 there were over 29,200 people invited for an NHS Health Check with over 14,000 accepting the offer. Wiltshire's percentage uptake for 2015/16 is 48%. There is a substantial improvement with a 15% point increase in uptake when compared to uptake in 2014/15.

43. Wiltshire Council's Adult Care Services provide a range of social care services to older people and people with a learning disability or physical impairment. Services are delivered to people who need a rapid response to a crisis, need help to maintain their independence where they have complex needs and to promote preventative services which help people remain well and independent. In total just under 26,500 individuals received care and/or support for Wiltshire Council's Adults services which is 30% more than the previous year.
44. Help to live at Home is designed to help people who are frail, sick or disabled live at home for as long as it is safe and it helps people to continue to look after themselves in their own home. Help to live at Home supports self-funders as well as those eligible for council-funded support. The care providers supporting Help to live at Home are motivated to deliver on people's individual support plans and outcomes, not just providing the care. The mean average number receiving Help to live at Home over the last year was just under 1,000 which was 7% lower than the average of the previous year.
45. In the course of supporting vulnerable adults Wiltshire Council's Adult Care Services supported over 1,500 carers during the last 12 months.
46. Following significant work from Adult Care teams the numbers of Delayed Transfers from Care (people who are kept in hospital because of a lack of appropriate social care) has fallen significantly. In 2014 Wiltshire was amongst the top 10 highest areas for Delayed Transfers of Care but in 2015 was outside the highest quartile. In 2014/15 the figure was 9.7 per 100,000. In the 7 months to October 2015 the figure was 4.3. That represents just 19% above the England average as opposed to the 162% above average in 2014/15.
47. The latest National Child Measurement Programme (NCMP) data shows that excess weight in 4-5 year olds in Wiltshire has reduced from over 22% in the 12 months to August 2014 to 20.3% in the 12 months to August 2015. Over the same time period excess weight in 10-11 year olds in Wiltshire fell slightly to 29.3% and was lower than the national figure of 33.2%. Wiltshire still faces a serious challenge but by working with our partners over the next four years we hope to see these trends continue. To ensure successful local work continues to tackle obesity, Wiltshire Council, in conjunction with Wiltshire's Clinical Commissioning Group, has produced an Obesity Strategy for Wiltshire. The strategy is due for sign-off at Cabinet in July 2016.
48. The health trainer service was relaunched in January 2014. Wiltshire Council provides health trainers to help adults make lifestyle changes in order to achieve healthier lives. In 2015 more than 570 residents made use of the service; with 64% of fully achieving their goals, and 23% part achieving their goals.

49. Providing opportunities for residents to improve their own fitness is a key tool used by Wiltshire Council to enable healthier lives. There were just under one million attendances at Wiltshire Council Leisure Centres in the final quarter of the year which is a small increase (2%) on the same period in the previous year. In addition over 69,000 free swimming sessions were accessed by children in Wiltshire during the school holidays at our leisure centres.



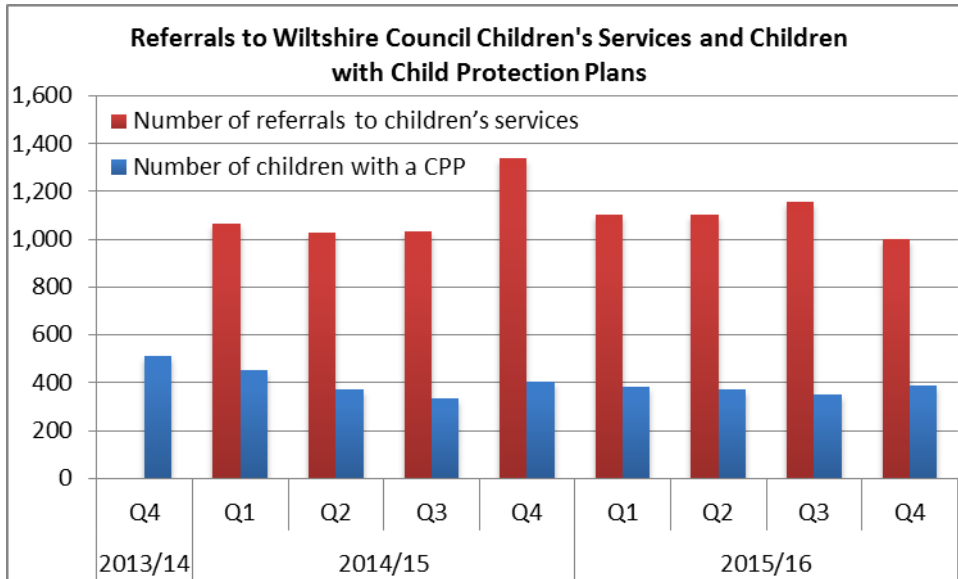
50. Since baseline data recording began in 2009 there has been a reduction in the prevalence of adult smoking from 21.2% to 17.6% (below the government aspiration of 18.5%).
51. Data from the Office of National Statistics shows a marked reduction in the numbers of young women in Wiltshire conceiving. The latest figures show the 2014 rate for under 18 conceptions was 16.1 per 1,000 young women, down from our 1998 rate of 32.1. The under 16 conception figure also continues to reduce. In 2008 the rate was 6.0 per 1,000 young women; the latest level is 3.4. For many teenagers bringing up a child is incredibly difficult and results in poor health outcomes for baby and mother. Wiltshire now has the second lowest rate of under 16 conceptions across the whole of the south west and the third lowest rate of under 18 conceptions.
52. Our Family Nurse Partnership (FNP) is an intensive nursing service that works to support first time young parents who are under 20. The service is supporting young parents in challenging circumstances to provide nurture and care for their children. An annual review of the partnership, involving the multiagency FNP Advisory Board, clients and their babies, noted the excellent support that the local programme has provided. The partnership was praised for forward thinking on integration and for sharing good practice.

Outcome 6: protected from harm and feel safe

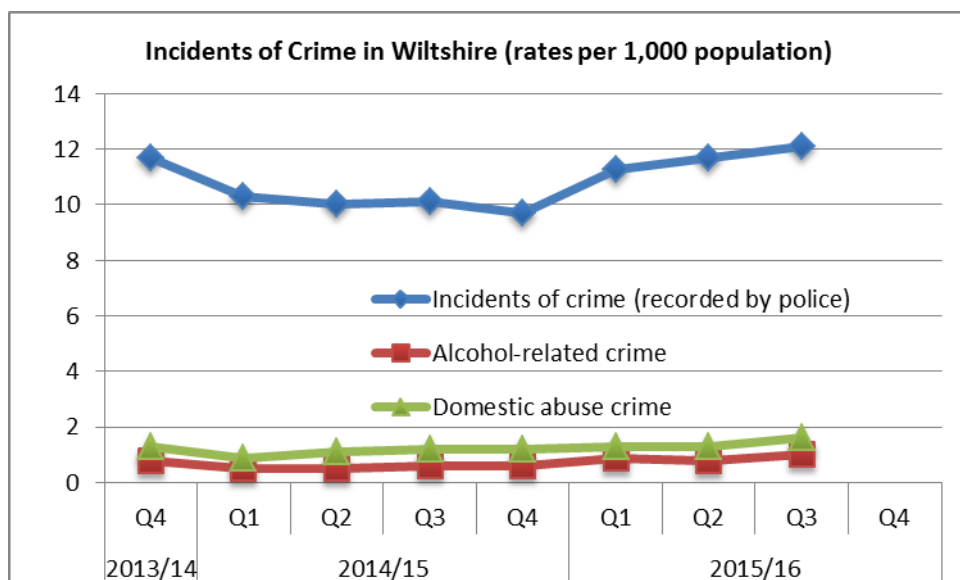
53. The number of referrals to Children's services fell in the final quarter of the year to the lowest level in the last two years. At just under 1,000 total

referrals were down 14% on the previous quarter and 26% on the same period in the previous year. Wiltshire experienced a spike in the final quarter of 2014/15 when the number reached nearly 1,350.

54. Meanwhile there is a 5% fall in the number of children and young people who were subject to a Child Protection Plan between quarters four this year and last.



55. The current number of children in care remains fairly stable at just under 400 which equates to a rate within the expected range of 38 to 42 children per 10,000.
56. Wiltshire Council's Child Sexual Exploitation (CSE) Action plan has been in place since May 2015. In the intervening time many of the planned actions to keep children safe have been put in place. Amongst other things this has led to the screening of more than 250 of the most vulnerable children using a newly developed tool and more than 50 children working directly with a specialist, multidisciplinary team following the identification of concerns.
57. In addition the CSE Action Plan tasked the Council and partners to raise awareness in the wider community and to date just over 220 taxi and bus drivers have completed training to help them identify the signs of CSE and ensure they understand what to do if they have concerns.
58. Wiltshire has low rates of crime and is a safe place to live. Work has been done to improve crime recording consistency. Wiltshire Police and partners have also worked to ensure victims of sexual offences and domestic abuse feel confident to report crimes. This work may impact on the number of incidents reported and recorded but will ensure that local people are better protected.
59. Overall crime rates fell slightly in the final quarter of the year, the only fall in the last 12 months. The rate remains 23% higher than it was at the end of quarter four in 2014/15.



Strategic Risk Register

60. The Strategic Risk Register was refined at the end of 2014/15 to draw in risks identified as part of the annual review of individual service delivery plans. These are used to identify risks that had significance across the council as a whole, which are broken down into three categories in the Strategic Risk Register.
- *Critical service risks*: significant single service risks, which, should they be realised will have a significant impact on the organisation as a whole.
 - *Composite strategic risks*: risks which are significant within a number of service areas although individually would not significantly impact on the organisation as a whole. These risks are compiled into a single strategic composite risk (owned by the most appropriate service) and included within the strategic risk register. The ongoing monitoring of these risks therefore is drawn from the updates to the individual service level risks.
- The recording of these risks is a new approach recently introduced, to ensure that service updates to these risks are more readily captured within the overall composite risk, and the supporting information and process for capturing progress is in development.
- *National risks*: These risks mirror the most significant risks on the Cabinet Office's [national risk register](#) and is Wiltshire's response should these be realised. These are typically captured within the [Wiltshire Community Risk Register](#) managed by the [Local Resilience Forum](#).
61. The simplified version of the current strategic risk register is provided in appendix 1.
62. Each risk is fully defined by the responsible service (who assess the cause, event and effect that make up the identified risk) and scored for impact and likelihood to give an overall score. A risk is scored twice; firstly as inherent (the current level of risk) and then as residual (the risk once all described mitigating actions are in place). The actions described are

- RAG'd based on progress towards completion. This RAG guides the reader of the register to understand the true current risk.
63. This is the first report to include a full 12 months review of the new format risk register.
 64. There are no new risks on the register and none have been removed since the last quarter. A whole range of service risks are kept under observation each quarter.
 65. Of the 13 risks listed on the strategic risk register just two have a residual score of 12 (seen as high): pandemic flu outbreak and flooding. Both of which are drawn from the national risk register and feature on the Wiltshire Community Risk Register. Council Business Continuity has plans and staff structures in place for responding to any incidents.
 66. Both risks remain high despite well-defined mitigation being in place and on track. These high scores reflect the scale of the impact should these issues arise and Wiltshire Council's ability to prevent the issues occurring. As a result the scoring of these risks has not changed over the course of the last 12 months.
 67. On 23 February the Council approved Wiltshire's Integrated Emergency Plan, which will allow us to more effectively protect people should a major incident take place. Through working with our partners in emergency services we are creating safer, more resilient communities. This year the team have run multiagency community resilience workshops for 250 parish and town councils which have helped communities complete local plans. The workshops are a big step forward in helping the public cope during widespread emergencies like flooding, snow or disease outbreaks when the public services' resources will be stretched.
 68. The likelihood of the Budget Management risk becoming an issue has reduced as we reach the end of the financial year. At the time of scoring (within 2015/16) there was still a possibility that an issue could emerge but those managing budgets were more confident of final outturns. This change from last quarter is reflected in the scoring.
 69. The Staff Capacity composite risk has not changed position in the last quarter but the impact of the planned mitigation has reduced the residual score over the course of the whole year.
 70. The Safeguarding of children, young people and vulnerable adults remains a high priority for the Council. This focus means that actions continue to be sought and undertaken, to mitigate the likelihood of safeguarding incidents. However, the unpredictability of the sources of such events means that safeguarding will always be a risk to the organisation. These two significant service risks remain as they did in the previous quarter.
 71. Further progress has been made in implementing plans for a corporate procurement team which has helped maintain the composite Contract Monitoring and Management risk at the level it fell to in quarter three. Further progress is expected to help reduce the likelihood of contract issues developing within services over the next 12 months.
 72. The Information Governance composite remains at the same risk level as in the previous quarter despite some additional service risks being added

to its components. The action RAG remains Red as the implementation of the actions from the Information Commissioner's Report is still ongoing.

73. Public Services Network / Public Services Network for Policing Accreditation was achieved in Wiltshire within the year and an audit is ongoing meaning that the inherent likelihood of likelihood of the Cyber Security risk has reduced further in the last quarter of the year.

Overview & Scrutiny Engagement

74. The Financial Planning Task Group receives all quarterly performance management reports and will consider this edition on 9th June 2016. The task group chairman will be able to provide a verbal update on behalf of the task group at the Cabinet meeting.

Safeguarding Implications

75. A number of indicators are regularly analysed which directly relate to the safeguarding of children and adults. Action is taken where improvements in performance are required.

Public Health Implications

76. Not applicable as no decision is required.

Environmental and Climate Change Considerations

77. Not applicable as no decision is required.

Equalities Impact of the Proposal

78. Not applicable as no decision is required.

Risk Assessment

79. Not applicable as no decision is required.

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

80. Not applicable as no decision is required.

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

81. Not applicable as no decision is required.

Financial Implications

82. Not applicable as no decision is required.

Legal Implications

83. Not applicable as no decision is required.

Options Considered

84. Not applicable as no decision is required.

Conclusions

85. This report brings together updates on outturns published through the Citizen's Dashboard, as well supplementary commentary to provide further context around the council's activities in these areas.
86. In some areas performance is summarised for the financial year 2015/16.

Proposal

87. To note updates and outturns against the measures and activities ascribed against the council's key outcomes.
88. To note updates and outturns to the strategic risk register.

Reason for Proposal

89. The Strategic Performance Framework compiles and monitors outturns in relation to the outcomes laid out in the Business Plan, distilled from individual services' delivery plans. In doing so, it captures the main focus of activities of the council against each outcome.
90. The strategic risk register captures and monitors significant risks facing the council: in relation to significant in-service risks facing individual areas, in managing its business across the authority generally and in assuring our preparedness should a national risk event occur.

Robin Townsend

Associate Director, Corporate Support, Procurement & Programme Office

Report Author:

Toby Eliot, Corporate Support Manager | toby.eliot@wiltshire.gov.uk

May 2016

Appendices

- Appendix 1: Strategic Risk Register (March 2016)
-

Wiltshire Council Strategic Risk Register (2015/16: Q4)

Risk short name	Primary Risk Category	Mitigation Actions	Q4 Inherent Impact	Q4 Inherent Likelihood	Risk Rating	Q4 Residual Impact	Q4 Residual Likelihood	Risk Rating	Q4 Action RAG	Q4 Comments
Critical Service Risks										
Safeguarding Children	Service Disruption	<ul style="list-style-type: none"> Stable workforce Skilled and experienced workforce Increase social worker retention Reduction in use of agency social workers Permanent, experienced managers Clear training pathway Reduction in bureaucracy in order to increase amount of time spent with family / intervening 	4	2	8	3	2	6	Amber	Safeguarding for both Adults and Children remains a significant risk and efforts to prevent issues arising, and minimise the impacts when they do, will continue.
Safeguarding Adults	Reputation	<ul style="list-style-type: none"> Regular update training sessions for investigating managers and investigating officers. Updated Care First documents in line with the Care Act guidance Robust case file audit system in place Central safeguarding adults triage process Updated policy and procedures 	4	2	8	4	1	4	Amber	
Composite Corporate Risks										
Staff capacity: Recruitment and Retention	Staffing/ People	<ul style="list-style-type: none"> Development of a corporate workforce action plan for delivering the people strategy. Strategic HR project managers reviewing the impact of service reviews and the corporate redundancy programme with service managers. Review of pay and reward policies to aid retention of staff. Job family modelling to provide workforce flexibility and clear progression to aid recruitment and retention workforce. New careers website. Social work microsite. 	3	2	6	2	2	4	Green	This work will need to be progressed alongside the additional pressures of service restructures and the recruitment retention and redeployment issues arising from these significant service/organisational structure impacts. The realignment of Human Resources and Organisational Development services will focus resources on the services with resourcing issues in terms of sourcing, retaining and developing an appropriate workforce.
Budget management	Financial	<ul style="list-style-type: none"> Budgetary control Due diligence in setting the budget Timeliness of reporting Competencies of the team and budget managers being invested in 	4	3	12	4	2	8	Amber	The likelihood is reduced this quarter as we come to the end of the financial year. The risk remains relevant for 2015/16 as the end of year calculations are completed.

Composite Corporate Risks										
Contract monitoring and management	Service delivery	1. Maintain strategic oversight on contract monitoring arrangements – develop a central repository of contracts and monitoring arrangements within 2. Create a corporate requirement on contract management to ensure consistency and escalation processes for emerging issues 3. Create a Contract Management Framework for all contracts to be categorised and managed accordingly. 4. To make better use of appropriate contract and management skills within the new structure and employ specialists. 5. Provide specialist training programme to cover contract management across all services.	3	3	9	3	2	6	Amber	More posts have been filled in the new procurement structure and progress is being made on other actions. Software specialists are soon to join the team and training will be rolled out to service based staff involved in contract management. More progress is expected over the next 12 months.
Corporate Health, Safety & Wellbeing	Health & Safety	1. Corporate policy statement 2. Service specific policies and systems of work. 3. Incident reporting via e-form and investigation procedure to reduce potential for recurrences. 4. A blended programme of e-learning and personal course delivery is available. 5. Corporate procedures and pro-forma exist for core safety functions including risk assessment 6. Audit programme to monitor compliance with statutory duty and best practices. 7. Corporate Risk Register 8. OH service provides independent medical opinion and advice to support managers dealing with employee ill-health and absence. 9. Confidential Employee Well-Being Telephone Helpline operates. 10. Regionalised clinics are held to provide easier access for employees to OH Services. 11. Partnerships with external providers of counselling and physiotherapy services are in place to provide fast-track access to these services. 12. Pre-employment health screening ensures reasonable adjustments are identified to support employees. 13. Specific training on H&S and Personal Resilience as part of Management Matters and Staff Matters programmes. 14. Investment in statutory health surveillance equipment and training. 15. Arrangements in place for fire risk assessment of all workplaces. 16. Quarterly management information provided to Associate Directors and benchmarked annually. 17. Annual performance report. 18. Provision of HGV driver medical service. 19. Intelligence Network to share details of members of public considered to present risks to staff.	3	2	6	2	1	2	Green	Accident rates continue to be low. Corporate auditing suggests that significant risks are generally well-managed.
Information Governance	Reputation	A detailed action plan is being developed to ensure that the ICO's recommendations (from the voluntary audit in March 2015) are prioritised and implemented.	4	3	12	4	2	8	Red	The implementation of the ICO recommendations remains a significant challenge.

National Level Risks										
Pandemic influenza	Health & Safety	<ul style="list-style-type: none"> Local Resilience Forum and Local Health Resilience Partnership pandemic influenza plans. Excess Deaths Plan Business Continuity Plan The NHS will lead on a thorough review of Pandemic Influenza plans nationally this year. 	4	3	12	4	3	12	Green	Task and Finish Group has progressed revised Pandemic Influenza Plan.
Flooding	Health & Safety	<ul style="list-style-type: none"> Wiltshire Council Flood Response Plan LRF Severe Weather Plan Wiltshire Flooding Strategy Flood Operational Working Groups in North, South and Salisbury Wiltshire Council Welfare Plan 	4	3	12	4	3	12	Green	Wiltshire Council Operational Flood Plans reviewed and revised following deployment of flood barriers in Bradford on Avon. Training and Exercising of a flood scenario delivered to GOLD and SILVER commanders.
Widespread electricity failure (NEW 2015)	Health & Safety	<ul style="list-style-type: none"> Local Resilience Forum Emergency Telecoms and Procedures Fuel Supply Disruption Plan Business Continuity Plan Engaging with Scottish and Southern Electricity Telecommunications exercise completed 	4	2	8	4	2	8	Green	Community Resilience workshops have been completed through Area Boards, with full participation and engagement from Wiltshire's electrical power distribution company.
Catastrophic terrorist attacks	Health & Safety	<ul style="list-style-type: none"> Bomb alarm health and safety training Health and Safety procedures. Training for event staff Health and Safety training on bomb alerts Improved process and information for dealing with suspicious packages disseminated 	4	2	8	4	2	8	Green	Training and exercising of Emergency Planning in Q4. Paper and recommendations have been drafted for implementation in Q1 2016, including evacuation, postal attack, and marauding weapons attack.
Poor air quality events (NEW 2015)	Health & Safety	<ul style="list-style-type: none"> wiltshireairquality.org.uk/ Health Community Response Plan Public messaging by use of social media and communications during poor air quality events * Review of Air quality strategy. 	4	2	8	4	2	8	Green	Ongoing Monitoring
Cyber Security	Legal	<ul style="list-style-type: none"> Anti Virus installations and updates, Software Patching, Revised security posture, PSN accreditation 	4	1	4	4	1	4	Green	PSN/PSNP Achieved 2015. Preparation for 2016 audit in progress.

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Wiltshire Council

Cabinet

14 June 2016

Subject: Revenue Outturns 2015/2016

**Cabinet Member: Councillor Dick Tonge
Finance**

Key Decision: No

Executive Summary

To advise Cabinet of the final (unaudited) General Revenue Fund (GRF) and Housing Revenue Account (HRA) outturn positions as at 31 March 2016 for the financial year 2015/2016. The year end positions are an underspend of £0.066 million for the GRF and an underspend of £0.820 million for the HRA. This is an improvement from the forecast position at period 9, and in line with the projections of the Section 151 Officer. To present Cabinet with the pre audit draft statement of accounts

Proposal

That Cabinet note the report showing an outturn for the General Revenue Fund and HRA, subject to external audit, of an underspend of £0.066 million and an underspend of £0.820 million, GRF and HRA respectively. Cabinet should note appropriate transfers to the General Revenue Fund and Earmarked reserves as set out in Sections 22-25 of this report, and return to HRA reserves. Cabinet should also note the draft Statement of Accounts.

Reasons for Proposals

As part of it's role in ensuring sound financial management and financial soundness, Cabinet are required to assess and approve the final revenue outturns for 2015/2016.

**Carolyn Godfrey
Corporate Director**

Wiltshire Council

Cabinet

14 June 2016

Subject: Revenue Outturns 2015/2016

Cabinet Member: Councillor Dick Tonge
Finance

Key Decision: No

PURPOSE OF REPORT

1. To advise Cabinet of the (unaudited) General Revenue Fund and Housing Revenue Account outturn positions for financial year 2015/2016. Cabinet should also note the draft Statement of Accounts.

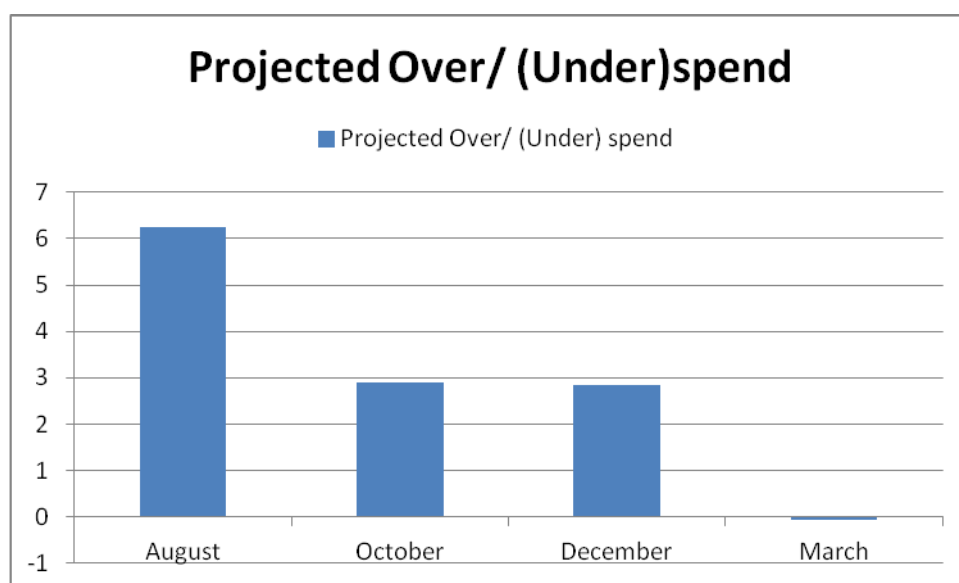
SUMMARY

2. The final outturn position is as follows:

	Revised Budget £ million	Outturn Position for Year £ million	Overspend/ (Underspend) for Year £ million	Overspend/ (Underspend) reported at period 9 £ million	Movement since period 9 £ million
General Fund Total	314.983	314.917	(0.066)	2.831	(2.897)
Housing Revenue Account	(1.497)	(2.317)	(0.820)	0.000	(0.820)

3. The final unaudited outturn position on the general revenue fund is an underspend of £0.066 million. This represents an improvement of £2.897 million on the budget monitoring position reported to Members for period 9, and is in line with the forecast reported by the Section 151 Officer to Council in February 2015. The reasons for the changes are set out in the following section of this report.
4. The HRA was originally projected to return £1.497 million to HRA reserves. The final unaudited outturn position on the HRA is an underspend of £0.820 million, which gives a final return to reserves of £2.317 million.
5. The outturn is summarised by service area in Appendix C. More detailed details for the large variances are noted in the following sections.

6. The graph below shows how the forecast outturn position has improved during budget monitoring reports to Cabinet this year. The graph shows a clear improvement in the position towards the end of the financial year.



7. This outturn shows an improvement on figures in the financial plan. The financial plan will be updated to reflect this during budget setting 2017/2018.
8. The Housing Revenue Account (HRA) was £0.820 million under spent following an overachievement on income and less expenditure on salaries due to restructure in year. This is explained further in paragraph 21, and will be returned to HRA reserves.

GENERAL FUND MONITORING DETAILS

9. The overall outturn position by service areas is set out in Appendix C.
10. A summary of the Service Area movements from period 9 monitoring is set out in Appendix D. As with reports during the year, this report targets service areas with large variances at year end.

Adult Social Care Operations and Commissioning (Including Learning Disabilities): (Including Older People (£1.977 million over), Other Vulnerable Adults (£0.658 million under), Mental Health (1.194 million under), Strategy & Commissioning (£0.060 million under) and Learning Disability (£0.112 million under) Total for area £0.047 million net underspend

11. The overall split between Adult Care Services shows a mixture of under and overspends. Overall the total net budget for these services as a collective is reporting a small underspend. Part of the cause of some of these variations is down to the ongoing refinement and rebasing of the services budget, aligning the spend to activity more closely. Underlying this 2015/16 has seen continued pressures on the older people budget, whilst spending on the most complex types of adult care has been managed. The forecast is

thus in line overall with predictions previously reported to Cabinet. The continued realignment of the base budgets will assess these outturns and the level of provision in the 2016/17 base, with any recommendations for further rebasing and virements brought with the 2016/17 first quarter budget monitoring report.

12. It is noted that services to adults with learning disabilities have underspent by £0.112m, an improvement of £1.041m compared with the forecast at period 9. This is in part due to a budget realigned during the year to better reflect activity, as well as a review of high cost cases and management during the latter part of the year.

Special Educational Needs & Disabilities (SEND) - £1.447 million overspend

13. The 0-25 Services for Children and young people with SEN and disabilities overspent by £1.447 million, a movement of £0.147m from the forecast at period 9. The key pressures, as previously reported to Cabinet, are SEN Transport and an increase in the numbers and costs of care packages, particularly for over 18s. These pressures have been recognised within the 2016/17 budget setting process however SEND budgets will remain under pressure.

Children's Social Care £1.940 million overspend

14. Children's Social Care budgets overspent by £1.940m, an improvement of £0.110m compared with the forecast at period 9. The biggest pressure on the budget remains the costs of placements for looked after children.

Libraries, Arts, Heritage & Culture £0.432 million net overspend

15. The overspend in the service area was driven by a number of factors. The main areas of variance are
 - Civic facilities (£0.284 million overspend). This is mainly due to savings to be found not achieved and income not achieved on Melksham House.
 - Libraries (£0.189 million overspend). This is mainly due to savings to be found not achieved and underachievement of income.
 - Campus and operational delivery (£0.184 million underspend) This is mainly savings on building clearance and removal costs.

Legal & Governance £0.584 million net overspend

16. The overspend, as previously reported to Cabinet, is due to a significant increase in demand for legal services across the council, which has largely been met in-house to minimise external legal spend. This has, however, resulted in additional agency locum costs due to difficulties in recruiting to permanent posts. Steps have been taken to address the situation for 2016/2017.

Information Services £0.597 million net underspend

17. This reflects a change from the Period 9 forecast of £0.979 million. The reasons for this variance are:
- We have since resolved the outstanding invoices with partners, which had prudently been fully provided for in the Period 9 reporting in the event they did not materialise.
 - £0.860 million through careful management of spend, for example demand on two contracts was significantly reduced; and spend on smaller applications was deferred to 2016/17.

Corporate £4.460 million net underspend

18. Corporate as a whole is reporting an underspend of £4.460 million. The main significant underspends are:
- There is an underspend of £1.234 million on Capital Financing due to increased capital re-programming into 2015/2016. This is higher than the £0.480 million previously reported at period 9 due to further reprogramming of the capital programme. The capital outturn report is also on this agenda.
 - Restructure & contingency shows an underspend of £1.294 million. This is mainly due to an underspend on redundancy in the year of £1.418 million.
 - General Government Grants shows an underspend of £1.871 million. This is mainly due to timing differences in grants received in central government.

HOUSING REVENUE ACCOUNT

19. The HRA is reporting an underspend of £0.820 million. This allows a return to reserves of £2.317 million. The underspend has arisen due to a combination of items. £0.535m is due to the overachievement of income on rents and a lower requirement for provision of bad debts. This has been brought about by improved performance on rent collection, reduction in arrears and bad debts and improved performance on voids. The remainder is largely down to underspend on salaries as a result of a major restructure in year. The 2016/2017 budget will be rebased to reflect these changes.

Reserves

20. The tables below shows the year end outturn position on the general revenue fund balance and estimated earmarked reserves held by the council.

21. As there is an overall improvement in the outturn position from that reported at period 9, subject to audit, this means that the year end balance on the General Revenue Fund reserves is slightly better than forecast to Council in February 2016.
22. The movements on the general revenue fund reserve has been reflected in the figures in this report.

General Fund Reserve	£ million	£ million
Balance as at 1 April 2015		(12.147)
Underspend for year 2015/2016		(0.066)
Draw for Childrens Social Care approved by Cabinet	0.600	
Additional contribution Childrens Social Care and Commissioning and Perfomance	1.600	
Extra funding grant from central government and collection fund reserves	(2.193)	
Total Funding movement		0.007
General Fund Balance 31 March 2016		(12.206)

23. The final position shows General Revenue Fund Reserves at the year end of £12.206 million, compared to £10.019 million in the financial plan reported to Council in February 2016, this is due to improved collection of revenues and grants from central government. The report "Wiltshire Council's Financial Plan Update 2016/17" that went to Cabinet on 9 February 2016 gives full details of the risk assessment of General Revenue Fund Reserves.
24. In addition to General Revenue Fund Reserves, the Council also has a number of ring fenced earmarked reserves. These are held for specific reasons. Earmarked Reserves are reviewed regularly as part of closedown process.

25. Below is a list of current Earmarked Reserves:

Earmarked Reserves	Opening Balance 01-Apr-15	Drawdown/ (Deposits)	Closing Balance 31-Mar-16
Schools PFI Reserve	(4.416)	0.112	(4.304)
Insurance Reserve	(3.315)	0.004	(3.311)
Schools Balances	(9.724)	1.088	(8.636)
Elections Reserve	(0.330)		(0.330)
Area Board Reserve	(0.191)	0.131	(0.060)
Digital Inclusion Reserve	(0.183)		(0.183)
Housing PFI Reserve	(3.092)	0.112	(2.980)
Action 4 Wiltshire Reserve	(0.180)	0.015	(0.165)
Transformation Reserve	(0.736)	0.736	0.000
Business Plan Priority Funding Reserve	(0.141)	0.141	0.000
Economic Development & Planning Reserve	(0.011)	(0.003)	(0.014)
Revenue Grants Reserve	(5.518)	(0.176)	(5.694)
Single View	0.000	(0.700)	(0.700)
Balance 31 March	(27.837)	1.460	(26.377)

Statement of Accounts

26. The Council is required to prepare an annual Statement of Accounts and to arrange for them to be audited and reported in accordance with the Accounts and Audit Regulations 2015, and the 2015/2016 Code of Practice on Local Authority Accounting in the United Kingdom, issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). The Statement of Accounts present the overall financial position of the Council reflecting the outturn position above.
27. The draft accounts were signed by the Chief Finance Officer on 27 May 2016, well ahead of the statutory deadline of 30 June 2016.
28. The draft Statement of Accounts are then subject to external audit by the Council's appointed auditors (KPMG) before the final set is brought to the Audit Committee for final approval. This adoption process ensures that there is external independent scrutiny of the figures in the Statement of Accounts before they are brought to the Audit Committee. Under the constitution, in Wiltshire the Statement of Accounts are adopted by the Audit Committee.
29. The Statement of Accounts will be taken to the Audit Committee on 27 July 2016. This is well ahead of the Statutory Deadline of 30 September.
30. The Draft Statement of Accounts is attached as Appendix E.

Main Consideration for the Council

31. To note the unaudited outturn for 2015/2016 and consider the Council's reserve position.

Safeguarding Implications

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

Public Health Implications

33. None have been identified as arising directly from this report. A return has been submitted to Government confirming that the Public Health grant was fully discharged on expenditure relating to Public Health.

Corporate Procurement Implications

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

Equalities Impact of the Proposal

35. No equality and diversity issues have been identified or arising from this report.

Environmental and Climate Change Considerations

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

Legal Implications

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

Risk Assessment

38. During the year, the Council has faced significant service financial pressures. Actions to manage these pressures have been agreed previously and work has been undertaken to manage the financial position.
39. The Council has identified in its corporate risk register various elements which have been covered in previous monitoring reports, most notably the impact the current economic climate has on the Council's finances.

Financial Implications

40. These have been examined and are implicit throughout the report.

Proposals

41. That Cabinet note the report showing an outturn for the General Revenue Fund and HRA, subject to external audit, of an underspend of £0.066 million and an underspend of £0.820 million, GRF and HRA respectively. Cabinet should note appropriate transfers to General Revenue Fund and Earmarked reserves at set out in Sections 22-25 of this report, and return to HRA reserves. Cabinet should also note the draft Statement of Accounts

Contact Name:

Michael Hudson, Associate Director Finance, ext 713601
michael.hudson@Wiltshire.gov.uk

Report author: Matthew Tiller, Chief Accountant

Appendices:

Appendix A: Revenue Budget Movements 2015/2016
Appendix B: Service Area Movements 2015/2016
Appendix C: Detailed Service Area Budget Statements
Appendix D: Outturn Variance Movements
Appendix E: Draft Statement of Accounts 2015/2016

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Wiltshire Council Revenue Budget Movements 2015/2016

Service	Original Budget	Structural Changes	Revised Original Budget	In Year Virements to Period 4	Revised Budget Period 4	In Year Virements to Period 7	Revised Budget Period 7	In Year Virements to Period 9	Revised Budget Period 9	In Year Virements to Outturn	Revised Budget Outturn	Major Virements See Appendix B
	£m											
Adult Social Care Operations												
Older People	50.260	0.000	50.260	0.181	50.441	(0.058)	50.383	(0.062)	50.321	(0.089)	50.232	
Other Vulnerable Adults	9.664	0.000	9.664	0.000	9.664	0.000	9.664	1.891	11.555	0.000	11.555	
Mental Health	19.861	0.000	19.861	0.079	19.940	0.004	19.944	2.071	22.015	0.048	22.063	
Adult Care Commissioning, Safeguarding & Housing												
Resources, Strategy & Commissioning	4.021	0.000	4.021	0.000	4.021	(0.063)	3.958	(2.314)	1.644	(0.022)	1.622	
Housing Services	4.126	0.000	4.126	0.000	4.126	0.048	4.174	0.000	4.174	0.165	4.339	
Public Health & Public Protection												
Public Health Grant	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.600	0.600	*
Other Public Health & Public Protection	2.949	0.000	2.949	(0.055)	2.894	0.057	2.951	0.000	2.951	0.069	3.020	
Leisure	0.580	0.000	0.580	0.200	0.780	0.024	0.804	0.000	0.804	0.132	0.936	
Operational Children's Services												
Children's Social Care	31.422	0.000	31.422	(0.361)	31.061	(0.180)	30.881	0.000	30.881	(0.019)	30.862	
0-25 Service: Disabled Children & Adults	12.878	0.000	12.878	(0.149)	12.729	0.138	12.867	0.002	12.869	3.921	16.790	*
Early Help	2.163	0.000	2.163	(0.094)	2.069	0.284	2.353	0.000	2.353	(0.211)	2.142	
Learning Disability												
Learning Disability	41.841	0.000	41.841	(0.261)	41.580	0.120	41.700	3.368	45.068	0.020	45.088	
Quality Assurance, Commissioning & Performance, School & Early Years Effectiveness												
School Effectiveness	2.003	0.000	2.003	0.254	2.257	(0.101)	2.156	0.000	2.156	0.002	2.158	
Safeguarding	1.362	0.000	1.362	(0.027)	1.335	(0.020)	1.315	0.000	1.315	0.055	1.370	
Funding Schools	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.275	0.275	
Commissioning & Performance	7.495	0.000	7.495	0.784	8.279	0.466	8.745	0.025	8.770	0.110	8.880	
Economy & Planning												
Economy & Planning	4.208	0.000	4.208	(0.001)	4.207	(0.300)	3.907	0.000	3.907	0.330	4.237	
Highways & Transport												
Highways	13.921	0.000	13.921	(0.010)	13.911	0.000	13.911	0.000	13.911	0.203	14.114	
Transport	17.437	0.000	17.437	0.000	17.437	0.000	17.437	0.001	17.438	0.080	17.518	
Car Parking	(6.103)	0.000	(6.103)	0.000	(6.103)	0.000	(6.103)	0.000	(6.103)	0.000	(6.103)	
Environment & Leisure												
Waste	32.135	0.000	32.135	0.131	32.266	1.233	33.499	0.000	33.499	(0.280)	33.219	
Environment Services	4.630	0.000	4.630	(0.019)	4.611	0.093	4.704	0.000	4.704	0.016	4.720	
Communications, Community Area Boards, Libraries, Heritage & Arts												
Communications	1.235	0.000	1.235	0.111	1.346	0.004	1.350	0.062	1.432	(0.003)	1.429	
Libraries, Heritage & Arts	5.327	0.000	5.327	0.377	5.704	0.222	5.926	(0.041)	5.885	0.225	6.110	
Corporate Function & Procurement												
Corporate Function & Procurement	5.308	0.000	5.308	0.155	5.463	0.055	5.518	0.000	5.518	(0.001)	5.517	
Finance												
Finance, Revenues & Benefits, & Pensions	2.668	0.150	2.818	0.100	2.918	0.072	2.990	0.000	2.990	0.131	3.121	
Revenues & Benefits - Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.123	0.123	
Legal & Governance												
Legal & Governance	2.353	0.000	2.353	0.000	2.353	0.000	2.353	0.000	2.353	0.399	2.752	
People & Business Services												
Human Resources & Organisational Development	3.205	0.000	3.205	0.157	3.362	0.166	3.528	0.000	3.528	(0.012)	3.516	
Business Services	3.552	(0.150)	3.402	0.000	3.402	(0.003)	3.399	0.000	3.399	0.004	3.403	
Strategic Asset & Facilities Management	12.279	0.000	12.279	(0.125)	12.154	0.000	12.154	(0.008)	12.146	0.000	12.146	
Information Services	10.291	0.000	10.291	0.021	10.312	0.000	10.312	0.000	10.312	0.000	10.312	
Corporate Directors												
Corporate Directors	0.730	0.000	0.730	0.071	0.801	0.000	0.801	0.000	0.801	0.014	0.815	
Members	2.006	0.000	2.006	0.000	2.006	0.000	2.006	0.000	2.006	0.106	2.112	
Corporate												
Movement on Reserves	0.957	0.000	0.957	(0.575)	0.382	(1.281)	(0.899)	0.000	(0.899)	(0.561)	(1.460)	*
Capital Financing	23.199	0.000	23.199	0.000	23.199	0.000	23.199	0.000	23.199	0.000	23.199	*
Restructure & Contingency	2.356	0.000	2.356	(0.944)	1.412	(0.980)	0.432	(0.092)	0.340	(2.409)	(2.069)	*
General Government Grants	(26.126)	0.000	(26.126)	0.000	(26.126)	0.000	(26.126)	(4.923)	(31.049)	(2.490)	(33.539)	*
Corporate Levies	8.790	0.000	8.790	0.000	8.790	0.000	8.790	0.000	8.790	(0.931)	7.859	*
2015/2016 Budget Requirement	314.983	0.000	314.983	0.000	314.983	0.000	314.983	(0.000)	314.983	0.000	314.983	
HRA Budget	(1.497)	0.000	(1.497)	0.000	(1.497)	0.000	(1.497)	0.000	(1.497)	(1.497)	(1.497)	
	313.486	0.000	313.486	0.000	313.486	0.000	313.486	(0.000)	313.486	(1.497)	313.486	

More details are given of major virements and structural movements in Appendix B. These areas are marked above with *

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Major Virements between Services Areas from Period 9 to Outturn

APPENDIX B

Net virements over £500,000

Public Health Grant

Release of Ear Marked Reserve

In Year Virements period 9-outturn

0-25 Service: Disabled Children & Adults

DSG Variance virement across all children's areas. Draw from reserves

Release of contingency to services

In Year Virements period 9-outturn

Movement on Reserves

DSG drawn for reserves. Virement across all children's areas.

Area board Earmarked Reserves movement

PFI Earmarked Reserves movement

Various small Earmarked Reserves movements

Release of S31 grant to government grants

Schools EMR Movementsd

In Year Virements period 9-outturn

Restructure & Contingency

Release of redundancy to Services

Release of contingency to services

Various Ear Marked Reserves movements

In Year Virements period 9-outturn

General Government Grants

Release of S31 grant from reserves

Ear Marked Reserves movement

In Year Virements period 9-outturn

Corporate Levy

Release of contingency to services

In Year Virements period 9-outturn

£m
0.600
0.600
1.970
1.951
3.921
(0.900)
(0.131)
(0.224)
(0.689)
2.471
(1.088)
(0.561)
(0.509)
(1.340)
(0.560)
(2.409)
(2.471)
(0.019)
(2.490)
(0.931)
(0.931)

Please note, these are only the service movements over £500,000. The sum of all virements balances to zero

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Wiltshire Council Revenue Budget Monitoring Statement

31-Mar-16

		<i>Original Budget</i>	<i>Revised Budget Including Virements</i>	<i>Actual Position 31 March 2016</i>	<i>Variation for Year: Overspend / (Underspend)</i>	<i>Variation as % of Revised Budget: Overspend / (Underspend)</i>
		<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	
Adult Social Care Operations						
Older People	Gross Costs	61.768	65.480	67.998	2.518	3.8%
	Income	(11.508)	(15.248)	(15.789)	(0.541)	3.5%
	Net	50.260	50.232	52.209	1.977	3.9%
Other Vulnerable Adults	Gross Costs	10.251	12.848	12.409	(0.439)	(3.4%)
	Income	(0.587)	(1.293)	(1.512)	(0.219)	16.9%
	Net	9.664	11.555	10.897	(0.658)	(5.7%)
Mental Health	Gross Costs	23.060	25.968	24.814	(1.154)	(4.4%)
	Income	(3.199)	(3.905)	(3.945)	(0.040)	1.0%
	Net	19.861	22.063	20.869	(1.194)	(5.4%)
Adult Care Commissioning, Safeguarding & Housing						
Resources, Strategy & Commissioning	Gross Costs	4.449	2.430	2.160	(0.270)	(11.1%)
	Income	(0.428)	(0.808)	(0.598)	0.210	(26.0%)
	Net	4.021	1.622	1.562	(0.060)	(3.7%)
Housing Services	Gross Costs	8.785	8.865	8.702	(0.163)	(1.8%)
	Income	(4.659)	(4.526)	(4.414)	0.112	(2.5%)
	Net	4.126	4.339	4.288	(0.051)	(1.2%)
Public Health & Public Protection						
Public Health Grant	Gross Costs	14.587	16.922	17.068	0.146	0.9%
	Income	(14.587)	(16.322)	(16.468)	(0.146)	0.9%
	Net	-	0.600	0.600	-	-
Other Public Health & Public Protection	Gross Costs	3.871	3.935	4.095	0.160	4.1%
	Income	(0.922)	(0.915)	(1.105)	(0.190)	20.8%
	Net	2.949	3.020	2.990	(0.030)	(1.0%)
Leisure	Gross Costs	5.643	6.111	5.974	(0.137)	(2.2%)
	Income	(5.063)	(5.175)	(5.285)	(0.110)	2.1%
	Net	0.580	0.936	0.689	(0.247)	(26.4%)

		Original Budget	Revised Budget Including Virements	Actual Position 31 March 2016	Variation for Year: Overspend / (Underspend)	Variation as % of Revised Budget: Overspend / (Underspend)
		£m	£m	£m	£m	
Children's Social Care, Early Help & 0-25 SEN/Disability Service						
Children's Social Care						
	Gross Costs	33.341	35.340	36.813	1.473	4.2%
	Income	(1.919)	(2.478)	(2.011)	0.467	(18.8%)
	Net	31.422	32.862	34.802	1.940	5.9%
0-25 Service: Disabled Children & Adults						
	Gross Costs	36.143	39.359	43.749	4.390	11.2%
	Income	(23.265)	(22.369)	(25.312)	(2.943)	13.2%
	Net	12.878	16.990	18.437	1.447	8.5%
Early Help						
	Gross Costs	6.901	7.251	6.997	(0.254)	(3.5%)
	Income	(4.738)	(5.109)	(4.775)	0.334	(6.5%)
	Net	2.163	2.142	2.222	0.080	3.7%
Learning Disability						
Learning Disability						
	Gross Costs	44.358	47.836	48.293	0.457	1.0%
	Income	(2.517)	(2.748)	(3.317)	(0.569)	20.7%
	Net	41.841	45.088	44.976	(0.112)	(0.2%)
Quality Assurance, Commissioning & Performance, School & Early Years Effectiveness						
School Effectiveness						
	Gross Costs	5.765	6.064	5.261	(0.803)	(13.2%)
	Income	(3.762)	(3.906)	(3.341)	0.565	(14.5%)
	Net	2.003	2.158	1.920	(0.238)	(11.0%)
Safeguarding						
	Gross Costs	1.532	1.553	1.732	0.179	11.5%
	Income	(0.170)	(0.183)	(0.211)	(0.028)	15.3%
	Net	1.362	1.370	1.521	0.151	11.0%
Funding Schools						
	Gross Costs	279.162	145.886	183.477	37.591	25.8%
	Income	(279.162)	(145.611)	(183.186)	(37.575)	25.8%
	Net	-	0.275	0.291	0.016	5.8%
Commissioning & Performance						
	Gross Costs	31.792	32.785	33.758	0.973	3.0%
	Income	(24.297)	(23.905)	(24.590)	(0.685)	2.9%
	Net	7.495	8.880	9.168	0.288	3.2%
Economic Development & Planning Services						
Economic Development & Planning Services						
	Gross Costs	10.203	10.796	11.168	0.372	3.4%
	Income	(5.995)	(6.559)	(6.786)	(0.227)	3.5%
	Net	4.208	4.237	4.382	0.145	3.4%
Highways & Transport						
Highways						
	Gross Costs	17.098	16.025	18.247	2.222	13.9%
	Income	(3.177)	(1.911)	(4.225)	(2.314)	121.1%
	Net	13.921	14.114	14.022	(0.092)	(0.7%)
Transport						
	Gross Costs	20.261	19.717	20.551	0.834	4.2%
	Income	(2.824)	(2.199)	(3.030)	(0.831)	37.8%
	Net	17.437	17.518	17.521	0.003	0.0%
Car Parking						
	Gross Costs	1.563	1.563	1.880	0.317	20.3%
	Income	(7.666)	(7.666)	(7.633)	0.033	(0.4%)
	Net	(6.103)	(6.103)	(5.753)	0.350	(5.7%)

		<i>Original Budget</i>	<i>Revised Budget Including Virements</i>	<i>Actual Position 31 March 2016</i>	<i>Variation for Year: Overspend / (Underspend)</i>	<i>Variation as % of Revised Budget: Overspend / (Underspend)</i>
		<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	
Waste & Environment						
Waste	Gross Costs	36.344	38.325	38.039	(0.286)	(0.7%)
	Income	(4.209)	(5.106)	(4.582)	0.524	(10.3%)
	Net	32.135	33.219	33.457	0.238	0.7%
Environment Services	Gross Costs	6.287	6.333	6.195	(0.138)	(2.2%)
	Income	(1.657)	(1.613)	(1.378)	0.235	(14.6%)
	Net	4.630	4.720	4.817	0.097	2.1%
Communications, Community Area Boards, Libraries, Arts, Heritage & Culture						
Communications	Gross Costs	1.315	1.512	1.702	0.190	12.6%
	Income	(0.080)	(0.083)	(0.048)	0.035	(42.2%)
	Net	1.235	1.429	1.654	0.225	15.7%
Libraries, Heritage & Arts	Gross Costs	6.934	7.837	8.059	0.222	2.8%
	Income	(1.607)	(1.727)	(1.517)	0.210	(12.2%)
	Net	5.327	6.110	6.542	0.432	7.1%
Corporate Function & Procurement						
Corporate Function & Procurement	Gross Costs	6.057	6.554	8.163	1.609	24.5%
	Income	(0.749)	(1.037)	(2.515)	(1.478)	142.5%
	Net	5.308	5.517	5.648	0.131	2.4%
Finance						
Finance, Revenues & Benefits, & Pensions	Gross Costs	14.768	15.599	16.285	0.686	4.4%
	Income	(12.100)	(12.478)	(13.456)	(0.978)	7.8%
	Net	2.668	3.121	2.829	(0.292)	(9.4%)
Revenues & Benefits - Subsidy	Gross Costs	118.775	118.249	116.921	(1.328)	(1.1%)
	Income	(118.775)	(118.126)	(116.794)	1.332	(1.1%)
	Net	-	0.123	0.127	0.004	3.3%
Legal & Governance						
Legal & Governance	Gross Costs	4.577	4.924	6.163	1.239	25.2%
	Income	(2.224)	(2.172)	(2.827)	(0.655)	30.2%
	Net	2.353	2.752	3.336	0.584	21.2%
People & Business Services						
Human Resources & Organisational Development	Gross Costs	4.946	5.699	5.488	(0.211)	(3.7%)
	Income	(1.741)	(2.183)	(2.242)	(0.059)	2.7%
	Net	3.205	3.516	3.246	(0.270)	(7.7%)
Business Services	Gross Costs	5.571	5.477	5.611	0.134	2.4%
	Income	(2.019)	(2.074)	(2.087)	(0.013)	0.6%
	Net	3.552	3.403	3.524	0.121	3.6%
Strategic Asset & Facilities Management	Gross Costs	15.787	16.298	16.885	0.587	3.6%
	Income	(3.508)	(4.152)	(4.751)	(0.599)	14.4%
	Net	12.279	12.146	12.134	(0.012)	(0.1%)
Information Services	Gross Costs	11.811	11.919	12.022	0.103	0.9%
	Income	(1.520)	(1.607)	(2.289)	(0.682)	42.4%
	Net	10.291	10.312	9.733	(0.579)	(5.6%)

Wiltshire Council Revenue Budget Monitoring Statement

31-Mar-16

		Original Budget	Revised Budget Including Virements	Actual Position 31 March 2016	Variation for Year: Overspend / (Underspend)	Variation as % of Revised Budget: Overspend / (Underspend)
		£m	£m	£m	£m	
Corporate Directors						
Corporate Directors	Gross Costs	0.757	0.842	0.950	0.108	12.8%
	Income	(0.027)	(0.027)	(0.135)	(0.108)	400.0%
	Net	0.730	0.815	0.815	-	-
Members	Gross Costs	2.006	2.112	2.112	-	-
	Income	-	-	-	-	-
	Net	2.006	2.112	2.112	-	-
Corporate						
Movement on Reserves		0.957	(1.460)	(1.459)	0.001	(0.1%)
Capital Financing		23.199	23.199	21.975	(1.224)	(5.3%)
Restructure & Contingency		2.356	(2.069)	(3.363)	(1.294)	62.5%
General Government Grants		(26.126)	(33.539)	(35.410)	(1.871)	5.6%
Corporate Levys		8.790	7.859	7.787	(0.072)	(0.9%)
	Net	9.176	(6.010)	(10.470)	(4.460)	74.2%
Wiltshire Council General Fund Total						
	Gross Costs	865.644	742.404	789.271	46.867	6.3%
	Income	(550.661)	(425.221)	(472.154)	(46.933)	11.0%
	Net	314.983	317.183	317.117	(0.066)	(0.0%)
Housing Revenue Account (HRA)	Gross Costs	24.639	24.602	24.023	(0.579)	(2.4%)
	Income	(26.136)	(26.099)	(26.340)	(0.241)	0.9%
	Net	(1.497)	(1.497)	(2.317)	(0.820)	54.8%
Total Including HRA						
	Gross Costs	890.283	767.006	813.294	46.288	6.0%
	Income	(576.797)	(451.320)	(498.494)	(47.174)	10.5%
	Net	313.486	315.686	314.800	(0.886)	(0.3%)

Wiltshire Council Forecast Variance Movements

Appendix D

	Variance Reported for Period 4 £m	Movement in Period	Variance Reported for Period 7	Movement in Period	Variance Reported for Period 9	Movement in Period	Variance Reported for Period 12 from SAP
Adult Social Care Operations							
Older People	(3.421)	3.921	0.500	(0.522)	(0.022)	1.999	1.977
Other Vulnerable Adults	1.852	(1.852)	0.000	(0.023)	(0.023)	(0.635)	(0.658)
Mental Health	1.959	(1.959)	0.000	(0.194)	(0.194)	(1.000)	(1.194)
Adult Care Commissioning, Safeguarding & Housing							
Resources, Strategy & Commissioning	(2.437)	2.437	0.000	(0.053)	(0.053)	(0.007)	(0.060)
Housing Services	0.100	(0.100)	0.000	0.000	0.000	(0.051)	(0.051)
Public Health & Public Protection							
Public Health Grant	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Public Health & Public Protection	(0.250)	0.050	(0.200)	0.040	(0.160)	0.130	(0.030)
Leisure	0.000	0.000	0.000	0.000	0.000	(0.247)	(0.247)
Children's Social Care, Integrated Youth & Preventative Services & 0-25 SEN/Disability Service							
Children's Social Care	1.991	(0.301)	1.690	0.360	2.050	(0.110)	1.940
0-25 Service: Disabled Children & Adults	2.400	(0.707)	1.693	(0.393)	1.300	0.147	1.447
Early Help	0.004	0.019	0.023	(0.057)	(0.034)	0.114	0.080
Learning Disability							
Learning Disability	2.047	(2.047)	0.000	0.929	0.929	(1.041)	(0.112)
Quality Assurance, Commissioning & Performance, School & Early Years Effectiveness							
School Effectiveness	(0.335)	0.101	(0.234)	(0.260)	(0.494)	0.256	(0.238)
Safeguarding	0.000	0.000	0.000	0.094	0.094	0.057	0.151
Funding Schools	0.000	0.000	0.000	0.000	0.000	0.016	0.016
Commissioning & Performance	0.335	(0.101)	0.234	0.220	0.454	(0.166)	0.288
Economic Development & Planning Services							
Economic Development & Planning Services	0.000	0.000	0.000	0.000	0.000	0.145	0.145
Highways & Transport							
Highways	0.000	0.000	0.000	0.000	0.000	(0.092)	(0.092)
Transport	0.000	0.000	0.000	0.000	0.000	0.003	0.003
Car Parking	0.000	0.000	0.000	0.000	0.000	0.350	0.350
Waste & Environment							
Waste	0.300	0.048	0.348	0.000	0.348	(0.110)	0.238
Environment Services	0.000	0.000	0.000	0.000	0.000	0.097	0.097
Communications, Community Area Boards, Libraries, Arts, Heritage & Culture							
Communications	0.500	(0.500)	0.000	0.000	0.000	0.225	0.225
Libraries, Arts, Heritage & Culture	0.000	0.200	0.200	0.000	0.200	0.232	0.432
Corporate Function & Procurement							
Corporate Function & Procurement	0.000	0.000	0.000	0.000	0.000	0.131	0.131
Finance							
Finance, Revenues & Benefits, & Pensions	(0.050)	0.000	(0.050)	0.000	(0.050)	(0.242)	(0.292)
Revenues & Benefits - Subsidy	(0.150)	0.000	(0.150)	0.000	(0.150)	0.154	0.004
Legal & Governance							
Legal & Governance	0.400	0.000	0.400	0.200	0.600	(0.016)	0.584
People & Business Services							
Human Resources & Organisational Development	0.000	0.000	0.000	(0.100)	(0.100)	(0.170)	(0.270)
Business Services	0.000	0.000	0.000	0.000	0.000	0.121	0.121
Strategic Asset & Facilities Management	0.800	(0.800)	0.000	0.000	0.000	(0.012)	(0.012)
Information Services	0.000	0.800	0.800	(0.400)	0.400	(0.979)	(0.579)
Corporate Directors							
Corporate Directors	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Members	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Corporate							
Movement on Reserves	0.000	0.000	0.000	0.000	0.000	0.001	0.001
Capital Financing	0.000	(0.480)	(0.480)	0.000	(0.480)	(0.744)	(1.224)
Restructure & Contingency	0.200	(2.065)	(1.865)	0.081	(1.784)	0.490	(1.294)
General Government Grants	0.000	0.000	0.000	0.000	0.000	(1.871)	(1.871)
Corporate Levys	0.000	0.000	0.000	0.000	0.000	(0.072)	(0.072)
TOTAL FORECAST VARIANCE MOVEMENT	6.245	(3.336)	2.909	(0.078)	2.831	(2.897)	(0.066)

Wiltshire Council Forecast Variance Movements

Appendix D

	Variance Reported for Period 4 £m	Movement in Period	Variance Reported for Period 7	Movement in Period	Variance Reported for Period 9	Movement in Period	Variance Reported for Period 12 from SAP	One Off Adjustments	Revised Variance for Period 12	Withdrawal/Rollforward Requests	Revised Variance for Period 12	Movement since Period 9
Adult Social Care Operations												
Older People	(3,421)	3,921	0.500	(0.522)	(0.022)	1,999	1,977		1,977		1,977	1,999
Other Vulnerable Adults	1,852	(1,852)	0.000	(0.023)	(0.023)	(0.636)	(0.659)		(0.659)		(0.659)	(0.636)
Mental Health	1,959	(1,959)	0.000	(0.194)	(0.194)	(1,000)	(1,194)		(1,194)		(1,194)	(1,000)
Adult Care Commissioning, Safeguarding & Housing												
Resources, Strategy & Commissioning	(2,437)	2,437	0.000	(0.053)	(0.053)	(0.008)	(0.061)		(0.061)		(0.061)	(0.008)
Housing Services	0.100	(0.100)	0.000	0.000	0.000	(0.051)	(0.051)		(0.051)		(0.051)	(0.051)
Public Health & Public Protection												
Public Health Grant	0.000	0.000	0.000	0.000	0.000	0.600	0.600		0.600	(0.600)	0.000	0.000
Other Public Health & Public Protection	(0.250)	0.050	(0.200)	0.040	(0.160)	0.130	(0.030)		(0.030)		(0.030)	0.130
Leisure	0.000	0.000	0.000	0.000	0.000	(0.115)	(0.115)		(0.115)	(0.132)	(0.247)	(0.247)
Children's Social Care, Integrated Youth & Preventative Services & 0-25 SEN/Disability Service												
Children's Social Care	1,991	(0.301)	1,690	0.360	2,050	1,229	3,279	(1,400)	1,879	0.061	1,940	(0.110)
0-25 Service: Disabled Children & Adults	2,400	(0.707)	1,693	(0.393)	1,300	2,298	3,598	(2,151)	1,447		1,447	0.147
Early Help	0.004	0.019	0.023	(0.057)	(0.034)	0.113	0.079		0.079		0.079	0.113
Learning Disability												
Learning Disability	2,047	(2,047)	0.000	0.929	0.929	(1,041)	(0.112)		(0.112)		(0.112)	(1,041)
Quality Assurance, Commissioning & Performance, School & Early Years Effectiveness												
School Effectiveness	(0.335)	0.101	(0.234)	(0.260)	(0.494)	0.255	(0.239)		(0.239)		(0.239)	0.255
Safeguarding	0.000	0.000	0.000	0.094	0.094	0.057	0.151		0.151		0.151	0.057
Funding Schools	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000		0.000	0.000
Commissioning & Performance	0.335	(0.101)	0.234	0.220	0.454	0.034	0.488	(0.200)	0.288		0.288	(0.166)
Economy & Planning												
Economy & Planning	0.000	0.000	0.000	0.000	0.000	0.205	0.205		0.205	(0.059)	0.146	0.146
Highways & Transport												
Highways	0.000	0.000	0.000	0.000	0.000	1,470	1,470	(1,359)	0.111	(0.203)	(0.092)	(0.092)
Transport	0.000	0.000	0.000	0.000	0.000	0.929	0.929	(0.847)	0.082	(0.079)	0.003	0.003
Car Parking	0.000	0.000	0.000	0.000	0.000	0.350	0.350		0.350		0.350	0.350
Waste & Environment												
Waste	0.300	0.048	0.348	0.000	0.348	(0.110)	0.238		0.238		0.238	(0.110)
Environment Services	0.000	0.000	0.000	0.000	0.000	0.641	0.641	(0.544)	0.097		0.097	0.097
Communications, Community Area Boards, Libraries, Arts, Heritage & Culture												
Communications	0.500	(0.500)	0.000	0.000	0.000	0.222	0.222		0.222	0.003	0.225	0.225
Libraries, Arts, Heritage & Culture	0.000	0.200	0.200	0.000	0.200	0.234	0.434		0.434	(0.002)	0.432	0.232
Corporate Function & Procurement												
Corporate Function & Procurement	0.000	0.000	0.000	0.000	0.000	(0.148)	(0.148)		(0.148)		0.280	0.132
Finance												
Finance, Revenues & Benefits, & Pensions	(0.050)	0.000	(0.050)	0.000	(0.050)	(0.241)	(0.291)		(0.291)		(0.291)	(0.241)
Revenues & Benefits - Subsidy	(0.150)	0.000	(0.150)	0.000	(0.150)	0.277	0.127		0.127	(0.123)	0.004	0.154
Legal & Governance												
Legal & Governance	0.400	0.000	0.400	0.200	0.600	0.353	0.953		0.953	(0.369)	0.584	(0.016)
People & Business Services												
Human Resources & Organisational Development	0.000	0.000	0.000	(0.100)	(0.100)	(0.220)	(0.320)		(0.320)	0.050	(0.270)	(0.170)
Business Services	0.000	0.000	0.000	0.000	0.000	0.121	0.121		0.121		0.121	0.121
Strategic Asset & Facilities Management	0.800	(0.800)	0.000	0.000	0.000	(0.012)	(0.012)		(0.012)		(0.012)	(0.012)
Information Services	0.000	0.800	0.800	(0.400)	0.400	(0.979)	(0.579)		(0.579)		(0.579)	(0.979)
Corporate Directors												
Corporate Directors	0.000	0.000	0.000	0.000	0.000	0.014	0.014	(0.014)	0.000		0.000	0.000
Members	0.000	0.000	0.000	0.000	0.000	0.106	0.106	(0.106)	0.000		0.000	0.000
Corporate												
Movement on Reserves	0.000	0.000	0.000	0.000	0.000	0.001	0.001		0.001		0.001	0.001
Capital Financing	0.000	(0.480)	(0.480)	0.000	(0.480)	(0.744)	(1,224)		(1,224)		(1,224)	(0.744)
Restructure & Contingency	0.200	(2,065)	(1,865)	0.081	(1,784)	1,443	(0.341)	(1,511)		0.700	(1,152)	0.632
General Government Grants	0.000	0.000	0.000	0.000	0.000	(2,128)	(2,128)		(2,128)	0.018	(2,110)	(2,110)
Corporate Leveys	0.000	0.000	0.000	0.000	0.000	(1,003)	(1,003)		(1,003)		(1,003)	(0.072)
TOTAL FORECAST VARIANCE MOVEMENT	6.245	(3,338)	2,909	(0,078)	2,831	4,645	7,476	(7,201)	0,275	(0,455)	(0,180)	(3,011)

Adult Social Care Operations

Older People

Other Vulnerable Adults

Learning Disability

Mental Health

Adult Care Commissioning, Safeguarding & Housing

Resources, Strategy & Commissioning

Community Leadership & Governance

Housing Services

Public Health & Public Protection

Public Health Grant

Other Public Health & Public Protection

Children's Social Care, Integrated Youth & Preventative Services & 0-25 SEN/Disability Service

Children's Social Care

0-25 Service: Disabled Children & Adults

Integrated Youth & Preventative Services

Quality Assurance, Commissioning & Performance, School & Early Years Effectiveness

School Effectiveness

Business & Commercial Services

Safeguarding

Funding Schools

Commissioning & Performance

Economic Development & Planning Services

Economy & Regeneration

Development Services

Highways & Transport

Highways Strategic Services

Public Transport

Education Transport

Local Highways & Streetscene

Car Parking

Environment & Leisure

Waste

Environment Services

Leisure

School Effectiveness

Communications, Community Area Boards, Libraries, Arts, Heritage & Culture

Communications

Libraries, Arts, Heritage & Culture

Executive Office

Executive Office

Corporate Directors

Finance

Finance, Revenues & Benefits, & Pensions

Revenues & Benefits - Subsidy

Legal & Governance

Legal & Governance

People & Business Services

Human Resources & Organisational Development

Business Services

Strategic Property Services

Transformation Programme

Transformation

Information Services

Corporate

Movement on Reserves

Capital Financing

Restructure & Contingency

General Government Grants

Corporate Levys

Wiltshire Council General Fund Total

Wiltshire Council Forecast Variance Movements

Appendix D

	Variance Reported for Period 4 £m	Movement in Period	Variance Reported for Period 7	Movement in Period	Variance Reported for Period 9	Movement in Period	Variance Reported for Period 12	One Off Adjustments	Revised Variance for Period 12	Withdrawal/Rollforward Requests	Revised Variance for Period 12	Movement since Period 9
Adult Social Care Operations												
Older People	(3,421)	3,921	0.500	(0.522)	(0.022)	1,999	1,977		1,977		1,977	1,999
Other Vulnerable Adults	1,852	(1,852)	0.000	(0.023)	(0.023)	(0.636)	(0.659)		(0.659)		(0.659)	(0.636)
Mental Health	1,959	(1,959)	0.000	(0.194)	(0.194)	(1,000)	(1,194)		(1,194)		(1,194)	(1,000)
Adult Care Commissioning, Safeguarding & Housing												
Resources, Strategy & Commissioning	(2,437)	2,437	0.000	(0.053)	(0.053)	(0.008)	(0.061)		(0.061)		(0.061)	(0.008)
Housing Services	0.100	(0.100)	0.000	0.000	0.000	(0.051)	(0.051)		(0.051)		(0.051)	(0.051)
Public Health & Public Protection												
Public Health Grant	0.000	0.000	0.000	0.000	0.000	0.600	0.600		0.600	(0.600)	0.000	0.000
Other Public Health & Public Protection	(0.250)	0.050	(0.200)	0.040	(0.160)	0.130	(0.030)		(0.030)		(0.030)	0.130
Leisure	0.000	0.000	0.000	0.000	0.000	(0.115)	(0.115)		(0.115)	(0.132)	(0.247)	(0.247)
Children's Social Care, Integrated Youth & Preventative Services & 0-25 SEN/Disability Service												
Children's Social Care	1,991	(0.301)	1,690	0.360	2,050	1,829	3,879	(0.600)	3,279	0.061	3,340	1,290
0-25 Service: Disabled Children & Adults	2,400	(0.707)	1,693	(0.393)	1,300	2,298	3,598		3,598		3,598	2,298
Early Help	0.004	0.019	0.023	(0.057)	(0.034)	0.113	0.079		0.079		0.079	0.113
Learning Disability												
Learning Disability	2,047	(2,047)	0.000	0.929	0.929	(1,041)	(0.112)		(0.112)		(0.112)	(1,041)
Quality Assurance, Commissioning & Performance, School & Early Years Effectiveness												
School Effectiveness	(0.335)	0.101	(0.234)	(0.260)	(0.494)	0.255	(0.239)		(0.239)		(0.239)	0.255
Safeguarding	0.000	0.000	0.000	0.094	0.094	0.057	0.151		0.151		0.151	0.057
Funding Schools	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000		0.000	0.000
Commissioning & Performance	0.335	(0.101)	0.234	0.220	0.454	0.034	0.488		0.488		0.488	0.034
Economy & Planning												
Economy & Planning	0.000	0.000	0.000	0.000	0.000	0.205	0.205		0.205	(0.059)	0.146	0.146
Highways & Transport												
Highways	0.000	0.000	0.000	0.000	0.000	1,470	1,470	(1,359)	0.111	(0.203)	(0.092)	(0.092)
Transport	0.000	0.000	0.000	0.000	0.000	0.929	0.929	(0.847)	0.082	(0.079)	0.003	0.003
Car Parking	0.000	0.000	0.000	0.000	0.000	0.350	0.350		0.350		0.350	0.350
Waste & Environment												
Waste	0.300	0.048	0.348	0.000	0.348	(0.110)	0.238		0.238		0.238	(0.110)
Environment Services	0.000	0.000	0.000	0.000	0.000	0.641	0.641	(0.544)	0.097		0.097	0.097
Communications, Community Area Boards, Libraries, Arts, Heritage & Culture												
Communications	0.500	(0.500)	0.000	0.000	0.000	0.222	0.222		0.222	0.003	0.225	0.225
Libraries, Arts, Heritage & Culture	0.000	0.290	0.200	0.000	0.200	0.234	0.434		0.434	(0.002)	0.432	0.232
Corporate Function & Procurement												
Corporate Function & Procurement	0.000	0.000	0.000	0.000	0.000	(0.148)	(0.148)		(0.148)		0.280	0.132
Finance												
Finance, Revenues & Benefits, & Pensions	(0.050)	0.000	(0.050)	0.000	(0.050)	(0.241)	(0.291)		(0.291)		(0.291)	(0.241)
Revenues & Benefits - Subsidy	(0.150)	0.000	(0.150)	0.000	(0.150)	0.277	0.127		0.127	(0.123)	0.004	0.154
Legal & Governance												
Legal & Governance	0.400	0.000	0.400	0.200	0.600	0.353	0.953		0.953		0.953	0.353
People & Business Services												
Human Resources & Organisational Development	0.000	0.000	0.000	(0.100)	(0.100)	(0.220)	(0.320)		(0.320)	0.050	(0.270)	(0.170)
Business Services	0.000	0.000	0.000	0.000	0.000	0.121	0.121		0.121		0.121	0.121
Strategic Asset & Facilities Management	0.800	(0.800)	0.000	0.000	0.000	(0.012)	(0.012)		(0.012)		(0.012)	(0.012)
Information Services	0.000	0.800	0.800	(0.400)	0.400	(0.979)	(0.579)		(0.579)		(0.579)	(0.979)
Corporate Directors												
Corporate Directors	0.000	0.000	0.000	0.000	0.000	0.014	0.014		0.014		0.014	0.014
Members	0.000	0.000	0.000	0.000	0.000	0.106	0.106		0.106		0.106	0.106
Corporate												
Movement on Reserves	0.000	0.000	0.000	0.000	0.000	0.001	0.001		0.001		0.001	0.001
Capital Financing	0.000	(0.480)	(0.480)	0.000	(0.480)	(0.754)	(1,234)		(1,234)		(1,234)	(0.754)
Restructure & Contingency	0.200	(2,065)	(1,865)	0.081	(1,784)	1,444	(0,340)		(0,340)		(0,340)	1,444
General Government Grants	0.000	0.000	0.000	0.000	0.000	(4,599)	(2,128)	2,471	(2,128)	0.018	(2,110)	(2,110)
Corporate Leveys	0.000	0.000	0.000	0.000	0.000	(1,003)	(1,003)		(1,003)		(1,003)	(1,003)
TOTAL FORECAST VARIANCE MOVEMENT	6.245	(3,338)	2,909	(0,078)	2,831	2,765	5,596	(0,879)	4,717	(0,786)	3,931	1,100
HRA Budget	0.000	0.000	0.000	0.000	0.000	0.000	0.000					

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Narrative Report

1 Statutory Duty

The Council has a statutory duty to approve and publish a statement of accounts. The accounts cover a 12 month reporting position. These Accounts relate to the period 1 April 2015 to 31 March 2016.

The Statement of Accounts is by necessity presented in the very formal manner required by regulation, but in this report we can introduce the Council's finances in plainer terms.

2 Compliance with regulation

This document has been compiled by officers of the Council using information recorded on its systems, most notably its financial ledger, in line with recommended practice from the Chartered Institute of Public Finance and Accountancy (CIPFA). The format is largely prescribed. A glossary of the various terminologies is set out at the end of this statement.

3 Contents

The Accounting Statements comprises four Core Financial Statements. These are:

The Comprehensive Income and Expenditure Statement summarises the Council's day to day spend and money received for all services during the financial year. This sets out what the Council has spent.

The Balance Sheet is a snap shot in time showing the Council's assets, liabilities, balances and reserves at 31 March 2016.

Movement in Reserves Statement is a summary of the changes that have taken place in the bottom half of the Balance Sheet over the financial year.

The Cashflow Statement summarises the inflows and outflows of cash arising from transactions with third parties.

Notes to the Core Financial Statements follow these statements.

Additionally, the following supplementary financial statements are produced.

- The **Housing Revenue Account (HRA)**. This covers the Council's expenditure on Council housing. The Government requires that this be shown separately;
- The **Collection Fund**. This shows the rates and taxes that the Council has to collect, not only for itself, but also for the Government, the Office of the Police & Crime Commissioner for Wiltshire & Swindon, Wiltshire Fire & Rescue Service and Town & Parish Councils.

The Annual Governance statement sets out how the Council conducts its business, including an update on action taken and plans to improve its arrangements in the last 12 months and the future.

Auditor's opinion

Wiltshire Councils appointed external auditors are KPMG LLP. KPMG LLP have carried out their statutory audit. They have issued an unqualified opinion.

Accounting Policies

The Statement of Accounting Policies explains the basis for how we have recognised, measured and disclosed the financial transactions that relate to 2015/2016. Details of the accounting policies used are found in note 1 to the accounts.

Vision of the Council - How much does it cost to run (general fund)

In February 2016 Wiltshire Council adopted its Financial Plan 2016/2017. The Council is obliged by legislation to set a balanced budget with a resultant Council Tax and related fees and charges.

Members and officers review the plans and update the Financial Plan annually in order to set the budget and Council Tax.

The Council continues to face a continued increase in demand for services to the most vulnerable, as well as inflationary pressures and changes in Government policy and funding. The Council has worked hard to deliver performance savings and investment proposals in its plans.

Future Vision of the Council

Wiltshire Council Business Plan 2013/2017 was adopted by Cabinet in September 2013. The business plan sets out how the Council intends to meet future challenges whilst delivering the Council's vision to create stronger, more resilient communities.

The Council's priorities will also continue to focus on what Wiltshire Council and Wiltshire's communities fundamentally believe to be most important:

- To protect those who are most vulnerable
- To boost the local economy – creating and safeguarding jobs
- To support and empower communities to do more for themselves.

Revenue outturn

In respect of net revenue outturn, the Council's 2015/2016 General Fund revised budget and actual spending figures were as below:

	Original Budget £m	Revised Budget £m	Actual £m	Difference £m
Total General Fund (a)	314.983	314.983	314.917	(0.066)
Funded by:				
Draw from General Fund reserves			2.200	2.200
Formula Grant including Council Tax Freeze	(53.598)	(53.598)	(54.093)	(0.495)
Business Rates Retained	(52.542)	(52.542)	(50.147)	2.395
Collection Fund Transfer	(208.843)	(208.843)	(208.843)	0.000
Collection Fund (Surplus)/Deficit Ctax	0.000	0.000	(4.647)	(4.647)
Collection Fund (Surplus)/Deficit NNDR	0.000	0.000	0.554	0.554
Total Funding (b)	(314.983)	(314.983)	(314.976)	0.007
Movement on General Fund (a) + (b)	0.000	0.000	(0.059)	(0.059)

The overall underspend against the revised 2015/2016 budget was £0.066 million. More details about the Council's revenue spending on services are given, with notes, in the Comprehensive Income & Expenditure Statement and in note 10. The overall movement on the General Fund is a £0.058 million return to reserves.

Outturn Variances

The major variations of actual spend to budget will be added here.

Details of all variances, including more detailed explanations of the variances disclosed above, are included in the cabinet report that will be taken to Cabinet on Tuesday 14 June 2016. A full copy of the report will be available on the Wiltshire Council webpage under "Council and Democracy".

Pension Fund

The Council's employees are able to join the Local Government Pension Scheme. This is also administered by the Council. There are a range of factors that can affect the financial position of the Fund, most notably the level of income expected to be earned from investing funds.

The Scheme's actuary revalues the Fund every three years and we set out new contribution rates to ensure that we extinguish the liability to meet with the Council's commitment to maintaining a balanced fund over the long term.

The pension reserve is equivalent to the Council's share of the local government pension scheme. It is negative, meaning at the moment the fund is in deficit. It is not unusual for the pension reserve to have a shortfall. The future employee and employer contributions into the fund will, along with a hoped for better return on investment, ultimately meet this shortfall.

Further information on the Council's Pension Fund is set out in Note 61.

Where does the money come from?

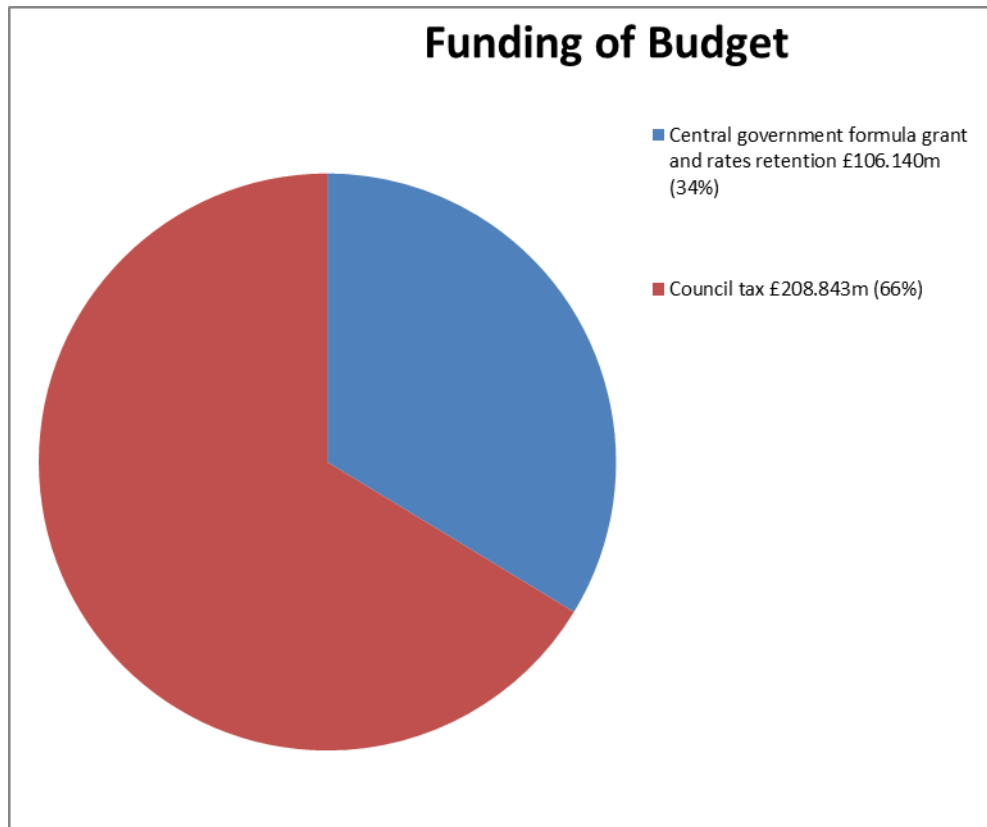
The budget requirement is the money we need to pay for services once we have taken into account money coming in from fees and charges and specific and general government grants.

In 2015/2016 the Council approved a need for a gross and net budget as follows:

	£m
Expenditure:	
Gross budgeted expenditure	893.438
Income:	
Ringfenced specific government grants (schools)	(279.162)
Ringfenced specific government grants (benefits)	(118.775)
Other income	(180.518)
Budget Requirement	<u>314.983</u>

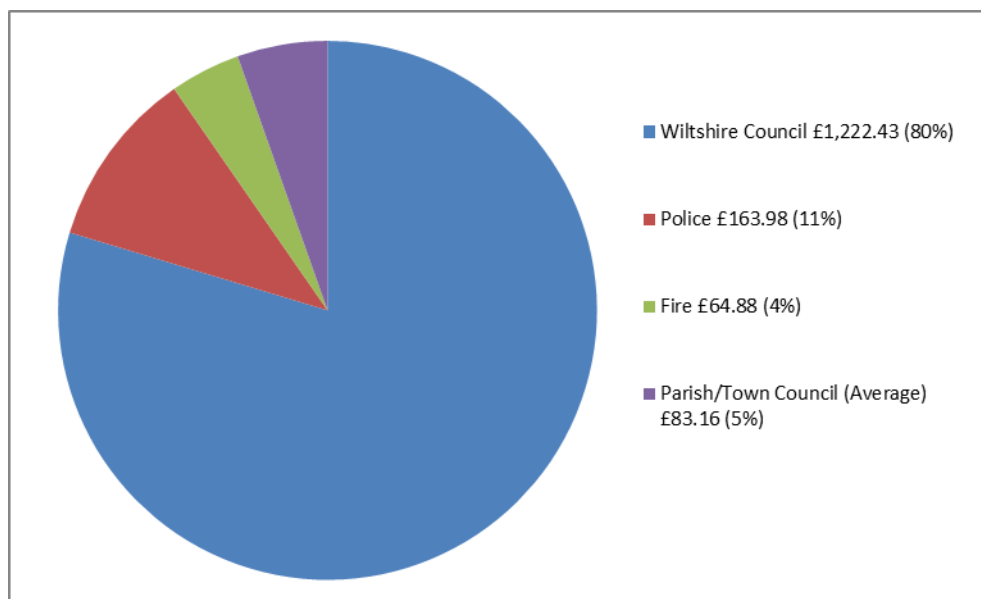
The net budget was funded from three main sources:

	£m
Central government formula grant and rates retention	(106.140)
Council tax	(208.843)
Collection fund surplus	0.000
Total funding	<u>(314.983)</u>



Council tax income collected from Wiltshire residents is the main source of funding for Wiltshire Council Services. Your council tax also contributes to the funding of your town, parish or city council, the Office of the Police and Crime Commissioner for Wiltshire & Swindon (Police) and Wiltshire Fire & Rescue Service (Fire).

Your council tax is collected by Wiltshire Council but it consists of components (precepts) charged by and redistributed to other authorities. The chart below shows how much of your council tax goes to each authority. Figures shown are based on an average Band D charge per year for 2015/2016. Total average Band D council tax is £1,534.45.



Council's Reserves

The Council has set up a number of reserves for specific purposes ('earmarked reserves'), for events we know are going to happen. We also have the General Fund Reserve that we keep to manage potential risks that we continually assess. If the General Fund Reserve is not needed to cover these risks then it is possible to use these as a one off to support spending. Details of the Council's usable reserves are reported in the Movement in Reserves Statement and further details in note 47.

The Council is also required to keep a number of unusable reserves, which whilst being large in value are not related to actual cash sums but are technical accounting requirements, such as the Capital Adjustment Reserve, the Revaluation Reserve and the Pension Reserve. Details of these unusable reserves are found in note 51.

Balance Sheet

The Balance Sheet shows what Wiltshire Council owns and is owed (its assets), what it owes (its liabilities), and its total equity/worth (equal to the sum of its assets and liabilities as at a particular point in time).

Here is a summarised version of Wiltshire Council's Balance Sheet as at 31 March 2016 compared to 31 March 2015 (the full Balance Sheet is disclosed on page 16). The overall reduction in net assets is largely due to an increase in the pension liability.

	31 March 2016		31 March 2015	
	£000	£000	£000	£000
Assets				
Council dwellings & garages	218,323		211,771	
Other land and buildings	365,504		384,923	
Infrastructure	311,206		260,296	
Other Long Term Assets	168,983		197,859	
Money owed to the Council due over the next 12 months	99,900		117,930	
		1,163,916		1,172,779
Liabilities				
Money owed by the Council due over the next 12 months	(124,081)		(111,026)	
Long Term Borrowing	(337,848)		(339,868)	
Pension Fund Liability	(543,446)		(617,189)	
Other Long Term Liabilities	(92,648)		(90,492)	
		(1,098,023)		(1,158,575)
Net Assets		65,893		14,204
Financed by:				
Usable Reserves	(102,511)		(108,518)	
Unusable Reserves	36,618		94,314	
Total Equity		(65,893)		(14,204)

Capital

Capital expenditure is the expenditure on items that are expected to last for more than 1 year, as opposed to revenue expenditure which is on the day to day running costs of the Council.

Capital expenditure in Wiltshire Council typically includes the expenditure on acquiring or enhancing its assets such as land, buildings, equipment, vehicles and ICT software.

The Council owns various items of land and buildings in the County that it uses for its own purposes, such as the 3 large office hubs County Hall at Trowbridge, Monkton Park in Chippenham and Bourne Hill in Salisbury. The Council also owns a number of other offices, leisure, youth and community centres, Council Housing in Salisbury, various highways depots, as well as fleets of refuse and highways vehicles.

The Council also owns a large number of community schools. Due to a number of schools transferring to academy status, the number and the value of schools land and buildings declared in the statement of accounts has decreased. The council also has infrastructure assets such as the County's road network, street lighting and land drainage. There is also a large investment portfolio used to generate income, including industrial estates, commercial estates, farms and shops. In total the value of all the council's fixed assets is around £1 billion. This is covered in more detail in the Council's balance sheet and associated notes.

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The Council makes depreciation charges for the assets it owns, these costs reflect the use of the assets and are charged to the Comprehensive Income and Expenditure Statement. As these are technical adjustments they are reversed so they have no effect on Council tax payers.

The Council owns various highways and roads that are disclosed under "Infrastructure" in the Balance Sheet. These are currently valued at historic cost. Under new accounting requirements, these will be revalued in 2016/2017 Statement of Accounts to reflect the replacement value of the assets.

Expenditure

During 2015/2016 the Council spent a total of £114.847 million on its capital programme resulting in £85.346 million being added to its asset base and £29.501 million in the form of grants given to third parties or work on assets the Council does not own. The table below breaks down the expenditure into the different areas of the Council.

Capital Schemes by area	Amount spent £m
Education	22.702
Highways	41.36
Campus Schemes	14.91
Other Property	1.944
Housing	16.862
Wiltshire Online	10.166
Other Schemes	6.903
Total	114.847

Further details on how the Council spent its money on capital can be found in the 2015/2016 Capital Outturn report. This will be taken to Cabinet on 14 June 2016 and a full copy of the report will be available on the Wiltshire Council webpage under "Council and Democracy."

Examples of capital spend undertaken in 2015/2016 include:

Scheme area	Outputs
Education	Building of new schools Extensions to school buildings New boilers, roofs and rewiring schools Army rebasing
Highways	Resurfacing roads Local road safety schemes Replacement and refurbishment of bridges Drainage works A429 Malmesbury Access Improvements LTB Scheme A350 North of Chippenham Bypass Improvements
Health & Wellbeing Centres	Office rationalisation Fiver Rivers Salisbury Tisbury Woolmore Farm
Other Property	Building repairs & maintenance Rural Estates
Housing	Grants given to disabled householders to improve homes Refurbishment of Council Houses Council House Build programme Extra Care
Other Schemes	ICT Wiltshire Online Fleet Area Boards

Capital Funding

The Council funded its capital programme by a mixture of grants and other contributions, capital receipts and borrowing. Further information on how the Council financed its capital expenditure, the amount of debt paid off in the year and the underlying amount of additional borrowing it undertook is found in note 29. A breakdown of the amounts is shown below:

Funding source	Amount £m	Percentage of funding
Capital Grants & contributions	49.911	43%
Revenue Contributions (inc HRA)	12.003	10%
Capital Receipts	11.087	10%
Borrowing	41.846	36%
Total	114.847	100%

Borrowing for the capital programme is allowed under the Prudential Code for Capital. If borrowing is undertaken this has a direct link to revenue costs. If the Council borrows an additional £1.000 million this equates to an increase in the borrowing costs of the council of approximately £0.100 million. Therefore the Council only borrows when all other sources of funding have been exhausted and uses the optimum mix of funding sources to minimise the additional revenue costs of borrowing.

Housing Revenue Account (HRA)

The HRA is a statutory account that keeps all the transactions relating to the Council's housing stock separate from the main functions of the council. This is a ring fenced account to ensure all the HRA income from rents are used on the HRA and are not used to subsidise the general fund or vice versa.

There are over 5,200 individual houses and flats within the HRA and the income generated and costs incurred in the account are summarised below. Further details are found in the full HRA note within the statement of accounts.

Income & expenditure account 2015/2016	£000
Rents	(25,568)
Charges for Services and facilities	(605)
Total Income	(26,173)
Repairs and Maintenance of properties	6,138
Supervision and management costs	3,626
Capital Contributions	11,812
Accounting Adjustments	3,040
Total Expenditure	24,616
Deficit/(surplus) for the year	(1,557)

This surplus is before technical adjustments. The net effect is a transfer to HRA reserves of £2.317 million.

How we manage our finances

Financial management and reporting is facilitated by:

- Regular reports to Cabinet on the Council's Revenue Budget and Capital Programme;
- Regular review by the Corporate Leadership Team;
- Regular consideration of these reports by Overview and Scrutiny Committee;
- Budget monitoring by Service Managers;
- Compliance with the Council's Budgetary and Policy Framework, Financial Regulations and Financial Procedure Rules;
- Compliance with external requirements, standards and guidance;
- Publication of Statement of Accounts;
- Overseeing role of the Audit Committee.

The Council's financial management arrangements are consistent with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government.

Managing our investments and borrowings

The Council generates significant amounts through its investment and borrowing activities that it can invest to deliver a return to help reduce the costs of running the Council. This is because the Council often collects money in advance of when the payments need to go out, and holds significant levels of reserves. Rather than just leaving these amounts in its bank accounts where interest would be minimal, the Council is able to invest these in longer term investments with banks and other institutions.

The Council follows strict national guidelines when deciding where and how much to invest. This process is set out in our Annual Treasury Management Strategy which is approved annually by the Council. At its meeting on 24 February 2015 the Treasury Management Strategy 2015/2016 was approved and is also available on the Council website under "Council and Democracy".

This strategy restricts the level of individual investment, to spread the risk of who we invest with, and restricts us to only use institutions based in the UK.

Over the past 40 years the Council (Wiltshire County Council and the 4 districts before it became one Council in 2009) incurred considerable costs in building and supporting the development of housing, infrastructure and buildings in Wiltshire. That spending was partly funded from borrowing. The Council is continually monitoring its borrowing to ensure it manages all risks. The Council's Treasury Management Strategy sets this out in detail.

Further information on the way the Council's invests and borrows its monies, and manages the risks arising, are set out in Notes 62 to 64 as well as the Treasury Management Strategy.

Financial challenges for 2016/2017 and onwards – financial plan

The Council's Business Plan and a Financial Plan look at Wiltshire's financial position over the next four years.

Budget for 2016/2017 including Capital programme

The 2016/2017 revenue budget was set by Wiltshire Council on 23 February 2016. The net budget is £313.585 million and this has been allocated across services as follows:

	2016/2017 £m	2015/2016 £m
Adult Social Care Operations	86.366	79.785
Adult Care Commissioning, Safeguarding, Housing	5.622	8.147
Public Health & Public Protection	3.127	3.529
Children's Social Care, Integrated Youth & Preventative Services & 0-25 SEND/Disability Service	48.972	46.463
Learning Disability	47.193	41.841
Quality Assurance, Commissioning & Performance, School & Early Years Effectiveness	11.538	10.860
Economic Development & Planning Services	3.617	4.208
Highways & Transport	28.095	25.255
Waste & Environment	36.855	36.765
Communications, Community Area Boards, Libraries, Arts, Heritage & Culture	5.873	6.562
Corporate Function & Procurement	4.877	5.308
Finance	2.617	2.668
Legal & Governance	2.507	2.353
People & Business Services	28.651	29.327
Corporate Directors	2.833	2.736
Corporate	(5.158)	9.176
Budget Requirement	313.585	314.983
Funded By:		
Central Government Funding (inc Business Rates Retention & RSG)	(88.861)	(106.140)
Council tax	(224.724)	(208.843)
Collection fund surplus	0.000	0.000
Total Funding	(313.585)	(314.983)

The Council's approved capital budget for the years 2016/2017 to 2018/2019 including the funding sources is shown below.

Updated Capital Programme 2016/2017 - 2018/2019 including indicative mix of funding available						
Capital schemes	Total Original Budget 2016/2017 - 2018/2019 £m	Indicative mix of funding available				
		Grants and Contributions £m	HRA funding £m	Capital Receipts £m	Borrowing £m	Total Funding £m
Education	67.422	67.422	0.000	0.000	0.000	67.422
Highways	112.780	77.708	0.000	10.677	24.395	112.780
Campus schemes	64.169	0.000	0.000	20.000	44.169	64.169
Other Property	15.857	1.000	0.000	7.557	7.300	15.857
Housing	81.153	8.410	70.157	2.586	0.000	81.153
Other Schemes	99.667	36.149	0.000	39.218	24.300	99.667
Total	441.048	190.689	70.157	80.038	100.164	441.048

Feedback & further information on the content of these accounts

The Statement of Accounts is intended to give the people, businesses, partners, employees and members of Wiltshire clear information about the Council's finances. Whilst accounts have to include large elements of technical data to comply with Accounting Standards, we believe that it is vital that we make it as easy as possible for people to read regardless of their background. We appreciate any comments you may have on the content and quality of these Accounts and your suggestions to improve them in future years.

Further information about the accounts may be made to

Chief Accountant
Finance
Wiltshire Council
County Hall
Trowbridge
Wiltshire
BA14 8JN

Or centralfinanceyearend@wiltshire.gov.uk

The full Statement of Accounts will be made available on the Council website. A Summary of the Accounts will also be published online. Interested members of the public have a statutory right to inspect the accounts before the audit is completed.

Concluding remarks

I would like to take the opportunity to thank all the staff who contributed to the early completion of the Statement of Accounts. Given the continual development of accounting standards and their complex nature, producing the accounts ready for approval by the Chief Finance Officer by 31 May, is a considerable achievement.



Michael Hudson, LLB (Hons), LLM, CPFA
Associate Director, Finance (Section 151 Officer)
Wiltshire Council 27 May 2016

The Statement of Responsibilities for the Statement of Accounts

The Council's Responsibilities

The Council is required to:

- Arrange for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the management of those affairs. In this Council, that officer is the Chief Finance Officer;
- Secure economic, efficient and effective use of its resources and to safeguard its assets;
- Approve the Statement of Accounts.

The Chief Finance Officer's Responsibilities

The Chief Finance Officer is responsible for the preparation of the Council's Statement of Accounts. This has, under the CIPFA Code of Practice on Local Authority Accounting in Great Britain (the Code of Practice), to present a true and fair view of the financial position of the Council at the accounting date and its income and expenditure for the year to 31 March 2016.

In preparing this Statement of Accounts, the Chief Finance Officer has:

- selected appropriate accounting policies and applied them consistently;
- made reasonable and prudent judgements and estimates;
- complied with the Code of Practice.

The Chief Financial Officer has also:

- kept proper, up to date accounting records;
- taken reasonable steps to prevent and detect fraud and other irregularities.

The Statement of the Chief Finance Officer

The required financial statements have been prepared in accordance with the accounting policies.

I certify that the Statement of Accounts presents a true and fair view of the financial position of Wiltshire Council at 31 March 2016 and the income and expenditure for the year ended 31 March 2016.

Michael Hudson

Associate Director, Finance (Chief Finance Officer/Section 151 Officer)
Wiltshire Council

Cllr Tony Deane

Chairman, Audit Committee

To be signed at audit committee 27/7/2016

ANNUAL GOVERNANCE STATEMENT

Will be added once it has been approved

Independent Auditor's Report to the Members of Wiltshire Council

This will be added on completion of the audit

Movement in Reserves Statement

The Council keeps a number of reserves in the balance sheet. Some are required to be held for statutory reasons, some are needed to comply with proper accounting practice, and others have been set up voluntarily to earmark resources for future spending plans.

	General Fund Balance £000	Earmarked GF Reserves £000 Note 48	Housing Revenue Account £000	Capital Receipts Reserve £000 Note 50	Major Repairs Reserve £000 Note 49	Capital Grants Unapplied £000	Total Usable Reserves £000	Unusable Reserves £000 Note 51	Total Authority Reserves £000
Balance at 1 April 2015	(12,147)	(27,837)	(18,162)	(6,235)	(10,956)	(33,181)	(108,518)	94,314	(14,204)
Movement in reserves during 2015/16									
(Surplus) or deficit on provision of services	60,478	0	(1,557)	0	0	0	58,921	0	58,921
Other Comprehensive Expenditure and Income	0	0	0	0	0	0	0	(110,610)	(110,610)
Total Comprehensive Expenditure and Income	60,478	0	(1,557)	0	0	0	58,921	(110,610)	(51,689)
Adjustments between accounting basis & funding basis under regulations	(59,077)	0	(760)	(1,482)	1,841	6,564	(52,914)	52,914	0
Net (Increase)/Decrease before Transfers to Earmarked Reserves	1,401	0	(2,317)	(1,482)	1,841	6,564	6,007	(57,696)	(51,689)
Transfers (to)/from Earmarked Reserves	(1,460)	1,460	0	0	0	0	0	0	0
(Increase)/Decrease in Year	(59)	1,460	(2,317)	(1,482)	1,841	6,564	6,007	(57,696)	(51,689)
Balance at 31 March 2016 carried forward	(12,206)	(26,377)	(20,479)	(7,717)	(9,115)	(26,617)	(102,511)	36,618	(65,893)

Further details of the movement of the General Fund are included in the Statement of Movement of General Fund Balances. Further details of the movement on the Housing Revenue Account are included in the HRA statement.

Comprehensive Income and Expenditure Statement

This account shows expenditure on and income from the Council's day to day activities. Expenditure includes salaries, wages, service and depreciation charges. It gives the cost of the main services provided by the Council. This statement is shown in a statutory format. Full details about how this ties back to the Council's regular budget monitoring reporting is shown in note 10.

	2015/2016		Net Expenditure £000	Expenditure (Restated) £000	2014/2015	
	Expenditure £000	Income £000			Income £000	Net Expenditure (Restated) £000
General Fund Services						
Central Services to the Public	5,949	(5,043)	906	6,669	(5,054)	1,615
Culture & Related Services	25,082	(7,340)	17,742	40,065	(6,817)	33,248
Environmental & Regulation	56,774	(7,681)	49,093	53,908	(5,678)	53,230
Planning Services	27,198	(10,336)	16,862	25,606	(11,333)	14,213
Children's and Education Services	368,495	(248,741)	119,754	365,726	(266,030)	99,696
Highways, Roads & Transport Services	43,468	(13,434)	30,034	42,203	(13,709)	28,494
Housing Services General Fund	130,880	(123,281)	7,599	133,934	(126,100)	7,834
Housing Services HRA	21,994	(26,174)	(4,180)	27,245	(25,666)	1,579
Adult Social Care	167,016	(24,994)	142,022	161,184	(22,903)	138,281
Public Health	16,688	(15,039)	1,649	14,311	(14,591)	(280)
Corporate & Democratic Core	12,792	(1,200)	11,592	12,062	(1,366)	10,697
Non-distributed Costs	12,366	(13,519)	(1,153)	18,528	(12,673)	5,855
Exceptional Costs - Office Downward Valuation			0	11,867	0	11,867
Net Cost of Service (See note 10)	888,662	(496,782)	391,870	918,308	(511,979)	406,329
Other operating Expenditure		Note 14	45,909			24,138
Financing and Investment Income and Expenditure		Note 15	31,917			34,017
Taxation and non-specific grant income		Note 16	(410,775)			(422,395)
(Surplus) Deficit on Provision of Services			58,921			42,089
(Surplus) or deficit on revaluation of Property, Plant and Equipment Assets			(17,732)			(31,714)
Actuarial (gains)/losses on pension assets / liabilities			(92,878)			98,437
Other Comprehensive Income and Expenditure			(110,610)			66,723
Total Comprehensive Income and Expenditure			(51,689)			108,812

Balance Sheet

This statement summarises the Council's assets and liabilities at 31 March for the years 2016 and 2015.

	NOTES	31 March 2016		31 March 2015
		£000	£000	£000
Property, Plant and Equipment	27			
Council Dwellings & Garages		218,323		211,771
Other Land and Buildings		365,504		384,923
Vehicles, Plant, Furniture and Equipment		55,587		62,141
Infrastructure		311,206		260,296
Community Assets		6,695		6,739
Assets Under Construction		61,572		74,513
Surplus Assets Not Held for Sale		12,110		5,297
			1,030,997	1,005,680
Investment Properties	37	25,143		27,990
Intangible Assets	38	3,167		3,182
Assets Held for Sale	39	1,567		15,023
Long Term Investments	63	0		0
Long Term Debtors	40	3,142		2,974
			33,019	
Long Term Assets			1,064,016	1,054,849
Current Assets				
Short Term Investments	63	22,538		42,927
Inventories		980		913
Short Term Debtors	41	56,897		59,869
Cash and Cash Equivalents	42	19,485		14,221
Current Assets			99,900	117,930
Current Liabilities				
Short Term Creditors	43	(83,236)		(92,288)
Bank Overdraft	44	0		0
Short Term Borrowing	46	(36,685)		(14,228)
Provisions	45	(4,160)		(4,510)
Current Liabilities			(124,081)	(111,026)
Long Term Liabilities				
Long Term PFI Creditors	36	(56,502)		(59,067)
Long Term Borrowing	46	(337,848)		(339,868)
Other Long Term Liabilities		(1,632)		(756)
Pension Fund Liability	54	(543,446)		(617,189)
Planning Deposits		(34,514)		(30,669)
Long Term Liabilities			(973,942)	(1,047,549)
Net Assets			65,893	14,204
Financed by				
Usable Reserves	47		(102,511)	(108,518)
Unusable Reserves	51		36,618	94,314
Total Reserves			(65,893)	(14,204)



Michael Hudson

Associate Director, Finance (Section 151 Officer)
27 May 2016

Cashflow Statement

This consolidated statement summarises the movement of cash between the Council and third parties for both capital and revenue purposes.

	NOTES	2015/2016 £000	2014/2015 £000
Net (surplus) or deficit on the provision of services		58,921	42,089
Adjustments to net surplus or deficit on the provision of services for non-cash movements		(32,695)	(11,248)
Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	55	(12,246)	(12,596)
Net cash flows from Operating Activities		13,980	18,245
Investing Activities	56	451	(28,518)
Financing Activities	57	(20,437)	12,043
Net decrease or (increase) in cash and cash equivalents		(6,006)	1,770
Cash and cash equivalents at the beginning of the reporting period		14,221	15,991
Cash and cash equivalents at the end of the reporting period		20,227	14,221

Notes to the Core Financial Statements

For ease of reference, this year the notes to the core financial statement are grouped in functional areas.

NOTES RELATING TO ACCOUNTING POLICIES

Note 1 Accounting Policies

i. General Principles

The Statement of Accounts summarises the Council's transactions for the 2015/2016 financial year and its position at the year-end of 31 March 2016. The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015 in accordance with proper accounting practices.

These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2015/2016 and the Service Reporting Code of Practice 2015/2016, supported by International Financial Reporting Standards (IFRS).

ii. Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods is recognised when the Council transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Council.
- Revenue from the provision of services is recognised when the Council can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Council.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption; they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

iii. Provisions

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the Council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Council becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

Provision for Back Pay Arising from Unequal Pay Claims

The Council has made a provision for the costs of settling claims for back pay arising from discriminatory payments incurred before the Council implemented its equal pay strategy.

However, statutory arrangements allow settlements to be financed from the General Fund in the year that payments actually take place, not when the provision is established. The provision is therefore balanced by an Equal Pay Back Pay Account created from amounts credited to the General Fund balance in the year the provision was made or modified. The balance on the Equal Pay Back Pay Account will be debited back to the General Fund balance in the Movement in Reserves Statement in future financial years as payments are made.

Landfill Allowance Schemes

Landfill allowances, whether allocated by DEFRA or purchased from another Waste Disposal Council (WDA) are recognised as current assets and are initially measured at fair value.

Landfill allowances allocated by DEFRA are accounted for as a government grant. After initial recognition, allowances are measured at the lower of cost and net realisable value. As landfill is used, a liability and an expense are recognised. The liability is discharged either by surrendering allowances or by payment of a cash penalty to DEFRA (or by a combination).

The liability is measured at the best estimate of the expenditure required to meet the obligation, normally the market price of the number of allowances required to meet the liability at the reporting date. However, where some of the obligation will be met by paying a cash penalty to DEFRA, that part of its liability is measured at the cost of the penalty.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation, the existence of which will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Council a possible asset, the existence of which will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

iv. Reserves

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service revenue account in that year and included in the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Council – these reserves are explained in the relevant policies below.

v. Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ringfenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement.

Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

vi. Employee Benefits

Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees and are recognised as an expense for services in the year in which employees render service to the Council.

An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end, which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to the Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the Non Distributed Costs line in the Comprehensive Income and Expenditure Statement when the Council is demonstrably committed to the termination of the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year end.

Post Employment Benefits

Employees of the Council are eligible to join the following separate pension schemes:

- The Teachers' Pension Scheme, administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE)
- The Local Government Pensions Scheme, administered by Wiltshire Council.

Both schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Council.

However, the arrangements for the teachers' scheme mean that liabilities for these benefits cannot ordinarily be identified specifically to the Council. The scheme is therefore accounted for as if it were a defined contribution scheme and no liability for future payments of benefits is recognised in the Balance Sheet. The Children's and Education Services line in the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to Teachers' Pensions in the year.

The Local Government Pension Scheme

The Local Government Scheme is accounted for as a defined benefits scheme.

The liabilities of the Wiltshire pension fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc, and projections of projected earnings for current employees.

Liabilities are discounted to their value at current prices, using a discount rate of 4.3% (based on the gross redemption yield on the Iboxx Sterling Corporates Index, AA over 15 years), at the IAS19 (valuation date, subject to the removal of recently re-rated bonds from the index).

The assets of Wiltshire pension fund attributable to the Council are included in the Balance Sheet at their fair value:

- quoted securities – current bid price
- unquoted securities – professional estimate
- unitised securities – current bid price
- property – market value.

The change in the net pension liability is analysed into seven components:

- current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked
- past service cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs
- interest cost – the expected increase in the present value of liabilities during the year as they move one year closer to being paid – debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement
- expected return on assets – the annual investment return on the fund assets attributable to the Council, based on an average of the expected long-term return – credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement
- gains or losses on settlements and curtailments – the result of actions to relieve the Council of liabilities or events that reduce the expected future service or accrual of benefits of employees – debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs

- actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – debited to the Pensions Reserve
- contributions paid to the Wiltshire pension fund – cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

vii. VAT

All transactions are recorded excluding VAT, except where it is irrecoverable.

viii. Overheads and Support Services

The costs of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA Service Reporting Code of Practice 2014/2015. The total absorption costing principle is used – the full cost of overheads and support services are shared between users in proportion to the benefits received, with the exception of Corporate and Democratic Core (costs relating to the Council's status as a multifunctional, democratic organisation) and Non Distributed Costs (the cost of discretionary benefits awarded to employees retiring early and impairment losses chargeable on Assets Held for Sale). These two cost categories are defined in the Code of Practice and accounted for as separate headings in the Comprehensive Income and Expenditure Statement, as part of Net Expenditure on Continuing Services.

ix. Intangible Fixed Assets

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Council as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Council.

Amortisation, impairment losses and disposal gains and losses can be charged to the Comprehensive Income and Expenditure Statement. However, they are not permitted to have an impact on the General Fund Balance, so the gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement.

x. Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition: Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred. The Council does not have a fixed de minimis level for the recognition of capital expenditure, but recognises expenditure as capital where appropriate.

Measurement: Assets are initially measured at cost, comprising the purchase price and any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Assets are carried in the Balance Sheet using the following measurement bases:

- Infrastructure, community assets and assets under construction – depreciated historical cost
- Dwellings – fair value, determined using the basis of existing use value for social housing (EUV-SH)
- All other assets – fair value, determined as the amount that would be paid for the asset in its existing use value (EUV).

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value.

Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains.

Where decreases in value are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment: Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired.

Where impairment losses are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (i.e. assets under construction). Depreciation is calculated on the following bases:

- dwellings and other buildings – straight-line allocation over the remaining useful life of the property as estimated by the valuer
- vehicles, plant, furniture and equipment – Straight line allocation over a useful life of 5 years or in the case of services within buildings remaining useful life of the services as estimated by the valuer
- Infrastructure – straight-line allocation over 60 years.

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately. Full details on componentisation are included in note 30.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals and Non-current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Any receipts from disposals are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal. Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received from a disposal in excess of £10,000 are categorised as capital receipts. A proportion of receipts relating to housing disposals (75% for dwellings, 50% for land and other assets) are payable to the Government. The balance of receipts is required to be credited to the Capital Receipts Reserve, and can then only be used for new capital investment or set aside to reduce the Council's underlying need to borrow (the capital financing requirement).

The written-off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing.

xi. Investment Property

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale. Investment properties are measured initially at cost and subsequently at fair value, based on the amount at which the asset could be exchanged between knowledgeable parties at arm's-length. Properties are not depreciated. Gains and losses on revaluation are posted to the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal. Rentals received in relation to investment properties result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance.

xii. Charges to Revenue for Non-Current Assets

Services, support services and trading accounts are debited with the following amounts to record the cost of holding fixed assets during the year:

- depreciation attributable to the assets used by the relevant service
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off
- amortisation of intangible fixed assets attributable to the service.

The Council is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement. Depreciation, revaluation and impairment losses and amortisations are therefore replaced by the contribution in the General Fund Balance of a Minimum Revenue Provision (MRP).

Housing Revenue Account capital charges are calculated in accordance with the prescribed statutory determination.

xiii. Revenue Expenditure Funded From Capital Under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Council has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of council tax.

xiv. Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases. Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Council as Lessee**Finance Leases**

Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by a liability for the obligation to pay the lessor.

Lease payments are apportioned between:

- a charge for the acquisition of the interest in the property, plant or equipment – applied to write down the lease liability
- a finance charge (debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

Property, Plant and Equipment recognised under finance leases is accounted for using the policies applied generally to such assets.

Operating Leases

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefitting from use of the leased property, plant or equipment.

The Council as Lessor**Finance Leases**

Where the Council grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet is written off to the Comprehensive Income and Expenditure Statement as a gain or loss on disposal.

Lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property – applied to write down the lease debtor (together with any premiums received)
- finance income (credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

Operating Leases

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

xv. Financial Instruments

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings that the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest); and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement in the year of repurchase/settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund Balance to be spread over future years. The Council has a policy of spreading the gain or loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Loans and receivables

Financial Assets

Financial assets are classified into two types:

- loans and receivables – assets that have fixed or determinable payments but are not quoted in an active market
- available-for-sale assets – assets that have a quoted market price and/or do not have fixed or determinable payments.

Loans and Receivables

Loans and receivables are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the loans that the Council has made, this means that

the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement.

When soft loans are made, a loss is recorded in the Comprehensive Income and Expenditure Statement (debited to the appropriate service) for the present value of the interest that will be foregone over the life of the instrument, resulting in a lower amortised cost than the outstanding principal. Interest is credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement at a marginally higher effective rate of interest than the rate receivable from the voluntary organisations, with the difference serving to increase the amortised cost of the loan in the Balance Sheet. Statutory provisions require that the impact of soft loans on the General Fund Balance is the interest receivable for the financial year – the reconciliation of amounts debited and credited to the Comprehensive Income and Expenditure Statement to the net gain required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down and a charge made to the relevant service (for receivables specific to that service) or the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate.

Any gains and losses that arise on the derecognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Available-for-Sale Assets

Available-for-sale assets are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Where the asset has fixed or determinable payments, annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the amortised cost of the asset multiplied by the effective rate of interest for the instrument. Where there are no fixed or determinable payments, income (e.g. dividends) is credited to the Comprehensive Income and Expenditure Statement when it becomes receivable by the Council.

Assets are maintained in the Balance Sheet at fair value. Values are based on the following principles:

- instruments with quoted market prices – the market price
- other instruments with fixed and determinable payments – discounted cash flow analysis
- equity shares with no quoted market prices – independent appraisal of company valuations.

Changes in fair value are balanced by an entry in the Available-for-Sale Reserve and the gain/loss is recognised in the Surplus or Deficit on Revaluation of Available-for-Sale Financial Assets. The exception is where impairment losses have been incurred – these are debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement, along with any net gain or loss for the asset accumulated in the Available-for-Sale Reserve.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made (fixed or determinable payments) or fair value falls below cost, the asset is written down and a charge made to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. If the asset has fixed or determinable payments, the impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. Otherwise, the impairment loss is measured as any shortfall of fair value against the acquisition cost of the instrument (net of any principal repayment and amortisation).

Any gains and losses that arise on the derecognition of the asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement, along with any accumulated gains or losses previously recognised in the Available-for-Sale Reserve.

Where fair value cannot be measured reliably, the instrument is carried at cost (less any impairment losses).

xvi. Inventories and Long Term Contracts

Inventories are included in the Balance Sheet at the lower of cost or net realisable value. Long term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the value of works and services received under the contract during the financial year.

xvii. Interest in companies and other entities

The council has no material interest in any companies or other entities.

xviii. Private Finance Initiative (PFI)

PFI and similar contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. As the Council is deemed to control the services that are provided under its PFI schemes, and as ownership of the property, plant and equipment will pass to the Council at the end of the contracts for no additional charge, the Council carries the assets used under the contracts on its Balance Sheet as part of Property, Plant and Equipment. The original recognition of these assets at fair value (based on the cost to purchase the property, plant and equipment) was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment.

Non current assets recognised on the Balance Sheet are revalued and depreciated in the same way as property, plant and equipment owned by the Council.

The amounts payable to the PFI operators each year are analysed into five elements:

- i. Fair value of the services received during the year – debited to the relevant service in the Comprehensive Income and Expenditure Statement
- ii. Finance cost – an interest charge made on the outstanding Balance Sheet liability, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement
- iii. Contingent rent – increases in the amount to be paid for the property arising during the contract, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement
- iv. Payment towards liability – applied to write down the Balance Sheet liability towards the PFI operator (the profile of write-downs is calculated using the same principles as for a finance lease)
- v. Lifecycle replacement costs – proportion of the amounts payable is posted to the Balance Sheet as a prepayment and then recognised as additions to Property, Plant and Equipment when the relevant works are eventually carried out.

xix. Exceptional Items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Council's financial performance.

xx. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

xxi. Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Council's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

xxii. Events after the Balance Sheet Date

Events after the Balance Sheet date are those events that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue.

Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events
- Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts are not adjusted to reflect such events. Where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

xxiii. Non-Compliance with Code of Practice

For operational reasons, the accounts do not fully comply with the Code of Practice on minor points. The main non-compliance is in relation to debtors and creditors. Whilst the accounts are maintained on an accruals basis i.e. all sums due to or from the Council are included whether or not the cash has actually been received or paid in the year, exceptions are made for quarterly utilities payments based on meter reading dates. Since these policies are applied consistently year on year, they have no material effect on any one year's accounts.

xxiv. Foreign Currency

Where the Council has entered into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date of the transaction. Where amounts in foreign currency are outstanding at the year-end, they are reconverted at the spot exchange rate at 31 March. Resulting gains or losses are recognised in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

xxv. Heritage Assets

The Council's Heritage Assets are assets that are kept to increase the knowledge, understanding and appreciation of the Council's history and local area. Heritage Assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Council's accounting policies on property, plant and equipment. However, some of the measurement rules are relaxed in relation to heritage assets as detailed below. The accounting policies in relation to heritage assets that are deemed to include elements of intangible heritage assets are also presented below. The Council's collections of heritage assets are accounted for as disclosed in note 34.

If items are of a material nature a separate external revaluation exercise would be commissioned and the assets carried at market value in the balance sheet, alternatively insurance valuations would be used to establish value. If this was the case these assets would be reviewed for impairment on a regular basis and the figures in the balance sheet updated accordingly. Any disposals would be treated in the same way as other assets. If the values of the assets are of limited or no value then they will be disclosed in a note to the accounts only and not brought into the balance sheet with a value. This decision is made based on whether the cost of obtaining a valuation exceeds the benefits to the users of the accounts.

For Wiltshire Council, which does not hold museum or art collections, the costs of commissioning external valuations exceeds the benefit to the users of the accounts therefore the assets are disclosed in a note to the accounts only. The assets disclosed in note 34 include a property (the East Grafton Windmill), the White Horse in Westbury, and a small collection of art held across the county. Further details are found in note 34.

xxvi. Carbon Reduction Commitment scheme

The Council is required to participate in the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme. Phase 2 of this scheme began from 1 April 2014. The Council is required to purchase and surrender allowances, currently retrospectively, on the basis of emissions i.e. carbon dioxide produced as energy is used. As carbon dioxide is emitted (i.e. as energy is used), a liability and an expense are recognised. The liability will be discharged by surrendering allowances. The liability is measured at the best estimate of the expenditure required to meet the obligation, normally at the current market price of the number of allowances required to meet the liability at the reporting date. The cost to the Council is recognised and reported in the costs of the Council's services and is apportioned to services on the basis of energy consumption.

Note 2 Accounting Standards that have been issued but have not yet been adopted

For 2015/2016, there are a number of accounting policy changes that have been issued but not yet adopted. The standards introduced in the 2016/2017 Code of Practice that have not yet been adopted are:

- Amendments to IAS 19 Employee Benefits (Defined Benefit Plans; Employee Contributions)
- Annual Improvements to IFRSs 2010-2012 Cycle:
 - IFRS 3 Business Combinations
 - IFRS 8 operating Segments
 - IAS 16 Property, Plant and Equipment
 - IAS 24 Related Party Disclosures
- Amendment to IFRS 11 Joint Arrangements (Accounting for Acquisitions of Interests in Joint Operations)
- Amendment to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets (Clarification of Acceptable Methods of Depreciation and Amortisation)
- Amendment to IAS 1 Presentation of Financial Statements (Disclosure Initiative)
- The changes to the format of the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement and the introduction of the new Expenditure and Funding Analysis
- The changes to the format of the Pension Fund Account and the Net Assets Statement

The code of practice requires the Council to disclose information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted by the Code for the relevant financial year. It is considered that these standards will not have a material impact on the financial statements of Wiltshire Council, so no further disclosure is required in these accounts in this year.

Note 3 Critical Judgements in applying accounting policies

In applying the accounting policies set out in Note 1, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

- There remains a degree of uncertainty about future levels of funding for local government for both Revenue and Capital funding. However, the Council has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Council might be impaired as a result of a need to close facilities and reduce levels of service provision. These assumptions are included in the Council's Business Plan.

Note 4 Assumptions made about the future and other major sources of estimation uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31 March 2016 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Property, Plant and Equipment	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Council will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. The total depreciation charge made in 2015/2016 on PPE assets was £33 million so if the assumptions were to change this could have an effect on the amount of depreciation charged in future years. This would be mitigated by the fact that depreciation is reversed out so has no impact on the level of Council Tax.
Provisions	The Council has made a number of provisions in the accounts, totalling £4.610 million. These are based on current information and current likely settlement value. Provisions will need to be reviewed on a regular basis to ensure they are kept up to date. Further information is found in note 45.	An increase or decrease over the forthcoming year in either the total number of claims, appeals or the estimated average settlement would have the effect of changing the level of provision needed.
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.	The effects on the net pension liability of changes in individual assumptions can be measured and further details of the assumptions are in note 61.
Arrears	At 31 March 2016, the Council had a balance of debtors of £68 million. A bad debt provision of £11 million or around 16% of the debt has been made. In the current economic climate it is not certain that the provision will be sufficient.	An increase or decrease in collection rates would have the effect of changing the level of provision needed. See note 41 for further details.

This list does not include assets and liabilities that are carried at fair value based on a recently observed market price.

Note 5 Authorisation of Accounts for Issue

These accounts were considered and authorised by the Chief Financial Officer of Wiltshire Council on 27 May 2016. The final audited version of these accounts will be considered by the Audit Committee at its meeting on 27 July 2016.

Note 6 Events after the Balance Sheet Date

The Statement of Accounts were authorised by the Chief Financial Officer on 31 May 2016. Events taking place after this date are not reflected in the financial statements or notes.

Where events take place or further information is obtained before this date, the figures in the financial statements and notes will be adjusted in all material respects to reflect the impact of this information.

There are no adjusting events after the balance sheet date for 2015/2016.

Note 7 Summary of Prior Year adjustments

There are no prior year adjustment in the accounts for 2015/2016.

NOTES TO MOVEMENT IN RESERVES STATEMENT**Note 8 Adjustments between accounting basis and funding basis under regulations**

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Council in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

Reserve 2015/2016	General Fund Balance £000	Housing Revenue Account £000	Capital Receipts Reserve £000	Major Repairs Reserve £000	Capital Grants Unapplied £000	Total Unusable Reserves £000
Adjustments primarily involving the Capital Adjustment Account						
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement						
Charges for depreciation of non-current assets	(21,789)	(11,812)				33,601
Charges for impairment/ revaluations of plant, property and equipment	(13,287)					13,287
Charges for impairment/ revaluations of investment properties	(1,883)					1,883
Movements in the market value of Investment Properties	393					(393)
Amortisation of intangible assets	(1,596)					1,596
Movements in the market value on Assets Held for Sale	(40)					40
Revenue expenditure funded from capital under statute	(29,501)					29,501
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(31,797)	885	(13,094)			44,006
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:						
Statutory provision for the financing of capital investment	15,051					(15,051)
Capital expenditure charged against the General Fund and HRA balances		3,975				(3,975)
Adjustments primarily involving the Capital Grants Unapplied Account:						
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement and Expenditure Statement	43,347				(43,347)	0
Application of grants to capital financing transferred to the Capital Adjustment Account					49,911	(49,911)
Adjustments primarily involving the Capital Receipts Reserve:						
Use of the Capital Receipts Reserve to finance new capital expenditure			11,025			(11,025)
Reserve to finance the payments to the Government capital receipts pool	(790)		790			0
Adjustments primarily involving the Deferred Capital Receipts Reserve						
Transfer of deferred sale proceeds credited as part of the gain/ loss on disposal to the Comprehensive Income and Expenditure Statement	319		(203)			(116)
Adjustment primarily involving the Major Repairs Reserve						
Reversal of Major Repairs Allowance credited to the HRA		6,187		5,625		(11,812)
Use of the Major Repairs Reserve to finance new capital expenditure and depreciation				(3,784)		3,784
Adjustment primarily involving the Financial Instruments Adjustments Account:						
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	0					0
Adjustments primarily involving the Pensions Reserve						
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (see Note 61)	(51,114)					51,114
Employer's pensions contributions and direct payments to pensioners payable in the year	31,967	12				(31,979)
Adjustments primarily involving the Collection Fund Adjustment Account:						
Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	(188)					188
Amount by which non-domestic rate income credited to the Comprehensive Income and Expenditure Statement is different from non-domestic rates income calculated for the year in accordance with statutory requirements	172					(172)
Adjustment primarily involving the Accumulated Absences Account						
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	1,659	(7)				(1,652)
Total Adjustments	(59,077)	(760)	(1,482)	1,841	6,564	52,914

Reserve 2014/2015	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Total Unusable Reserves
	£000	£000	£000	£000	£000	£000
Adjustments primarily involving the Capital Adjustment Account						
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement						
Charges for depreciation of non-current assets	(27,660)	(16,580)				44,240
Charges for impairment/ revaluations of plant, property and equipment	(25,127)					25,127
Charges for impairment/ revaluations of investment properties	(903)					903
Movements in the market value of Investment Properties	1,176					(1,176)
Amortisation of intangible assets	(1,446)					1,446
Movements in the market value on Assets Held for Sale	(220)					220
Revenue expenditure funded from capital under statute	(21,710)					21,710
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(11,424)	1,482	(6,957)			16,899
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:						
Statutory provision for the financing of capital investment	13,956					(13,956)
Capital expenditure charged against the General Fund and HRA balances	11	3,975				(3,986)
Adjustments primarily involving the Capital Grants Unapplied Account:						
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement and Expenditure Statement	54,330				(54,330)	0
Application of grants to capital financing transferred to the Capital Adjustment Account					44,995	(44,995)
Adjustments primarily involving the Capital Receipts Reserve:						
Use of the Capital Receipts Reserve to finance new capital expenditure			11,315			(11,315)
Reserve to finance the payments to the Government capital receipts pool	(722)		722			0
Adjustments primarily involving the Deferred Capital Receipts Reserve						
Transfer of deferred sale proceeds credited as part of the gain/ loss on disposal to the Comprehensive Income and Expenditure Statement	444		(180)			(264)
Adjustment primarily involving the Major Repairs Reserve						
Reversal of Major Repairs Allowance credited to the HRA		6,187		10,393		(16,580)
Use of the Major Repairs Reserve to finance new capital expenditure and depreciation				(11,709)		11,709
Adjustment primarily involving the Financial Instruments Adjustments Account:						
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	(7)					7
Adjustments primarily involving the Pensions Reserve						
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (see Note 61)	(49,907)					49,907
Employer's pensions contributions and direct payments to pensioners payable in the year	30,858	39				(30,897)
Adjustments primarily involving the Collection Fund Adjustment Account:						
Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	1,990					(1,990)
Amount by which non-domestic rate income credited to the Comprehensive Income and Expenditure Statement is different from non-domestic rates income calculated for the year in accordance with statutory requirements	(272)					272
Adjustment primarily involving the Accumulated Absences Account						
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	4,514	(3)				(4,511)
Total Adjustments	(32,119)	(4,900)	4,900	(1,316)	(9,335)	42,770

NOTES TO THE COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT**Note 9 Revenue outturn**

In respect of net revenue outturn, the Council's 2015/2016 General Fund revised budget and actual spending figures were as below:

	Original Budget £m	Revised Budget £m	Actual £m	Difference £m
Total General Fund (a)	314.983	314.983	314.917	(0.066)
Funded by:				
Draw from General Fund reserves			2.200	2.200
Formula Grant including Council Tax Freeze	(53.598)	(53.598)	(54.093)	(0.495)
Business Rates Retained	(52.542)	(52.542)	(50.147)	2.395
Collection Fund Transfer	(208.843)	(208.843)	(208.843)	0.000
Collection Fund (Surplus)/Deficit Ctax	0.000	0.000	(4.647)	(4.647)
Collection Fund (Surplus)/Deficit NNDR	0.000	0.000	0.554	0.554
Total Funding (b)	(314.983)	(314.983)	(314.976)	0.007
Movement on General Fund (a) + (b)	0.000	0.000	(0.059)	(0.059)

The movement on the general fund of £0.059 million increase is shown in the Movement of Reserves Statement.

Note 10 Amounts reported for Resource Allocation Decisions

The analysis of income and expenditure by service on the face of the Comprehensive Income and Expenditure Statement is that specified by the Service Reporting Code of Practice.

However, decisions about resource allocation are taken by the Council's Cabinet on the basis of budget reports analysed across services. These reports are prepared on a different basis from the accounting policies used in the financial statements. In particular:

- no charges are made in relation to capital expenditure (whereas depreciation, revaluation and impairment losses in excess of the balance on the Revaluation Reserve and amortisations are charged to services in the Comprehensive Income and Expenditure Statement);
- the cost of retirement benefits is based on cash flows (payment of employer's pensions contributions) rather than current service cost of benefits accrued in the year; and
- expenditure on some support services is budgeted for centrally and not charged to services.

The income and expenditure of the Council's service blocks recorded in the budget monitoring reports for the year is as follows:

2015/2016	Employee	Other service	Total Expenditure	Fees, charges	Government	Total	Net
	expenses	expenses		& other service	Grants	Income	
	£000	£000	£000	£000	£000	£000	£000
Adult Care Operations	11,956	93,263	105,219	(20,215)	(1,030)	(21,245)	83,974
Adult Care Commissioning, Safeguarding & Housing	3,810	7,049	10,859	(1,197)	(3,812)	(5,009)	5,850
Public Health & Public Protection	12,206	14,539	26,745	(6,281)	(16,185)	(22,466)	4,279
Children's Social Care, Integrated Youth & Preventative Services & 0-25 SEND Disability Service	27,514	60,018	87,532	(2,995)	(29,076)	(32,072)	55,460
Learning Disability	5,979	42,313	48,292	(3,147)	(169)	(3,316)	44,976
Quality Assurance, Commissioning & Performance, School & Early Years Effectiveness	137,467	86,745	224,212	(27,869)	(183,443)	(211,312)	12,900
Economic Development & Planning Services	8,245	2,919	11,164	(6,273)	(508)	(6,781)	4,383
Highways & Transport	7,284	33,385	40,669	(13,895)	(984)	(14,879)	25,790
Waste & Environment	9,032	35,201	44,233	(5,959)	0	(5,959)	38,274
Communications, Community Area Boards, Libraries, Heritage & Arts	7,434	2,294	9,728	(1,518)	(13)	(1,531)	8,197
Corporate Function & Procurement	7,220	3,891	11,111	(3,273)	(355)	(3,628)	7,483
Finance	6,894	125,937	132,831	(122,912)	(6,963)	(129,875)	2,956
Legal & Governance	4,663	1,499	6,162	(1,694)	(1,132)	(2,826)	3,336
People & Business Services	15,298	21,721	37,019	(10,218)	0	(10,218)	26,801
Corporate Directors	1,016	2,041	3,057	(130)	0	(130)	2,927
Corporate	7,198	22,666	29,864	(2,347)	(37,996)	(40,333)	(10,469)
Total General Fund Budget	273,216	555,481	828,697	(229,924)	(281,656)	(511,580)	317,117
Housing Revenue Account (HRA)	2,559	23,779	26,338	(26,338)	0	(26,338)	0
TOTAL EXPENDITURE	275,775	579,260	855,035	(256,262)	(281,656)	(537,918)	317,117

Comparisons for 2014/2015 are as follows:

2014/2015	Employee	Other service	Total Expenditure	Fees, charges	Government	Total	Net
	expenses	expenses		& other service	Grants	Income	
	£000	£000	£000	£000	£000	£000	£000
Adult Care Operations	11,900	88,868	100,768	(18,440)	0	(18,440)	82,328
Adult Care Commissioning, Safeguarding & Housing	3,707	8,125	11,832	(1,353)	(4,017)	(5,370)	6,462
Public Health & Public Protection	11,535	13,552	25,087	(5,970)	(14,557)	(20,527)	4,560
Children's Social Care, Integrated Youth & Preventative Services & 0-25 SEND Disability Service	25,530	57,062	82,592	(2,292)	(28,627)	(30,919)	51,673
Learning Disability	5,656	41,019	46,675	(3,702)	0	(3,702)	42,973
Quality Assurance, Commissioning & Performance, School & Early Years Effectiveness	151,400	87,912	239,312	(28,918)	(198,957)	(227,865)	11,427
Economic Development & Planning Services	7,911	3,259	11,170	(6,397)	(688)	(7,085)	4,085
Highways & Transport	7,160	37,592	44,752	(13,748)	(1,117)	(14,865)	29,887
Waste & Environment	9,373	36,100	45,473	(4,257)	0	(4,257)	41,216
Communications, Community Area Boards, Libraries, Heritage & Arts	7,461	2,989	10,450	(1,629)	0	(1,629)	8,821
Corporate Function & Procurement	5,111	3,004	8,115	(2,191)	(65)	(2,256)	5,859
Finance	6,783	127,468	134,251	(124,640)	(8,017)	(132,657)	1,594
Legal & Governance	4,636	1,572	6,208	(1,787)	(928)	(2,715)	3,493
People & Business Services	18,526	26,301	44,827	(11,276)	(4)	(11,280)	33,547
Corporate Directors	871	2,008	2,879	(45)	0	(45)	2,834
Corporate	6,547	20,107	26,654	(2,143)	(22,465)	(24,608)	2,046
Total General Fund Budget	284,107	556,948	841,055	(228,788)	(279,482)	(508,270)	332,785
Housing Revenue Account (HRA)	2,555	17,060	19,615	(19,615)	0	(19,615)	0
TOTAL EXPENDITURE	286,662	574,008	860,670	(248,403)	(279,482)	(527,885)	332,785

Note 11 Reconciliation of Service Income and Expenditure to Cost of Services in the Comprehensive Income and Expenditure Statement

This reconciliation shows how the figures in the analysis of service income and expenditure relate to the amounts included in the Comprehensive Income and Expenditure Statement.

	2015/2016 £000
Net expenditure in the Service Analysis	317,117
Amounts in the Comprehensive Income and Expenditure Statement not reported to management in the Analysis	75,668
Amounts included in the Analysis not included in the Comprehensive Income and Expenditure Statement	(915)
Cost of Services in Comprehensive Income and Expenditure Statement	391,870

Reconciliation to Subjective Analysis

This reconciliation shows how the figures in the analysis of directorate income and expenditure relate to a subjective analysis of the Surplus or Deficit on the Provision of Services included in the Comprehensive Income and Expenditure Statement.

	Department Analysis £000	Amounts not reported to management for decision making £000	Amounts not included in I&E £000	Allocation of Recharges £000	Net Cost of Services £000	Corporate Amounts £000	Total £000
Fees, charges & other service income	(256,262)	0	0	(7,466)	(263,728)		(263,728)
Interest and investment income	0	0	950	0	950	(950)	0
Income from council tax	0	0	0	0	0	(227,507)	(227,507)
Government grants and contributions	(281,656)	0	35,391	(728)	(246,993)	(183,268)	(430,261)
Total Income	(537,918)	0	36,341	(8,194)	(509,771)	(411,725)	(921,496)
Employee expenses	275,775	(2,188)		28,649	302,236	19,671	321,907
Other service expenses	579,260	30,173	(4,886)	17,133	621,730		621,730
Support Service recharges	0			(43,222)	(43,222)		(43,222)
Depreciation, amortisation and impairment	0	50,013	(6,187)	5,634	49,460		49,460
Interest Payments	0	(2,330)	(26,233)		(28,563)	13,196	(15,367)
Precepts & Levies	0				0	14,206	14,206
Payments to Housing Capital receipts pool (Gain) or Loss on Disposal of Fixed Assets	0	0	0	0	0	790	790
	0	0	0	0	0	30,913	30,913
Total expenditure	855,035	75,668	(37,256)	8,194	901,641	78,776	990,417
Surplus or deficit on the provision of services	317,117	75,668	(915)	0	391,870	(332,949)	58,921

In order to convert the regular budget monitoring reports taken to Cabinet into the proper statutory format required for the Comprehensive Income and Expenditure Statement in the statement of accounts, certain technical adjustments are required. A breakdown of the amounts not reported to management for decision making is included in the following table.

	2015/2016 £000
Adjustments relating to Pensions reporting	(536)
Adjustments relating to Accumulated Absences	(1,652)
Adjustments relating to contributions to Capital Expenditure	29,501
Adjustments relating to Capital Depreciation and Impairments	50,013
Adjustments relating to PFI schemes	(2,330)
Adjustments relating to Local Council Tax Support Grant	672
Total amounts not reported to management for decision making	75,668

Note 12 Exceptional items

There are no exceptional items in the accounts for 2015/2016.

The exceptional item in 2014/2015 was a downward valuation of £11.867 million that was charged to the Comprehensive Income and Expenditure Statement to reflect the build and refurbishment costs of the Corsham campus. This charge did not reflect a loss to the council as the downward valuation is reversed out so there is no effect on the general fund balance.

Note 13 Material Items of Income and Expense

Under the Code of Practice, if there are individual items that are material and have not been separately disclosed as an exceptional item on the face of the Comprehensive Income and Expenditure Statement, they should be disclosed separately in this note. Examples of material items that should be disclosed separately include major disposals and major reversal of provisions. The Council does not have any material individual items that require separate disclosure, all income and expenditure are disclosed as part of the Comprehensive Income and Expenditure Statement.

Note 14 Other Operating Expenditure

	2015/2016 £000	2014/2015 £000
Parish council precepts	14,206	13,474
Payments to the Government Housing Capital Receipts Pool	790	722
(Gains)/losses on the disposal of non-current assets	30,913	9,942
Total	45,909	24,138

Note 15 Financing and Investment Income and Expenditure

	2015/2016 £000	2014/2015 £000
Interest payable and similar charges	13,196	13,407
Impairment of Investments	0	(19)
Interest and investment income	(950)	(811)
Pension Interest Costs and expected return on pension assets	19,671	21,440
Total	31,917	34,017

Note 16 Taxation and Non Specific Grant Income

The Council received the following income in respect of General Government Grants and Council Tax.

	2015/2016 £000	2014/2015 £000
Council Tax Transfer	(208,843)	(204,555)
Collection Fund Surplus	(4,647)	(2,966)
Parish Council Precepts	(14,206)	(13,474)
Adjustment for statutory requirements	189	(1,990)
Council Tax Income	(227,507)	(222,985)
General Government Grants	(36,064)	(25,682)
Formula Grant including Council Tax Freeze	(54,093)	(65,472)
Business Rates Retention Scheme	(49,764)	(53,926)
Capital grants and contributions	(43,347)	(54,330)
Total	(410,775)	(422,395)

Note 17 Acquired and Discontinued Operations**Transferred Service**

There are no acquired or discontinued services in the year.

Note 18 Significant Trading Services

The Council ran no significant trading services during the year.

Note 19 Agency Income & Expenditure

Under section 101(I) of the Local Government Act 1972, (LGA 1972), a local authority may arrange for any other local authority to act as its agent and provide services. Wiltshire Council works in close partnership with many different local authorities but has no material amounts of agency income or expenditure.

Note 20 Pooled Budgets**Partnerships Schemes under S31 Health Act****Joint Procurement Arrangement**

Joint arrangements are in place to provide savings associated with having a joint procurement arrangement with a major equipment provider and the resultant efficiencies and economies of scale for Health and Social Care Services (Children's and Adult's Social Care Services) in the use of aids and adaptations.

Although this is a joint arrangement it is not a pooled budget with each party (Wiltshire Clinical Commissioning Group (CCG), Adult Care operations and Children and Families) being financially responsible for the funding of equipment costs associated with their client group.

The budget is administered by Wiltshire Council (previously Wiltshire County Council) on behalf of the Wiltshire CCG (previously Wiltshire Primary Care Trust).

In 2015/2016 Wiltshire Council had expenditure of £1.821 million and Wiltshire CCG had expenditure of £4.178 million. The total joint arrangement spend was £5.999 million.

Better Care Fund

The Better Care Fund (BCF) is a programme spanning both the NHS and local government. It was created to improve the lives of some of the most vulnerable people in our society, placing them at the centre of their care and support, and providing them with 'wraparound' fully integrated health and social care, resulting in an improved experience and better quality of life.

Wiltshire Council and Wiltshire CCG have entered into a formal arrangement from 1 April 2015 to deliver services via the Better Care Fund.

In 2014/2015 this arrangement was operated under a shadow agreement. The expenditure in 2015/2016 via the Better Care Fund was as follows:

	2015/2016
	£000
Self Care, Self Support	2,003
Intermediate Care	8,352
Access, rapid response 7 day working	4,314
Care Bill	2,500
Protecting Social Care	9,183
Invest in Engagement with Heathwatch	100
Scheme Management	260
Return to Partners	2,770
Social Care Capital	2,433
Total Schemes	31,915

This was funded from income and grants as follows:

	2015/2016 £000
Wiltshire CCG BCF Contribution - Paid to Pool	(21,618)
Wiltshire CCG BCF Contribution - Retained by CCG	(5,455)
Wiltshire Council BCF Contribution	(1,833)
Wiltshire Council Adult Care contribution to carers	(576)
Disabled Facilities Grant	(1,418)
Social Care Capital	(1,015)
Total Income and Grants	(31,915)

Note 21 Members' Allowances

The Council paid the following amounts to members of the council during the year.

	2015/2016 £000	2014/2015 £000
Allowances	1,856	1,770
Expenses	82	90
Total	1,938	1,860

Note 22 Officers' Remuneration

The Council is required to disclose the number of employees who received taxable remuneration from Wiltshire Council in excess of £50,000 for the year. These figures include Wiltshire Council employees as well as teaching and non-teaching employees employed directly by Wiltshire Council Schools.

Remuneration Band £	2015/2016	2014/2015
	No. Employees	No. Employees
50,000-54,999	95	106
55,000-59,999	85	89
60,000-64,999	51	32
65,000-69,999	17	18
70,000-74,999	13	7
75,000-79,999	5	4
80,000-84,999	2	2
85,000-89,999	3	2
90,000-94,999	2	5
95,000-99,999	4	7
100,000-104,999	8	2
105,000-109,999	2	1
110,000-114,999	0	0
115,000-119,999	0	0
120,000-124,999	0	0
125,000-129,999	0	0
130,000-134,999	1	0
135,000-139,999	1	0
140,000-144,999	0	1
145,000-149,999	3	2
TOTAL	292	278

Notes:

Officers' remuneration includes compensation for loss of office (redundancy).

2015/2016 Remuneration for Senior Employees - Salary is £150,000 or more per year (Included in Officer's Remuneration Bandings)

No officers had a salary in excess of £150,000 during 2015/2016.

2014/2015 Remuneration for Senior Employees - Salary is £150,000 or more per year (Included in Officer's Remuneration Bandings)

No officers had a salary in excess of £150,000 during 2014/2015.

2015/2016 Remuneration for Senior Employees - Salary is less than £150,000 but equal to or more than £50,000 per year (Included in Officer's Remuneration Bandings)

Post Holder	Salary (including fees and allowances) £	Bonuses £	Expense Allowances £	Compensation for loss of Office £	Benefits in Kind £	Total Remuneration excluding pension contributions 2015/2016 £	Employers Pension Contributions £	Total Remuneration including pension contributions 2015/2016 £
Corporate Director A(subnote A)	148,271	0	1,604	0	0	149,875	25,206	175,081
Corporate Director B(subnote A and B)	148,271	0	1,662	0	0	149,933	21,203	171,136
Corporate Director C(subnote A and C)	148,271	0	0	0	0	148,271	25,206	173,477
Associate Director Finance - s151 Officer	103,711	0	0	0	0	103,711	17,631	121,342
Associate Director Legal and Governance - Monitoring Officer	100,501	0	0	0	0	100,501	17,085	117,586
	649,025	0	3,266	0	0	652,291	106,331	758,622

Subnote A:

As of November 2013, the statutory role of Head of Paid service is discharged between the three Corporate Directors on a four month rotational basis.

Subnote B:

Corporate Director B is designated as the Director of Public Health and the Director of Adult Social Services for Wiltshire Council, both of which are required statutory roles.

Subnote C:

Corporate Director C is designated as the Director of Children's Services which is a required statutory role.

2014/2015 Remuneration for Senior Employees - Salary is less than £150,000 but equal to or more than £50,000 per year (Included in Officer's Remuneration Bandings) – comparators are only required for employees qualifying for the current year note.

Post Holder	Salary (including fees and allowances) £	Bonuses £	Expense Allowances £	Compensation for loss of Office £	Benefits in Kind £	Total Remuneration excluding pension contributions 2014/2015 £	Employers Pension Contributions £	Total Remuneration including pension contributions 2014/2015 £
Corporate Director A(subnote A)	143,679	0	1,523	0	0	145,202	22,989	168,191
Corporate Director B(subnote A and B)	143,679	0	3,137	0	0	146,816	18,453	165,269
Corporate Director C(subnote A and C)	143,679	0	0	0	0	143,679	22,989	166,668
Associate Director Finance - s151 Officer	106,410	0	1,165	0	0	107,575	17,026	124,601
Associate Director Legal and Governance - Monitoring Officer	97,297	0	0	0	0	97,297	15,567	112,864
	634,744	0	5,825	0	0	640,569	97,024	737,593

Exit Packages

Exit packages include all benefits provide in relation to the termination of employment. These include redundancy payments, pay in lieu of notice and pension strain. The numbers of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below:

Exit Package Cost Band (including special payments)	Number of Compulsory Redundancies		Number of Other Departures Agreed		Total Number of Exit Packages by Cost Band		Total Cost of Exit Packages in Each Band	
	2014/2015	2015/2016	2014/2015	2015/2016	2014/2015	2015/2016	2014/2015	2015/2016
£							£	£
0-20,000	53	19	190	176	243	195	1,114,720	1,212,038
20,001-40,000	0	2	21	35	21	37	575,635	1,106,323
40,001-60,000	0	0	6	11	6	11	286,504	495,893
60,001-80,000	0	0	1	3	1	3	76,071	215,197
80,001-100,000	0	0	0	1	0	1	0	97,946
100,001-150,000	0	0	0	0	0	0	0	0
150,001-200,000	0	0	0	0	0	0	0	0
200,001-250,000	0	0	0	0	0	0	0	0
250,001-300,000	0	0	0	0	0	0	0	0
Total	53	21	218	226	271	247	2,052,930	3,127,397

Note 23 External Audit Fees

Wiltshire Council incurred the following fees in respect of external audit and statutory inspection with KPMG, in accordance with the Audit Commission Act 1998

	2015/2016 £000	2014/2015 £000
Fees payable to the Audit Commission with regard to external audit services carried out by the appointed auditor	167	223
Fees payable to the Audit Commission for certification of grant claims and returns	17	28
Fees Payable for additional work	10	0
Audit Commission Rebates	0	(53)
Total	194	198

Note 24 Dedicated Schools Grant**Reserves & balances held by schools****Dedicated Schools Grant**

The Council's expenditure on schools is funded primarily by grant monies provided by the Department for Education, the Dedicated Schools Grant (DSG). An element of DSG is recouped by the Department to fund academy schools in the Council's area. DSG is ringfenced and can only be applied to meet expenditure properly included in the Schools Budget, as defined in the School Finance (England) Regulations 2011. The Schools Budget includes elements for a range of educational services provided on a Council-wide basis and for the Individual Schools Budget, which is divided into a budget share for each maintained school.

Details of the deployment of DSG receivable for 2015/2016 are as follows:

	Central Individual Schools		
	Expenditure £000	Budget (ISB) £000	Total £000
Final DSG for 2015/2016 before academy recoupment			(312,998)
Academy figure recouped for 2015/2016			131,706
Total DSG after academy recoupment for 2014/2015			(181,292)
Brought forward from 2014/2015			(1,490)
Agreed initial budget distribution in 2015/2016	(55,412)	(127,370)	(182,782)
In Year Adjustments	(268)		(268)
Final budgeted distribution for 2015/2016	(55,680)	(127,370)	(183,050)
Less actual central expenditure	55,089		55,089
Less actual ISB deployed to schools		127,370	127,370
Carry forward to 2015/2016	(591)	0	(591)

Note 25 Grant Income

The Council credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2015/2016:

	2015/2016 £000	2014/2015 £000
Credited to Taxation and Non Specific Grant Income		
General Government Grants	(36,064)	(25,682)
Formula Grant including Council Tax Freeze	(54,093)	(65,472)
Business Rates Retention Scheme	(49,764)	(53,926)
Total	(139,921)	(145,080)
Credited to Services		
Dedicated Schools Grant	(181,292)	(193,168)
Public Health Grant	(16,108)	(14,587)
Pupil Premium Grant	(8,621)	(9,435)
Learning & Skills Council	(1,949)	(2,724)
Universal Infant Free School Meals	(4,714)	(3,142)
PFI	(7,541)	(7,541)
Housing Benefit & Council Tax Admin Grant	(2,006)	(2,248)
Other Grants	(28,176)	(20,254)
Other Contributions	(854)	(1,772)
Donations	(874)	(1,049)
Total	(252,135)	(255,920)
Total Grants, Contributions & Donations	(392,056)	(401,000)

The Council has received a number of grants, contributions and donations that have yet to be recognised as income as they have conditions attached to them that will require the monies to be repaid. The balances at the year-end are as follows:

	2015/2016 £000	2014/2015 £000
Revenue Grants to be returned (Creditor)		
Other Grants	0	0
Total	0	0

	2015/2016 £000	2014/2015 £000
Revenue Grants Receipts in Advance		
MOD Education Support Fund	(485)	0
Other Grants	(159)	(89)
Total	(644)	(89)

Note 26 Related Parties

The Council is required to disclose material transactions with related parties. Related parties are persons or entities that are related to Wiltshire Council. A related party transaction is a transfer of resources or obligations between a reporting entity (Wiltshire Council) and a related party, regardless of whether a price is charged. Related party transactions exclude transactions with any other entity that is a related party solely because of its economic dependence on the authority or the government of which it forms part.

UK Central Government has significant influence over the general operations of the Council. It is responsible for providing the statutory framework, within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. council tax bills, housing benefits). Grants received from government departments are set out in the subjective analysis in Note 10 on reporting for resources allocation decisions. Grant receipts outstanding at 31 March 2016 are shown in Note 25.

Members of the Council have direct control over the Council's financial and operating policies. The total of Members' Allowances paid in 2015/2016 is shown in note 21. If a Member declares an interest in a transaction which involves the Council, these transactions are recorded in the Register of Members' Interests, open to public inspection at County Hall, Trowbridge.

Officers – under the requirements of the Local Government Act 2000, the Council has developed a Code of Conduct for officers and established a Register of Officers interests. This Register of interests has been reviewed and no material transactions have been discovered.

Wiltshire Pension fund – In 2015/2016 the Council charged the fund £1.174 million (£1.076 million in 2014/2015) for expenses incurred in administering the fund.

During 2015/2016 various Wiltshire Council Councillors were also members of parish or town councils, police bodies and other bodies. Significant payments made to these bodies, where a Councillor has a registered interest in the relevant financial year, by Wiltshire Council are listed below. This includes significant housing benefit payments to housing associations in respect of their tenants.

	2014/2015 £000	2014/2015 £000
Amesbury Town Council	21	0
Aster/Sarsen	14,684	14,748
Balfour Beatty	44,434	41,025
Chippenham Town Council	71	63
Community First Wiltshire	676	695
Extended Services (Melksham)	27	0
Ezy's Taxis	111	88
Lady Margaret Hungerford Charities	20	23
Malmesbury Town Council	51	55
Melksham Without Parish Council	0	34
Royal United Hospital Bath	500	484
Royal Wootton Bassett Town Council	34	0
Salisbury City Council	324	294
Selwood Housing Association	16,425	16,584
Sheldon School, Chippenham	156	249
South Wiltshire Avon & Wiltshire Mental Health Partnership Trust	54	416
Trowbridge Town Council	213	326
Wiltshire Fire & Rescue Service	79	51
Wiltshire CCG	2,091	1,118
Wiltshire Police Authority/OPCC	32	76
Wiltshire Portage Service	123	92
Total	80,126	76,421

There are no significant amounts owed to bodies listed as Councillors' interests in 2015/2016 as at 31 March 2016.

BALANCE SHEET NOTES RELATING TO CAPITAL

Note 27 Property, Plant and Equipment (PPE)

	Council Dwellings & Garages incl land	Other Land & Buildings	Vehicles Plant and Equipment	Infra-structure	Community Assets	Assets under Construction	Surplus Assets	Total Property, and Plant & Equipment	PF included in FPE
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation									
Opening Balance 1 April 2015	308,676	697,937	172,880	319,478	7,621	89,229	7,518	1,603,339	84,584
Additions	7,281	14,205	8,326	12,591	4	42,215		84,622	120
Derecognition - Disposals	(1,257)	(1,410)	(853)				(223)	(3,743)	
Derecognition - Other		(45,123)	(5,532)					(50,655)	
Revaluation increases recognised in the Revaluation Reserve	5,911	13,709	4,415		2		4,798	28,830	919
Revaluation decreases recognised in the Revaluation Reserve		(8,957)	(1,396)				(665)	(11,038)	
Category Adjustments	166	3,672	2,311	44,205		(55,155)	4,682	(120)	0
At 31 March 2016	320,777	674,033	180,151	376,274	7,627	76,288	16,085	1,651,235	85,623
Depreciation and Impairments									
Opening Balance 1 April 2015	(95,905)	(313,014)	(110,739)	(59,182)	(882)	(14,716)	(2,221)	(597,659)	(22,690)
Depreciation	(5,549)	(4,042)	(18,663)	(5,851)			841	(33,264)	(1,763)
Accumulated depreciation written back on derecognition of assets		18,845	5,108				20	23,973	
Revaluation losses/impairment recognised in the surplus/deficit on provision of services		(10,318)	(270)	(35)	(50)		(2,615)	(13,288)	0
At 31 March 2016	(102,454)	(308,529)	(124,564)	(65,068)	(982)	(14,716)	(3,975)	(620,238)	(24,453)
Net Book Value at 31 March 2016	218,323	365,504	55,587	311,206	6,645	61,572	12,110	1,030,997	61,170
Net Book Value at 31 March 2015	211,771	384,923	62,141	260,296	6,739	74,513	5,297	1,005,680	61,894

Note 28 Information about Depreciation Methodologies

All depreciation applied is on a straight line basis using the following standard useful lives, unless the useful economic life is reviewed downwards by the external valuer;

- Council Dwellings. These are depreciated over a useful life of 30 years;
- Other Land and Buildings, Garages and Buildings are depreciated over a useful life of 50 years with the remaining useful life given by the valuers. Land is not depreciated;
- Vehicles, Plant etc. These are depreciated over a standard period of 5 years. The only exception being services of buildings which are depreciated on the remaining useful life given by the valuers;
- Community Assets, Assets under Construction and Non Operational Assets. These are not depreciated.
- Infrastructure. These are depreciated over a useful life of 60 years.

The total depreciation charged to tangible Property Plant and Equipment fixed assets for 2015/2016 is £33,263,676.

Note 29 Capital Expenditure and Capital Financing

Below is the financing of the year's capital expenditure on fixed assets and revenue expenditure funded from capital under statute. This shows the Council's overall capital financing requirement for General Fund and HRA – the underlying amount of borrowing the Council has incurred on its capital investment.

	31 March 2016		31 March 2015	
	£000	£000	£000	£000
Opening Capital Financing Requirement		489,488		469,611
Capital Investment				
Plant Property & equipment Assets	84,502		73,808	
Plant Property & equipment PFI Assets	120		2,846	
Investment Properties	143		232	
Intangible assets	580		356	
Assets Held for Sale	2		47	
Revenue Expenditure Funded from Capital under Statute	29,501		21,710	
		114,848		98,999
Sources of Finance				
Government Grants	(49,911)		(44,995)	
Major Repairs Reserve	(8,028)		(4,870)	
New PFI scheme				
Capital Receipts	(11,087)		(11,315)	
Assets purchased through Revenue (inc HRA)	(3,975)		(3,986)	
Minimum Revenue Provision	(12,493)		(11,689)	
Voluntary Revenue Provision	(228)		(221)	
Minimum Revenue Provision - PFI Schemes	(2,330)		(2,046)	
		(88,052)		(79,122)
Closing Capital Financing Requirement		516,284		489,488
Explanation of Movements in the Year				
Increase / (decrease) in underlying need to borrow		26,796		19,877
Increase / (decrease) in Capital Financing Requirement		26,796		19,877

Note 30 Fixed Asset Valuation

Assets classified as Land & Buildings, excluding County Farms, are revalued as part of the Council's rolling programme for the revaluation of fixed assets. The valuations are carried out by an external valuer, GVA Grimley, Chartered Surveyors.

County Farms were most recently revalued in 2013/2014 by a qualified Internal valuer.

The basis for valuation is set out in the statement of accounting policies.

The assets revalued during 2015/2016 include Primary Schools and Children's Centres as well as the Investment Estate and any new assets acquired during 2015/2016 or significantly altered. All other assets will be revalued over the coming years as part of the rolling programme but have been revalued within the maximum 5 year rolling programme as dictated in the code of practice. The Council is not aware of any material change in the value of the remaining assets that were not revalued in 2014/2015.

The following table shows the split of the certified valuations for Property plant and equipment across the financial years:

	Council Dwellings & Garages inc land £000	Other Land & Buildings £000	Vehicles, Plant and Equipment £000	Infra-structure £000	Community Assets £000	Assets under Construction £000	Surplus Assets £000	Total Property, and Plant & Equipment £000
Valued at historical cost		44,652	11,978	311,206	2,198	61,572		431,606
Valued at current value in:								
2015/2016	218,323	87,007	19,019		5		12,110	336,464
2014/2015		121,259	16,643		35			137,937
2013/2014		101,797	7,947		4,457			114,201
2012/2013		0						0
2011/2012		1,816						1,816
2010/2011		8,973						8,973
Book Value at 31 March 2016	218,323	365,504	55,587	311,206	6,695	61,572	12,110	1,030,997

Schools Assets

During the 2014/2015 financial year a number of schools have become Academy schools so their assets have been removed from the balance sheet. This is shown as a derecognition in the note for Property plant and equipment above. The Council does not recognise Academy, Voluntary Controlled and Voluntary Aided schools in its accounts.

Components and effect on depreciation

The Council complies with the IFRS requirement to componentise its property assets. Components have been applied to material items in PPE in accordance with the IFRS Code of practice.

All assets with a value over £2 million de-minimis value have been split into the following components and disclosed in the balance sheet and fixed assets notes;

- Structure – the fabric of the building
- Services – e.g. Lifts and other electrical or other services
- Fittings – internal fittings, Kitchens, doors etc
- Externals – landscaping, car parking etc

In addition all the remaining useful lives are reassessed by the external valuers. This means that services are shown separately from the structure within the plant and equipment, and services typically have a considerably shorter remaining useful life than the structure of the building.

Note 31 Revaluation and Impairment Losses

As part of the valuation process, reductions in the value of our assets (where there have previously not been upward valuations) are charged as downwards revaluation losses charged to Property, Plant and Equipment. These are detailed by asset class in note 27. During 2015/2016 as part of the standard revaluation undertaken a number of buildings were revalued downwards; the largest of these being the newly built Greentrees Primary School.

Note 32 Capitalisation of Borrowing Costs

The Council has not capitalised any borrowing costs in the year.

Note 33 Construction Contracts

The Council is not constructing any assets on behalf of other bodies. Below is a list of some of the larger project areas that are currently being undertaken by contractors building assets for the council. The figures below give the outstanding remaining costs of the contracts/agreements.

Description	As at 31 March	As at 31
	2016	March 2015
	£000	£000
Campus and operational delivery schemes	7,380	8,538
Highways	20,797	25,057
Other School construction projects	2,704	6,520
HRA- Refurbishment of Council Stock	1,242	831
Buildings Repair & Maintenance Programme	483	536
Fleet Vehicles		677
Housing	6,483	560
Economy	1,115	0
Total	40,204	42,719

Note 34 Heritage Assets

Heritage assets are a new classification of assets that have been recorded separately on the balance sheet since the 2011/2012 Statement of Accounts. These assets can be disclosed in a note to the accounts only if the cost of obtaining a valuation exceeds the benefit to the users of the accounts.

The definition of Heritage assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture.

Typical examples of Heritage assets would include works of art, statues, archaeological sites, military or scientific equipment. Historical buildings kept solely for their historical purpose would also count as heritage assets unless they were being used for operational purposes.

Unlike many other authorities Wiltshire Council does not have extensive museum collections as most of the museums in the county are owned by other bodies. Therefore the Council does not have a significant collection of art or other antiquities that need to be disclosed on the balance sheet with a value.

The items that have been identified as heritage assets held by Wiltshire Council are disclosed below as required by the code.

White horse near Westbury

The White Horse in Westbury, a chalk cutting in the hill above Westbury has been in existence for over three hundred years and is owned and maintained by the Council and is kept for historical purposes. As it is not possible to remove or sell the asset a value has not been obtained. As it is such a specialised asset it would not be possible or relevant to put a value on this asset. Therefore this asset has been disclosed in this note only.

East Grafton Wilton Windmill

This windmill, built in 1821, is held for historic purposes being managed by the Wilton Windmill Society. As a specialised grade II listed building with a major need for ongoing repairs it is felt that it would have minimal value and the cost of obtaining the valuation would far exceed the benefit to the users. Therefore this asset has been disclosed in this note only.

Village Lock ups

Village lock-ups are historic buildings that were used for the temporary detention of people in England and Wales. They were often used for the confinement of drunks who were usually released the next day or to hold people being brought before the local magistrate. A typical village lock-up is a small structure with a single door and a narrow slit window or opening. Most lock-ups feature a dome or spire shaped roof and are commonly built from brick, large stones or timber. The village lock-up is found in a variety of shapes often round or polygonal in plan, usually freestanding but some are attached to or incorporated in other buildings. Variations in design, materials and appearance do occur although they were all built to perform the same function. A number of these lock ups remain in various towns across Wiltshire. Many of these are owned and maintained by Wiltshire Council and as such remain part of the Heritage Assets of the County. No formal valuation has been obtained for these sites as the costs of obtaining one would outweigh the benefits of doing so, and it is felt that they would not have any material value due to their size, condition and specialisation.

County Hall Members Rooms Art

There is a small collection of items formally held in the Members' rooms at County Hall. These include various portraits and landscapes, as well as a stuffed Bustard in a stand. These are not on public display but are kept for artistic reasons. These have been valued for insurance purposes in the past with values individually not exceeding £1,500 per item. The total value of these items is not material, nor is there a benefit to the user of the accounts in obtaining updated valuations. Therefore these items have been disclosed in this note only.

Other items of Historical Interest

There are a small number of other art works in the council including; a modern art piece (the Leaf) in Bourne Hill Salisbury, a newly commissioned giant painted Bustard (named Custard) held outside the new Library in Trowbridge; various statues in parks and open spaces across the county. In addition there are various collections such as the Local Collections at Salisbury, the Savernake Collection, Arundell of Wardour collection amongst others. These items have been investigated and it is felt the cost of obtaining valuations far exceeds the benefit to the users in all these cases. Therefore these items are disclosed in this note only.

Note 35 Leases

Finance leases

A finance lease is a lease that transfers substantially all the risks and rewards of ownership of an asset to the lessee.

The Council had no finance leases in 2015/2016.

Operating leases

An operating lease is a lease that is not a finance lease (see above) and includes vehicles and other equipment particularly in schools. Rentals paid in respect of operating leases and future obligations for operating leases are listed below:

Operating Lease payments in 2015/2016	2015/2016
	£000
Plant, vehicles and equipment	99
Operating lease payments due in future years	2015/2016
	£000
Amount due in 2016/2017	26
Amounts due in between 2017/2018 and 2021/2022	27
Amounts due after 2022/2023	0
	53
Asset Class	
Plant, vehicles and equipment	53

Leases held as investments

The Council does not receive income from finance leases or hire purchase contracts and has not acquired any assets for the purpose of letting under finance leases.

Note 36 Long Term Contracts including Private Financing Initiatives (PFI)

The total amount held in long term contracts (including PFIs) is in the following table.

	North Wilt Schools PFI £000	Monkton Park Modified PFI £000	Housing PFI £000	Total Long term contracts £000
Balance outstanding at 1 April 2015				0
Payments during the year to reduce capital liability				0
Liability outstanding 31 March 2016	0	0	0	0

North Wiltshire Schools PFI & Additional 6th Form Units.

Introduction

In October 2000 the Council entered into a Private Finance Initiative (PFI) with White Horse Education Partnership (WHEP) to procure three new secondary schools. WHEP are responsible for maintaining and operating the facilities for 30 years from the date the first school became operational in March 2002.

Accounting treatment

The Accounting treatment in 2015/2016 follows the same process first shown in 2010/2011, i.e. to reflect the PFI as an on balance sheet PFI.

In 2015/2016 as in previous years, an estimate of the amount of the element of PFI payments that relates to repaying the finance liability has been made and taken from the net cost of services. In order to mitigate the effect of this on the general fund balances an equal charge for the additional Minimum Revenue Provision incurred has been made.

Funding

The funding for the annual PFI payment comes from the Council's own resources and a special government grant called a PFI credit. Over the life of the PFI project, the Council will receive PFI credits of £107 million (these relate to the main school buildings only not the sixth form units), which are credited to the revenue account in the year that they are received.

PFI Smoothing Fund Earmarked Reserve

This represents the excess of government grant over expenditure to date in respect of the Schools PFI. This is being carried forward to meet future years' commitments under the PFI contract.

Income and Expenditure

Payments are made to the PFI contractors as monthly unitary payments. These payments are commitments and can vary subject to indexation, reductions for performance and availability failures. Possible future variations to the scheme as elements are added to or taken away from the scheme.

The funding of the unitary payment will come from the individual schools budget, the overall Schools Budget and a special government grant (the PFI credits referred to above).

The future estimated payments the Council will make under the contract are as follows:

Period	Liability £000	Interest £000	Service charges £000	2015/2016	2014/2015
				Total £000	Total £000
Within 1-5 years	5,280	7,748	17,088	30,116	29,960
Within 6-10 years	7,758	5,272	19,333	32,363	32,176
Within 11-15 years	11,398	1,686	21,823	34,907	34,685
Within 16-20 years	2,937	0	3,950	6,887	14,649
Within 21-25 years				0	0
Total	27,373	14,706	62,194	104,273	111,470

Over the life of the PFI project the Council will receive government grants of £107 million.

Monkton Park Offices Modified PFI Scheme

Introduction

North Wiltshire District Council entered into a long-term contract for the provision and management of Monkton Park offices. This contract is for a period of 25 years.

Accounting treatment

The full PFI contract was modified in January 2011. Therefore only the loan associated with the capital and interest cost of building Monkton Park still has to be repaid. This is repaid directly to the Bank rather than to the former PFI joint vehicle.

Income and Expenditure

The expenditure payable from 12 January 2011 onwards is the amount required for capital and interest only. Under the terms of the contract this amount increases by RPI plus 1% each January. The grant or PFI credit received is a fixed sum so an equalisation reserve has been set up to smooth this increase in charges over the contract term.

The availability charge payments required for the remaining years for the contract are set out below: the figures are significantly lower compared to the previous year because, as explained above, the extent of the PFI contract is now more limited as the Facilities management elements of the contract have been terminated.

Period	Liability £000	Interest £000	2015/2016	2014/2015
			Total £000	Total £000
Within 1-5 years	2,346	5,281	7,627	7,424
Within 6-10 years	3,214	5,845	9,059	8,817
Within 11-15 years	755	1,251	2,006	3,973
Within 16-20 years	0	0	0	0
Within 21-25 years	0	0	0	0
Main Scheme Total	6,315	12,377	18,692	20,214
Equalisation Fund	432	0	432	667
Total	6,747	12,377	19,124	20,881

Housing PFI Scheme

Introduction

A total of 242 units have been built under a housing PFI scheme at sites across the county.

Accounting Treatment

The asset values for the 242 units are included in the non-current assets in the balance sheet with an associated liability.

Income and Expenditure

Payments are made to the PFI contractors as monthly unitary payments. These payments are commitments and can vary subject to indexation, reductions for performance and availability failures.

The funding of the unitary payment will come from a government grant (the PFI credits referred to above), as well as a Council contribution.

The future estimated payments the Council will make under the contract are as follows:

Period			2015/2016	2014/2015
	Liability £000	Interest £000	Total £000	Total £000
Within 1-5 years	5,175	5,800	10,975	11,249
Within 6-10 years	5,652	4,127	9,779	10,023
Within 11-15 years	6,872	1,850	8,722	8,939
Within 16-20 years	4,683	221	4,904	6,708
Within 21-25 years	0	0	0	0
Total	22,382	11,998	34,380	36,919

Note 37 Investment Property

Investment Properties are assets that are held solely to earn rentals or for capital appreciation. The following items of income and expense have been accounted for in relation to running the investment property estate. These items are shown in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

	2015/2016 £000	2014/2015 £000
Rental income from investment property	(2,637)	(2,506)
Direct operating expenses arising from investment properties	383	421
Net (Gain)/ Loss	(2,254)	(2,085)

There are no restrictions on the Council's ability to realise the value inherent in its investment property or on the Council's right to the remittance of income and the proceeds of disposal. The Council has no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancement.

The following table summarises the movement in the fair value of investment properties over the year:

	2015/2016 £000	2014/2015 £000
Balance at start of the year	27,990	27,337
Additions: Subsequent expenditure	143	232
Disposals	(615)	0
Gains from fair value adjustments	343	1,324
Losses from fair value adjustments	(10)	0
Impairments/losses	(1,883)	(903)
Transfers (to)/from Property, Plant and Equipment	(825)	0
Balance at end of the year	25,143	27,990

Note 38 Intangible Assets

The Council accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment. Intangible assets include both purchased licenses and internally generated software.

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the Council. The useful lives assigned to the major software suites used by the Council along with the carrying amounts are:

	Carrying amount		Remaining Amortisation Period
	31 March 2016 £000	31 March 2015 £000	
SAP Finance/HR/Payroll system in sourcing	1,232	0	5 years
Workplace transformation IT software	458	958	1 -2 years
Planning System	625	839	3 years
Other items of software	852	1,385	1 - 5 years
Total	3,167	3,182	

The carrying amount of intangible assets is amortised on a straight-line basis. The amortisation of £1.596 million charged to revenue in 2015/2016 was charged to the IT Administration cost centre and then absorbed as an overhead across all the service headings in the Net Expenditure of Services. It is not possible to quantify exactly how much of the amortisation is attributable to each service heading.

All amortisation applied to Intangible assets is on a straight line basis over 5 years.

	2015/2016 Purchased Software Licences £000	2014/2015 Purchased Software Licences £000
Gross carrying amounts	20,063	19,541
Accumulated amortisation	(16,881)	(15,435)
Net Carrying amount	3,182	4,106
Additions:		
Purchases	580	357
Amortisation for the period	(1,596)	(1,446)
Other changes	1001	165
Net carrying amount at end of year	3,167	3,182
Comprising:		
Gross carrying amounts	21,644	20,063
Accumulated amortisation	(18,477)	(16,881)
Total	3,167	3,182

Note 39 Assets Held for Sale

The Council held the following amounts as assets held for sale as at 31 March 2016. The definition of an asset held for sale is one that is readily available for sale, the planned sale will occur within 12 months and that the property is being actively marketed. The council has an ambitious asset disposal programme and has disposed of several assets in recent years, but the bulk of the disposals are anticipated to be realised during 2016/2017 or later in the programme. The Council does also recognise Surplus assets within Property Plant & Equipment where assets are not in use but are not currently planned to be disposed of.

	2015/2016 £000	2014/2015 £000
Balance at start of the year	15,023	24,464
Assets newly classified as held for sale	(54)	(6,019)
Depreciation	(375)	(656)
Assets Sold	(13,027)	(3,018)
Revaluations	0	252
Balance at end of the year	<u>1,567</u>	<u>15,023</u>

OTHER NOTES TO BALANCE SHEET**Note 40 Long Term Debtors**

	2015/2016 £000	2014/2015 £000
Mortgages	1,584	1,479
Long Term Loans to Staff	10	17
Other Long Term Loans	1,548	1,478
Total Long Term Debtors	<u>3,142</u>	<u>2,974</u>

Note 41 Short Term Debtors

These represent sums owed to the Council for supplies and services provided before 31 March 2016 but not received at that date.

	2015/2016 £000	2014/2015 £000
Other Local Authorities	5,751	5,859
Government Departments	10,351	11,722
NHS Bodies	4,023	4,775
Business Rates and Local Taxation	12,136	13,656
Tenants	1,270	1,420
Sundry Debtors	28,366	24,670
Payments in Advance	5,670	8,799
Total Debtors	<u>67,567</u>	<u>70,901</u>
Less: provision for bad debts		
General Fund debtors	(6,582)	(6,797)
Housing Rent arrears	(1,075)	(1,108)
Council Tax arrears	(2,655)	(2,718)
NDR Arrears	(358)	(409)
Total Bad Debt provisions	<u>(10,670)</u>	<u>(11,032)</u>
Net Debtors	<u>56,897</u>	<u>59,869</u>

Note 42 Cash and Cash Equivalent

This consists of the bank accounts of locally managed schools and the rest of the council's cash and bank accounts (see note 44).

	2015/2016 £000	2014/2015 £000
Cash & Bank	2,917	(1,867)
Schools' bank accounts	16,568	16,088
	<u>19,485</u>	<u>14,221</u>

Note 43 Short Term Creditors

These represent sums owed by the Council for supplies and services received before 31 March 2016 but not paid for at that date, or provisions created in accordance with the accounting policies.

	2015/2016 £000	2014/2015 £000
Other Local Authorities	(3,667)	(749)
Government Departments	(6,638)	(8,472)
NHS Bodies	(2,422)	(3,987)
Business Rates and Local Taxation	(44)	(83)
Sundry Creditors	(56,486)	(62,753)
Receipts in Advance	(8,828)	(9,441)
Accumulated Absences	(5,151)	(6,803)
	<u>(83,236)</u>	<u>(92,288)</u>

Note 44 Bank Overdraft

There is no cash overdraft on the Council's main bank accounts at 31 March 2016 (overdrawn as at 31 March 2015 by £1.867 million). This is included in the cash and cash equivalent figures in note 42.

Note 45 Provisions

Provisions are required for any liabilities of uncertain timing or amount that have been incurred. These should be recognised where the council has a present obligation as a result of a past event, that it is probable (i.e. the event is more likely than not to occur) a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made. If these conditions are not met no provision should be recognised. Amounts set aside for purposes falling outside the definition of provisions should be considered as earmarked reserves.

	Legal Claims £000	Insurance Claims £000	Business Rate Retention Scheme Appeals £000	Termination Benefits £000	Land Charges £000	Carbon Reduction £000	Other £000	Total £000
Balance at 1 April 2015	(954)	(913)	(1,693)	(302)	(517)	(88)	(43)	(4,510)
Additional provisions made in 2015/2016	(148)	(655)	(1,748)	(84)	0	88	0	(2,547)
Amounts Used in 2015/2016	0	241	1,693	302	371	0	0	2,607
Unused amounts reversed in 2015/2016	80	210	0	0	0	0	0	290
Balance at 31 March 2016	<u>(1,022)</u>	<u>(1,117)</u>	<u>(1,748)</u>	<u>(84)</u>	<u>(146)</u>	<u>0</u>	<u>(43)</u>	<u>(4,160)</u>

Legal Claims

The Council has made provisions in respect of legal claims which may become payable by the Council depending on the outcome of a small number of individual cases totalling £1.022 million. In order not to prejudice seriously the Council's position in these cases any further information has been withheld from this publication. It is currently expected that all of these claims will be settled during the 2016/2017 financial year.

Insurance Claims

An insurance provision is accounted for when it is probable that a cost will be incurred and a reliable estimate of the cost can be made. The insurance provision for 2015/2016 is made up of 23 claims totalling £1.117 million. The provision levels are set in the following ways:

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- Property Damage. The estimated cost of reinstatement (often supported by an independent contractors repair/replacement estimate) or the actual cost based on replacement/repair invoices presented.
- Personal Injury. Based on the insurers' own reserve calculation for the claim. Where insurers are not handling the claim, a 'flat' figure of £10,000 is used.

The 23 claims consisted of a mixture of Public and Employers Liability claims and own Property claims.

The Council self insures, with the Council meeting the first £0.100 million of each employers and public liability claim and between £0.100 million and £0.250 million for own property claims. There are other risks the Council does not insure against and examples of these include computer breakdown and loss of computer data, and employment practices. It is currently expected that all of these claims will be settled during 2016/2017.

Insurance claims where liability has yet to be established are detailed in note 58.

Termination Benefits

The Council is required to make a provision for termination benefits at the earlier of the following dates:

- when the Council can no longer withdraw an offer of termination benefits to an employee
- when the Council recognises costs for a restructuring (as defined by accounting guidelines) and involves the payment of termination benefits

As at 31 March 2016 the Council made a total provision of £0.084 million in respect of termination benefits for 4 employees. It is expected that all cases will be resolved during the first half of the 2016/2017 financial year.

Land Charges

Central Government instructed in July 2010 that as of August 2010, Local Authorities will no longer be allowed to charge a fee for personal searches of the local land charges register as charging a fee does not comply with the Environmental Information Regulations 2004. Where a fee has been charged from January 2005 (when the regulations came into effect) onwards, refunds may be liable, depending on each claims individual circumstances. Financial assistance in the form of a Central Government grant is intended to ease the burden of the potential liabilities that Wiltshire Council and other Local Authorities may incur. Wiltshire Council estimated the original liability to be £0.400 million but based on further information received in 2014/2015 this provision was been increased to £0.517 million. During 2015/2016 payments totalling £0.317 million were made, leaving a balance of £0.146 million. It is expected that these remaining claims will be resolved during 2016/2017.

Carbon Reduction

The Council is required to participate in the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme. The scheme's introductory phase lasted until 31 March 2014 and Phase 2 commenced from 1 April 2014 and Wiltshire Council continues to be registered for this scheme.

The Council purchases a quantity of allowances at the start of each year based on estimated usage for the year. At the end of the year a further estimation is carried out as to whether or not the original purchase of allowances is likely to be sufficient. If it is estimated that the number of allowances purchased is less than the amount that will be required then the Council is required to create a provision in respect of the extra allowances it must purchase during the "buy to comply" window that opens in July. However, if the amount of allowances purchased is estimated to be more than those actually required then the balance is transferred to inventory (stock) on the balance sheet which can then be used in future years.

As at 31 March 2016 it is estimated that the Council purchased £0.089 million extra allowances than will be required in respect of 2015/2016. This balance of unused allowances has been carried forward under Inventories on the Balance Sheet. The actual amount required will not be known until July 2015 when the "buy to comply" window opens.

Business Rate Retention Scheme Appeals

The Council is required to make provision for the costs associated with refunding business ratepayers with regard to current and prior year appeals against the rateable values of their properties on the rating list. The Council has estimated the total value of this provision to be £3.568 million as at 31 March 2016. This liability however, is shared between Wiltshire Council (49%), Central Government (50%) and Wiltshire and Swindon Fire Authority (1%). The Council's share of this provision is therefore £1.748 million.

Other Provisions

All other provisions are individually insignificant and are expected to be used during 2016/2017.

Note 46 Borrowing

An analysis of loans by maturity is as follows:

	2015/2016 £000	2014/2015 £000
Short Term Borrowing		
Maturing within 1 year	(14,209)	(14,228)
Long Term Borrowing		
Maturing in 1 to 2 years	(10,000)	(12,000)
Maturing in 2 to 5 years	(26,810)	(22,810)
Maturing in 5 to 10 years	(48,123)	(42,000)
Maturing in more than 10 years	(252,915)	(263,058)
Total Maturing after 1 year	<u>(337,848)</u>	<u>(339,868)</u>
Total Borrowing	<u><u>(352,057)</u></u>	<u><u>(354,096)</u></u>

The total borrowing can be further analysed by lender category:

	2015/2016 £000	2014/2015 £000
Lenders		
Public Works Loans Board	(290,041)	(292,069)
Money Market	(62,016)	(62,027)
	<u>(352,057)</u>	<u>(354,096)</u>

Note 47 Usable Reserves

Movements in the Council's usable reserves are detailed in the Movement in Reserves Statement and Note 8.

Reserve	Note	2015/2016 £000	2014/2015
General Fund		(12,206)	(12,147)
Earmarked Reserves	48	(26,377)	(27,837)
Housing Revenue Account Balance		(20,479)	(18,162)
Major Repairs Reserve	49	(9,115)	(10,956)
Usable Capital Receipts Reserve	50	(7,717)	(6,235)
Capital Grants and Contributions		(26,617)	(33,181)
Unapplied Account			
Total Usable Reserves		<u><u>(102,511)</u></u>	<u><u>(108,518)</u></u>

Note 48 Transfers to/ from Earmarked reserves

This note sets out the amounts set aside from the General Fund and HRA balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund and HRA expenditure in 2015/2016.

Reserve	2014/2015	Movement	2015/2016
	£000	in 2015/2016	£000
PFI Reserve	(4,416)	112	(4,304)
Insurance Reserve	(3,315)	4	(3,311)
Locally Managed Schools' Balances - to be spent on educational services	(9,724)	1,088	(8,636)
Elections Reserve	(330)		(330)
Area Board Reserve	(191)	131	(60)
Revenue Grants Earmarked Reserve	(5,518)	(176)	(5,694)
Digital Inclusion	(183)		(183)
PFI Housing Scheme Earmarked Reserve	(3,092)	112	(2,980)
Transformation Reserve	(736)	736	0
Action 4 Wiltshire Reserve	(180)	15	(165)
Business Plan Priority Funding Reserve	(141)	141	0
Economic Development & Planning Reserve	(11)	(3)	(14)
Single voice of Customer Reserve		(700)	(700)
Total	(27,837)	1,460	(26,377)

Note 49 Major Repairs Reserve

The Major Repairs reserve was a requirement under the Accounts and Audit Regulations to transfer into it a sum not less than the Major Repairs Allowance, which was an element of the former HRA subsidy. Now that the HRA is self financing, the reserve is no longer a formal requirement but can be used as previously to earmark funds to be spent for capital expenditure on Housing Revenue Account assets.

	2015/2016	2014/2015
	£000	£000
Transfer to Capital	8,028	4,871
HRA Depreciation	(11,812)	(16,580)
Transfer to HRA	5,625	10,393
Movement in Year	1,841	(1,316)
Balance at 1 April	(10,956)	(9,640)
Balance at 31 March	(9,115)	(10,956)

Note 50 Usable Capital Receipts Reserve

	2015/2016		2014/2015
	£000	£000	£000
Amounts Receivable in year			
- disposal of land and buildings	(12,111)		(5,785)
- Other capital receipts - mortgages	(204)		(181)
- Other capital receipts	(254)		(449)
- Housing Pooled Capital Receipt	(790)		(722)
		(13,359)	(7,137)
Amounts applied to finance new capital investment in year			
- capital receipts utilised	11,087		11,315
- transfer to I&E equal to contribution to Housing Pooled Capital receipt	790		722
		11,877	12,037
Movement in Year		(1,482)	4,900
Balance at 1 April		(6,235)	(11,135)
Balance at 31 March		(7,717)	(6,235)

Note 51 Unusable Reserves

Reserve	Note	2015/2016		2014/2015	
		£000	£000	£000	£000
Revaluation Reserve	52	(175,666)		(194,500)	
Capital Adjustment Account	53	(333,853)		(332,816)	
Financial Instruments Adjustment Account		956		956	
Deferred capital receipts		(1,738)		(1,622)	
Pensions Reserve	54	543,446		617,189	
Collection Fund Adjustment Account		(1,678)		(1,696)	
Accumulated Absences Account		5,151		6,803	
Total Unusable Reserves		36,618		94,314	

Note 52 Revaluation Reserve

The balance of this account represents the revaluation gains (as certified by its external valuers GVA Grimley) made by the Council arising from increases in the value of its Property, Plant and Equipment assets. The reserve only contains revaluation gains accumulated since 1 April 2007, the date the reserve was created. Accumulated gains prior to this have been consolidated into the balance on the Capital Adjustment account.

Revaluation Reserve	2015/2016		2014/2015	
	£000	£000	£000	£000
Revised balance at 1 April	(194,500)		(175,493)	
Upward revaluation of assets	(29,173)		(42,538)	
Downward revaluations not charged to surplus/ deficit on the provision of services	11,441		10,824	
Surplus or deficit on revaluation of non-current assets not posted to surplus/ deficit on the provision of services	(212,232)		(207,207)	
Difference between fair value depreciation and historic cost depreciation	10,724		7,401	
Accumulated gains on assets sold or scrapped	25,842		5,306	
Balance at 31 March	(175,666)		(194,500)	

Note 53 Capital Adjustment Account

The Capital Adjustment Account reflects the timing differences arising from the different arrangements for accounting for the financing of the acquisition of assets and the consumption of those assets.

This account shows the reversal of amounts relating to Capital that are charged to the Comprehensive Income and Expenditure Statement. It also shows the financing of capital expenditure and the reversal of sums charged to the Comprehensive Income and Expenditure Statement that have been set aside to repay debt.

	2015/2016	2014/2015
	£000	£000
Opening balance at 1 April	(332,816)	(350,356)
Reversal of items relating to capital expenditure debited or credited to the comprehensive income and expenditure account		
- charges for depreciation of non-current assets	33,599	44,240
- adjustment for additional depreciation re Foundation Schools		0
- charges for impairment/ revaluations of plant, property and equipment	15,211	25,127
- charges for impairment of investment properties		903
- gains in fair value on Investment properties	(393)	(1,176)
- movements in value on assets held for sale	0	220
- amortisation of intangible assets	1,596	1,446
- revenue expenditure funded from capital under statute	29,501	21,710
- disposals	44,067	16,899
	<hr/>	<hr/>
Adjusting amounts written out of Revaluation Reserve	(36,566)	(12,707)
	<hr/>	<hr/>
Net written out amount of the cost of non-current assets consumed in the year	(245,801)	(253,694)
	<hr/>	<hr/>
Capital financing applied in the year		
-Use of capital receipts reserve to finance new capital expenditure	(11,087)	(11,315)
-Use of major repairs reserve to finance new capital expenditure	(8,028)	(4,870)
-capital grants and contributions credited to the comprehensive income and expenditure statement applied to capital financing	(25,808)	(29,310)
-application of grants to capital financing from capital grants unapplied account	(24,103)	(15,685)
-statutory provision for the financing of capital investment charged against the general fund and HRA balances	(15,051)	(13,956)
-capital expenditure charged against the general fund and HRA balances	(3,975)	(3,986)
	<hr/>	<hr/>
Balance at 31 March	<u>(333,853)</u>	<u>(332,816)</u>

Note 54 Movement in Pension Surplus/ Deficit during the year

The movement in the liabilities in the Pension Fund are as follows:

	Period ended 31 March 2016			Period ended 31 March 2015		
	Assets	Liabilities	Net (liability)/ asset	Assets	Liabilities	Net (liability)/ asset
	£000	£000	£000	£000	£000	£000
Fair value of employer assets	844,248		844,248	744,193		744,193
Present value of funded liabilities		(1,399,444)	(1,399,444)		(1,186,006)	(1,186,006)
Present value of unfunded liabilities		(61,993)	(61,993)		(57,929)	(57,929)
Opening Position	844,248	(1,461,437)	(617,189)	744,193	(1,243,935)	(499,742)
Service cost						
Current service cost*		(35,886)	(35,886)		(28,971)	(28,971)
Past service cost (including curtailments)		(258)	(258)		(301)	(301)
Effect of settlements	(6,072)	10,773	4,701	(1,366)	2,171	805
Total service cost	(6,072)	(25,371)	(31,443)	(1,366)	(27,101)	(28,467)
Net interest						
Interest income on plan assets	26,755		26,755	31,909		31,909
Interest cost on defined benefit obligation		(46,426)	(46,426)		(53,349)	(53,349)
Impact of asset ceiling on net interest	0	0	0	0	0	0
Total net interest	26,755	(46,426)	(19,671)	31,909	(53,349)	(21,440)
Total defined benefit cost recognised in Profit or (Loss)	20,683	(71,797)	(51,114)	30,543	(80,450)	(49,907)
Cashflows						
Plan participants' contributions	7,856	(7,856)	0	7,722	(7,722)	0
Employer contributions	28,311		28,311	27,186		27,186
Contributions in respect of unfunded benefits	3,668		3,668	3,711		3,711
Benefits paid	(40,889)	40,889	0	(40,698)	40,698	0
Unfunded benefits paid	(3,668)	3,668	0	(3,711)	3,711	0
Expected closing position	860,209	(1,496,533)	(636,324)	768,946	(1,287,698)	(518,752)
Remeasurements						
Change in demographic assumptions		0	0		0	0
Change in financial assumptions		125,546	125,546		(179,806)	(179,806)
Other experience		21,921	21,921		9,088	9,088
Return on assets excluding amounts included in net interest	(54,589)		(54,589)	72,903		72,903
Total remeasurements recognised in Other Comprehensive Income (OCI)	(54,589)	147,467	92,878	72,903	(170,718)	(97,815)
Effect of business combination and disposals	0	0	0	2,399	(3,021)	(622)
Fair value of employer assets	805,620		805,620	844,248		844,248
Present value of funded liabilities		(1,293,695)	(1,293,695)		(1,399,444)	(1,399,444)
Present value of unfunded liabilities		(55,371)	(55,371)		(61,993)	(61,993)
Closing position	805,620	(1,349,066)	(543,446)	844,248	(1,461,437)	(617,189)

* The current service cost includes an allowance for administration expenses of 0.5% of payroll.

NOTES TO THE CASHFLOW STATEMENT**Note 55 Cash Flow Operating Activities**

The cash flows for operating activities include the following items:

	2015/2016 £000	2014/2015 £000
Interest Received	(950)	(811)
Interest Payable	13,196	13,407

Note 56 Cash Flow Investing Activities

	2015/2016 £000	2014/2015 £000
Purchase of Property, plant and equipment, investment property and intangible assets	77,473	64,990
Investments - Purchase of and deposits made	544,398	706,089
Investments - Sale of and returning of deposits made	(564,802)	(738,047)
Proceeds from sale of property, plant and equipment, investment property and intangible assets	(13,271)	(7,220)
Other receipts from investing activities	(43,347)	(54,330)
Net Cash flows from investing activities	451	(28,518)

Note 57 Cash Flow Financing Activities

	2015/2016 £000	2014/2015 £000
Cash Receipts of short and long term borrowing	(20,437)	12,043
Net cash flows from financing activities	(20,437)	12,043

OTHER NOTES**Note 58 Contingent Liabilities**

The Council is required to show an estimate of future costs that may occur that are not currently reflected in the accounts. The estimate of the costs is a contingent liability. The council has identified the following contingent liability at 31 March 2016:

Insurance Claims

As at 31 March 2016 there are 33 insurance claims where liability has yet to be established. The estimated value of these claims should the Council be found liable in every instance is £1.141 million

Note 59 Contingent Assets

A Contingent Asset is defined as a possible asset that arises from a past event and whose existence will be confirmed only by the occurrence of one or more future events not wholly within the Council's control. This is not recognised in the Comprehensive Income and Expenditure Statement or Balance Sheet because prudence cautions that the gain might never be realised.

The council has identified no contingent assets at 31 March 2016.

Note 60 Pension Schemes Accounted for as defined contribution Schemes**Teachers pension scheme**

In 2015/2016 the Council paid £16.22 million to the Department for Education and Skills in respect of teachers' pension costs which represent 14.1% of teachers' pensionable pay. In addition, the Council is responsible for all pension payments relating to added years it has awarded, together with the related increases. In 2015/2016 these amounted to £2.45 million.

Note 61 Defined benefit Pension Schemes**Participation in Pensions Schemes**

As part of the terms and conditions of employment for officers and other employees, the Council offers retirement benefits. Although these will not actually be payable until employees retire, the Council has a commitment to make the payments and this needs to be disclosed at the time that employees earn their future entitlement.

The Council participates in two pension schemes:

- The Local Government Pension Scheme for civilian employees, administered by Wiltshire Council – this is a funded scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level estimated to balance the pensions liabilities with investment assets.
- The Teachers' Pension Scheme – this is an unfunded scheme, meaning that there are no investments assets built up to meet the provisions liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due. The liability for this scheme falls upon central government.

Liabilities have been assessed by Hymans Robertson, an independent firm of actuaries, on an actuarial basis using the projected unit method based on the full actuarial valuation of the fund carried at 31 March 2013.

Pension costs have been charged to the Comprehensive Income and Expenditure Statement on the basis required by IAS 19, contributions payable to the Wiltshire Council pension scheme are based on a 2013 actuarial valuation report dated 31 March 2016. These IAS 19 amounts are then reversed out by a contribution to/from the Pensions reserve, so that they have no impact on the Council Tax.

Assets and liabilities in relation to Retirement Benefits

The underlying assets and liabilities for the retirement benefits attributable to the Council as at 31 March 2016 are as follows:

Local Government Pension Scheme	31 March 2016	31 March 2015
	£000	£000
Fair Value of Employer Assets	805,620	844,248
Present Value of Funded Liabilities	(1,293,695)	(1,399,444)
Net (Under)/Overfunding in Funded Plans	(488,075)	(555,196)
Present value of Unfunded Liabilities	(55,371)	(61,993)
Net Asset/(Liability)	(543,446)	(617,189)
Amount on balance sheet		
Asset	805,620	844,248
Liability	(1,349,066)	(1,461,437)
Liability Amount in Balance Sheet	(543,446)	(617,189)

A more detailed breakdown is included in note 54.

Information about the defined benefit obligation

	Liability split		Duration
	£000	%	
Active members	557,692	43.1	24.7
Deferred members	259,286	20.0	23.1
Pensioner members	476,717	36.9	12.1
Total	1,293,695	100.0	18.3

The obligation shows the underlying commitments that the Council has in the long run to pay retirement benefits. Statutory arrangements for the funding of the deficit mean that the financial position of the Council remains healthy. The deficit on the scheme will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary.

Pension Assumptions**Financial Assumptions**

The estimates of pensions payable in future years are dependent on certain assumptions. The main assumptions used in the calculations are:

Assumptions as at Year Ended:	31 March 2016 % per annum	31 March 2015 % per annum
Pension Increase Rate	2.2%	2.4%
Salary Increase Rate	4.2%	4.3%
Discount Rate	3.5%	3.2%

Assumptions on Mortality Rates

Life expectancies are based on the PFA92 and PMA92 tables are projected as follows:

	Males	Females
Current Pensioners	22.3 years	24.5 years
Future Pensioners	24.1 years	26.9 years

Life expectancies for the prior period end are based on the Fund's VitaCurves. The allowance for future life expectancies is shown below:

Year Ended	Prospective Pensioners	Pensioners
31 March 2014	CMI 2010 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.a.	CMI 2010 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25%

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Pension Assets**Fair value of employer assets**

Assets in the Wiltshire County Council Pension Fund are valued at a fair value, principally market value for investment and consist of the following categories, by proportion:

Asset Category	31 March 2016				31 March 2015			
	Quoted Prices in Active Markets £000	Prices not quoted in Active Markets £000	Total £000	%	Quoted Prices in Active Markets £000	Prices not quoted in Active Markets £000	Total £000	%
Equity Securities:								
Consumer	21,668	0	21,668	3%	19,725	0	19,725	2%
Manufacturing	12,709	0	12,709	2%	13,688	0	13,688	2%
Financial Institutions	4,543	0	4,543	1%	3,620	0	3,620	1%
Health & Care	5,578	3	5,581	1%	6,165	60	6,225	1%
Information Technology	99,603	0	99,603	12%	87,038	0	87,038	10%
Other	3,343	0	3,343	0%	5,502	0	5,502	1%
Debt Securities:								
Corporate Bonds (investment grade)	0	0	0	0%	1,191	67,260	68,451	8%
Corporate Bonds (non investment grade)	0	0	0	0%	0	2,226	2,226	0%
UK Government	0	0	0	0%	0	3,282	3,282	0%
Other	0	0	0	0%	15	12,217	12,232	1%
Real Estate:								
UK Property	0	99,106	99,106	12%	10,861	74,134	84,995	10%
Overseas Property	0	2,660	2,660	0%	0	4,421	4,421	1%
Investment Funds & Unit Trusts:								
Equities	0	345,996	345,996	43%	0	374,821	374,821	44%
Bonds	0	131,214	131,214	16%	0	52,544	52,544	6%
Hedge Funds	0	0	0	0%	0	16,262	16,262	2%
Commodities	0	6,800	6,800	1%				
Infrastructure	0	64,609	64,609	8%	0	4,383	4,383	1%
Other	0	4,832	4,832	1%	58,319	6,607	64,926	8%
Derivatives:								
Foreign Exchange	0	0	0	0%	(220)	0	(220)	0%
Other	0	0	0	0%	0	0	0	0%
Cash & Cash Equivalents								
All	2,956	0	2,956	0%	20,119	8	20,127	2%
Total	150,400	655,220	805,620	100%	226,023	618,225	844,248	100%

Projected defined benefit costs for the period to 31 March 2017

The estimated employer contributions for the year to 31 March 2017 will be approximately £27.821 million.

The amounts determined by the actuary to be charged to the revenue account under IAS 19 were as follows:

Period Ended 31 March 2016	Assets £000	Obligations £000	Net (Liability)/Asset £000 % of Payroll	
Projected Current Service Cost	0	30,817	(30,817)	(25.1%)
Total Service Costs	0	30,817	(30,817)	(25.1%)
Interest Income on Plan Assets	28,816	0	28,816	23.4%
Interest Cost on Defined Benefit Obligation	0	47,825	(47,825)	(38.9%)
Total Net Interest Cost	28,816	47,825	(19,009)	(15.5%)
Total included in Profit or Loss	28,816	78,642	(49,826)	(40.6%)

Sensitivity Analysis

The sensitivity regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in Assumptions as at 31 March 2016	Approximate % increase to Employer	Approximate monetary amount (£)
0.5% decrease in Real Discount Rate	10%	132,225
1 year increase in member life expectancy	3%	40,472
0.5% increase in the Salary Increase Rate	3%	34,308
0.5% increase in the Pension Increase Rate	7%	96,382

Further information can be found in the Wiltshire Pension Fund annual report 2015/2016 which is available on request. Requests for this report, or any other queries arising from the Wiltshire Pension Fund Accounts, should be addressed to the Associate Director, Finance, Wiltshire Council, County Hall, Bythesea Road, Trowbridge, BA14 8JN.

Note 62 Nature and Extent of risks arising from Financial Instruments**Risk**

The Council's overall risk management programme focuses on the unpredictability of financial markets, and seeks to minimise potential adverse effects on the resources available to fund services.

Risk management is carried out by a central treasury team under policies approved by the Council in the annual treasury management strategy. The Council provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk, and the investment of surplus cash.

The Council contracts with a treasury adviser, regularly reviewing credit ratings of potential organisations and their respective country's ratings incorporating all three main credit rating agencies, together with other 'tools' used to assess the credit quality of institutions such as credit default swaps. The Council uses this information to assess institutions with which it may place deposits or from which it may borrow, including interest rate forecasts for both borrowing and investment, together with setting a 'benchmark' borrowing rate. The Council's investment policy is 'aimed' at the prudent investment of surplus cash balances to optimise returns whilst, first, ensuring the security of capital and liquidity of investments. However, the Council, like any other organisation, can be exposed to financial risk. Examples of the main risks are shown below.

Credit Risk

The credit risk that counterparties are unable to repay investments could impinge on the Council's ability to meet its financial liabilities. Investment counterparty risk is controlled by the use of appropriate criteria to assess and monitor credit risk. The Council has an established and regularly updated lending list, which categorises counterparties according to country, type, sector, maximum investment (individually and as a group) and the maximum duration of the investment.

Liquidity Risk

Liquidity Risk arises due to the uncertainty of liquidity in the market within which the Council "deals" and the Council's own liquidity position. The Council maintains a maturity analysis of financial assets and liabilities within its treasury management system and regularly monitors the maturity of assets and liabilities.

Market Risk

Market Risk is the risk that the value of the Council's investments decrease due to market factors, such as interest rate risk (changes in the level of interest rates). Within the context of the financial instruments that the Council currently holds, it does not have significant exposure to equity risk (changes in share prices), currency risk (foreign exchange rate movements) and commodity risk (changes in the price of e.g. grain, metals etc.).

The Council's strategies take account of the forecast movement in interest rates and allow sufficient flexibility to vary the strategy if movements in interest rates are not in line with forecasts.

Refinancing Risk

Refinancing risk is the risk that the Council cannot, when required (e.g. to finance the Capital Programme), refinance by borrowing to repay existing debt because of the prohibitive rates for refinancing a loan. The majority of the Authority's borrowing is undertaken through the Public Works Loans Board (PWLB), a Government organisation that lends to local authorities. Information, including regular updates, provided by treasury advisers enables the Council to manage and monitor forecast borrowing rates and to support decisions in respect of the restructuring of loans.

Exposure to Risk - Summary Data

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers.

This risk is minimised through the Annual Investment Strategy, which requires that deposits are not made with financial institutions unless they meet identified minimum credit criteria, in accordance with the Fitch, Moody's and Standard & Poors Credit Ratings Services. The Annual Investment Strategy also considers maximum amounts and time limits in respect of each financial institution. Deposits are not made with banks and financial institutions unless they meet the minimum requirements of the investment criteria outlined above. Additional selection criteria are also applied after the application of this initial criteria. Details of the Investment Strategy can be found on the Council's website.

This Council uses the creditworthiness service provided by Capita Asset Services. This service uses a sophisticated modelling approach with credit ratings from all three rating agencies - Fitch, Moodys and Standard and Poors, forming the core element. However, it does not rely solely on the current credit ratings of counterparties but also uses the following as overlays:

- credit watches and credit outlooks from credit rating agencies
- CDS spreads to give early warning of likely changes in credit ratings
- sovereign ratings to select counterparties from only the most creditworthy countries

The full Investment Strategy for 2015/2016 was approved by Full Council on 23 February 2016 and is available on the Council's website.

Customers for goods and services are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in accordance with parameters set by the Council.

The Council's maximum exposure to credit risk in relation to its investments in financial institutions of £22.5 million (all short term investments) cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of irrecoverability applies to all of the Authority's deposits, but there was no evidence at the 31 March 2016 that this was likely to crystallise.

The following table shows the percentage of Investments by country, Sovereign rating and credit rating category (based on Fitch Credit Ratings), the diversification of the Council's investments and the maximum invested with an individual borrower by country and within each credit rating category.

Country	Sovereign Rating	Credit Rating Category	Type of Institution	Duration	Investment Held %	maximum invested with Single Counterparty %
N/A	N/A	AAA - £15m	Money Market Fund	0-2 yrs	64.02	64.02
N/A	N/A	AAA - £15m	Money Market Fund	0-2 yrs	0.01	0.01
Sweden	AAA	F1+/AA- - £8m	Overseas Banks	0-1 yr	0.07	0.07
Germany	AAA	F1/A - £8m	Overseas Banks	6 Months	35.77	35.77
Iceland	No Rating	No Rating	Overseas Banks	N/A	0.13	0.13
					100.00	

The credit ratings in the above table are those that were applicable on 31 March 2016. The outstanding investments shown include a small percentage held in an escrow account in Iceland, awaiting release dependent upon the timing of the relaxation/cessation of capital controls preventing its release.

No credit limits were exceeded during the reporting period and the Council does not expect any losses from non-performance by any of its counterparties in relation to deposits and bonds.

Investments in money market funds make up 64% of the Council's total outstanding investments at 31 March 2016 and the balance of 36% are invested overseas. Any institutions, which, after 31 March 2016, no longer fall within the minimum investment criteria laid down in the Council's Annual Investment Strategy have subsequently been removed and any outstanding investments terminated at the earliest opportunity.

The following analysis summarises the Council's potential maximum exposure to credit risk, based on experience of default and uncollectability over the last five financial years, adjusted to reflect current market conditions.

	Amount at 31 March 2016	Historical experience of default %	Historical experience adjusted for market conditions at 31 March 2016 %	Estimated maximum exposure to default and uncollectability	Estimated maximum exposure at 31 March 2016
	A	B	C	(A x C)	
Deposits with banks and financial institutions	27,438,448	0	0	0	0
Bonds	0	0	0	0	0
Debtors	0	0	0	0	0

No credit limits were exceeded during the reporting period.

The Council does not normally allow credit for customers.

Collateral - During the reporting period, the Council held no collateral as security.

Liquidity Risk

The Council manages its liquidity position through the risk management procedures above (the setting and approval of prudential indicators and the approval of the treasury and investment strategy reports), as well as through a comprehensive cash flow management system, as required by the CIPFA Code of Practice. This seeks to ensure that cash is available when needed.

The Council has ready access to borrowings from the money markets to cover any day to day cash flow need, and the PWLB and money markets for access to longer term funds. The Council is also required to provide a balanced budget through the Local Government Finance Act 1992, which ensures sufficient monies are raised to cover annual expenditure. There is therefore no significant risk that the Council will be unable to raise finance to meet its commitments under financial instruments.

At 31 March 2016 Wiltshire Council had a mixture of PWLB and market loans outstanding. The balance sheet gives details of the split between loans payable within one year and the spread of longer term loans (loans that are outstanding for more than one year). The following table shows the detailed maturity analysis of debt outstanding at the Balance Sheet date and the average rate of interest. The table shows that, including the PWLB loans taken out for the HRA Self Financing Settlement, the overall average interest rate is 3.769%.

31 March 2016 Term of Loan	Market Loans (at the effective interest rate)	PWLB Loans (including Accrued Interest)	Total Amount Outstanding (including Accrued Interest)	Average Rate of Interest	Percentage of Total Loans	Temporary Loans	Soft Loan
Within 1 Year	667,312	13,541,598	14,208,910	3.695%	4.0%	20,000,000	2,472,500
Between 1 and 2 Years	0	10,000,000	10,000,000	4.020%	2.8%	0	0
Between 2 and 5 Years	0	26,810,000	26,810,000	1.754%	7.6%	0	0
Between 6 and 10 Years	0	48,123,038	48,123,038	2.913%	13.7%	0	0
Between 11 and 15 Years	0	49,000,000	49,000,000	3.641%	13.9%	0	0
More than 15 Years	61,348,728	142,566,144	203,914,872	4.258%	58.0%	0	0
	62,016,040	290,040,780	352,056,820	3.769%	100.0%	20,000,000	2,472,500

31 March 2015 Term of Loan	Market Loans (at the effective interest rate)	PWLB Loans (including Accrued Interest)	Total Amount Outstanding (including Accrued Interest)	Average Rate of Interest	Percentage of Total Loans	Temporary Loans	Soft Loan
Within 1 Year	656,329	13,571,627	14,227,956	3.375%	4.0%	0	0
Between 1 and 2 Years	0	12,000,000	12,000,000	3.695%	3.4%	0	0
Between 2 and 5 Years	0	22,810,000	22,810,000	2.831%	6.4%	0	0
Between 6 and 10 Years	0	42,000,000	42,000,000	2.839%	11.9%	0	0
Between 11 and 15 Years	0	49,123,038	49,123,038	3.395%	13.9%	0	0
More than 15 Years	61,370,431	152,564,281	213,934,712	4.276%	60.4%	0	0
	62,026,760	292,068,946	354,095,706	3.837%	100.0%	0	0

Market loans are Lender Option Borrower Option (LOBO) loans, which give the lender the option at certain dates to vary the interest rate, at which point the Council may choose to accept the new rate of interest or repay the loan and if necessary refinance the loan, the aim being to refinance the loan at a more favourable rate of interest. LOBOs are included within the period that reflects the contracted maturity date (as opposed to the option date) in accordance with the Statement of Recommended Practice (SORP). On this basis all LOBOs fall within the "More than 15 Years" maturity period. Any accrued interest is shown as payable within one year, as per the SORP.

The soft loan, for the sum of £2,472,500, shown in 2015-16 relates to a loan, payable within one year, the Council received, at an interest rate (in this case 0%), which is below prevailing market rates and rates that the Council could borrow at, at the balance sheet date. The loan was provided by South West Local Enterprise Partnership under the Growing Places Revolving Infrastructure Fund, which provides capital funding to improve the timing of infrastructure delivery. The funds have been drawn down at various stages between March 2013 and December 2015 for capital development associated with phase two of Castledown Business Park at Tidworth Road Ludgershall. As at 31 March 2016, when the soft loan was initially recognised, a gain is recorded in the Comprehensive Income and Expenditure Statement for the present value of the interest that will not be incurred over the life of the instrument, resulting in a higher amortised cost than the outstanding principal. Interest is debited at the higher (than the rate payable to the SWLEP - 0%) effective rate of interest, as the amounts of interest debited and the notional gain in 2015-16 are the same, the amortised cost of the loan remains the same in the Balance Sheet. Statutory provisions require that the impact of soft loans on the General Fund Balance is the interest payable for the financial year – the reconciliation of amounts debited and credited to the Comprehensive Income and Expenditure Statement to the net gain required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account.

Refinancing and Maturity Risk

The Council maintains a significant debt and investment portfolio. Whilst the cash flow procedures above are considered against the refinancing risk procedures, longer-term risk to the Council relates to managing the exposure to replacing financial instruments as they mature. This risk relates to both the maturing of longer term financial liabilities and longer term financial assets.

The approved treasury indicator limits for the maturity structure of debt and the limits on investments placed for greater than one year in duration are the key parameters used to address this risk. The Council's approved treasury and investment strategies address the main risks and the central treasury team address the operational risks within the approved parameters. This includes:

- monitoring the maturity profile of financial liabilities and amending the profile through either new borrowing or the rescheduling of the existing debt
- monitoring the maturity profile of investments to ensure sufficient liquidity is available for the Council's day to day cash flow needs, and the spread of longer term investments provide stability of maturities and returns in relation to the longer term cash flow needs.

The maturity analysis of financial liabilities is as follows, with the maximum and minimum limits for fixed interest rates maturing in each period (approved by Council in the Treasury Management Strategy):

	Approved Minimum Limits		Approved Maximum Limits		Actual 31 March 2016		Actual 31 March 2015	
					£000s	%	£000s	%
Less than 1 Year	0%	15%	14,228.0	3.4%	14,228.0	4.0%	14,228.0	4.0%
Between 1 and 2 Years	0%	15%	10,000.0	2.9%	12,000.0	3.4%	12,000.0	3.4%
Between 2 and 5 Years	0%	45%	26,810.0	7.7%	22,810.0	6.4%	22,810.0	6.4%
Between 5 and 10 Years	0%	75%	48,123.0	13.8%	42,000.0	11.9%	42,000.0	11.9%
More than 10 Years	0%	100%	252,914.8	72.2%	263,057.7	74.3%	263,057.7	74.3%
			352,075.8	100.0%	354,095.7	100.0%	354,095.7	100.0%

The Council's policy is to limit the amount of long term loans maturing in any one financial year to a maximum of 15%. Currently the maximum is 4.2% (£14.810 million (£10 million General Fund and £4.810 million HRA) in 2018-19).

The total value of loans has decreased in 2015/16. This mainly reflects the maturity of a £2 million PWLB loan during the financial year, which was not refinanced.

Market Risk

Interest rate risk - The Council is exposed to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council, depending on how variable and fixed interest rates move across differing financial instrument periods. For instance, a rise in variable and fixed interest rates would have the following effects:

- Borrowings at variable rates - the interest expense charged to the Comprehensive Income and Expenditure Statement will rise
- Borrowings at fixed rates - the fair value of the borrowing will fall (no impact on revenue balances);
- Investments at variable rates - the interest income credited to the Comprehensive Income and Expenditure Statement will rise
- Investments at fixed rates - the fair value of the assets will fall (no impact on revenue balances).

Borrowings are not carried at fair value on the balance sheet, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund Balance, subject to influences from Government grants (i.e. HRA). Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in the Other Comprehensive Income and Expenditure Statement.

The Council has a number of strategies for managing interest rate risk. The Annual Treasury Management Strategy draws together the Council's prudential and treasury indicators and its expected treasury operations, including an expectation of interest rate movements. From this Strategy a treasury indicator is set which provides maximum limits for fixed and variable interest rate exposure. The central treasury team will monitor market and forecast interest rates within the year to adjust exposures appropriately. For instance during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate investments may be taken for longer periods to secure better long term returns, similarly the drawing of longer term fixed rates borrowing would be postponed.

Wiltshire Council is mainly exposed to interest rate risk (in terms of financial instruments, the Council has little or no exposure to equity risk, currency risk or commodity risk). At 31 March 2016 the Council held £22.5 million in short term investments and £4.9 million in an overnight treasury account classified as and shown within cash and cash equivalents (including accrued interest), at various interest rates.

Where interest rates decrease at a time when the Council has cash "tied up" in short term investments there is an opportunity benefit, which reflects the benefit that has been gained because the Council has been able to invest at the higher rate of interest. If interest rates had been below rates obtained on the investments outstanding at 31 March 2016 and the investments had matured prior to that date, interest taken to the Comprehensive Income and Expenditure Statement could have been less than the interest actually credited to the account. Of course, the opposite could have been true if interest rates had risen.

The fair value of the Council's short term investments has been calculated using market rates at 31 March 2016. This valuation is not significantly different from the carrying amount of the investments in the accounts.

The average interest rate receivable on all short term investments held at 31st March 2016 was 0.56%. If the average rate of interest had increased by 0.50% one month prior to 31st March 2016, the additional interest that could have been credited to the Comprehensive Income and Expenditure Statement and the Council would have

been £10,000 "better off" than if the funds were invested at the lower rate. With the benefit of hindsight, market conditions at the balance sheet date indicate that interest rates didn't fluctuate significantly between the issue dates of the investments and 31 March 2016.

Price risk - The Council, excluding the pension fund, does not generally invest in equity shares or marketable bonds.

Foreign exchange risk - Under normal circumstances, the Council has no financial assets or liabilities denominated in foreign currencies and, therefore, has no exposure to loss arising from (adverse) movements in exchange rates. However, the Council currently has foreign exchange exposure relating to a small part of the first repayment from the Icelandic bank, Landsbanki Winding-up Board, which was paid in Icelandic Kroner (ISK) and is being held in an interest bearing escrow account in Iceland, due to continuing currency controls preventing the release of the funds. The value of the deposit at 31 March 2016 was £28,865.29, including accrued interest. Under the International Accounting Standard 21 (IAS 21), the amount held has been translated using the exchange rate as at 31 March 2016 in accordance with rates quoted by the Icelandic Central Bank and, due to the movement in the exchange rate, a small exchange gain of £3,421.57 has been recognised in the Comprehensive Income and Expenditure Statement.

Note 63 Fair Value

Financial liabilities and financial assets represented by loans and receivables are carried on the balance sheet at amortised cost (in long term assets/liabilities with accrued interest in current assets/liabilities). Their fair value can be assessed by calculating the present value of the cash flows that take place over the remaining life of the instruments, using the following assumptions:

- for loans from the PWLB and other loans payable, borrowing rates from the PWLB have been applied to provide the fair value under PWLB debt redemption procedures. As the Debt Management Office provides a transparent approach allowing the exit cost to be calculated without undertaking a repayment or transfer it is appropriate to disclose the exit price. As an alternative, we have assessed the cost of taking a new loan at PWLB new loan rates applicable to existing loans on the Balance Sheet date (which could be viewed as a proxy for transfer value)
- for non-PWLB loans payable, prevailing market rates have been applied to provide the fair value
- for loans receivable prevailing benchmark market rates have been used to provide the fair value
- no early repayment or impairment is recognised
- where an instrument has a maturity of less than 12 months or is a trade or other receivable the fair value is taken to be the carrying amount or the billed amount
- the fair value of trade and other receivables is taken to be the invoiced or billed amount

All the financial assets are classed as Loans and Receivables and held with Money Market Funds and Notice Accounts. The financial liabilities are held with PWLB and Market lenders. All of these investments and borrowings were not quoted on an active market and a Level 1 valuation is not available. To provide a fair value which provides a comparison to the carrying amount, we have used a financial model valuation provided by Capita Asset Services. This valuation applies the Net Present Value approach, which provides an estimate of the value of payments in the future in today's terms as at the balance sheet date. This is a widely accepted valuation technique commonly used by the private sector. Our accounting policy uses New Borrowing Rates to discount the future cash flows

The fair values, based on new borrowing rates, are compared with the carrying amounts in the following table:

Financial Liabilities	31 March 2016		31 March 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Long Term Loans:				
Market Loans	62,016,040	80,499,130	62,026,760	78,347,114
PWLB Loans	290,040,780	332,382,257	292,068,946	332,388,840
		0	0	0
Total Long Term Loans	352,056,820	412,881,387	354,095,706	410,735,954
Temporary Loans	20,000,000	20,003,823	0	0
Soft Loan	2,472,500	2,442,505	0	0
Total Loans Value	374,529,320	435,327,715	354,095,706	410,735,954
Short Term Creditors	0	0	0	0
Short Term Finance Leases	0	0	0	0
Long Term Creditors	0	0	0	0
Long Term Finance Leases	0	0	0	0

The fair values at 31 March 2016, based on the alternative premature repayment borrowing rates (provided by Capita Asset Services) are shown in the following table:

Financial Liabilities	31 March 2016	
	Carrying Amount	Fair Value
Long Term Loans:		
Market Loans	62,016,040	100,651,783
PWLB Loans* (see below)	290,040,780	373,718,879
Total Long Term Loans	352,056,820	474,370,662
Temporary Loans	20,000,000	20,005,864
Soft Loan	2,472,500	2,467,361
Total Loans Value	374,529,320	496,843,887
Short Term Creditors	0	0
Short Term Finance Leases	0	0
Long Term Creditors	0	0
Long Term Finance Leases	0	0

The fair value of loans outstanding, provided by PWLB, based on a premature repayment rate, is £373,702,304.

The fair value of the liabilities is greater than the carrying amount because the Council's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans in the market at the balance sheet date. This, currently, shows a notional future loss (based on economic conditions at 31 March 2016) arising from a commitment to pay interest to lenders above current market rates.

However, the authority has a continuing ability to borrow at concessionary rates from the PWLB rather than from the markets. A supplementary measure of the additional interest that the authority will pay as a result of its PWLB commitments for fixed rate loans is to compare the terms of these loans with the premature repayment borrowing rates available from the PWLB. If a value is calculated on this basis, the carrying amount of £290,040,780 would be valued at £373,718,879. But, if the authority were to seek to avoid the projected loss by repaying the loans to the PWLB, the PWLB would raise a penalty charge for early redemption in addition to charging a premium for the additional interest that will not now be paid. The exit price for the PWLB loans including the penalty charge would be £83,255,732

Financial Assets	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Loans and Receivables:				
Long Term Investments	0	0	0	0
Short term Investments	22,538,427	22,540,357	42,927,267	42,944,689
Cash and Cash Equivalents	4,900,020	4,900,020	0	0
Total Loans and Receivables	27,438,447	27,440,377	42,927,267	42,944,689
Short Term Debtors	0	0	0	0
Long Term Debtors	0	0	0	0
Total Financial Assets	27,438,447	27,440,377	42,927,267	42,944,689

The fair value of the assets is slightly higher than the carrying amount because the Council's portfolio of investments includes a fixed rate deposit where the interest rate receivable is higher than the comparable rates available for similar deposits in the market at the balance sheet date.

Short-term debtors and creditors are carried at cost as this is a fair approximation of their value

The effect on the fair value of a 1% increase in market interest rates would be:

Financial Liabilities	31 March 2016		31 March 2015	
	Carrying Amount	Fair Value (at Discount/Market Rate plus 1%)	Carrying Amount	Fair Value (at Discount/Market Rate plus 1%)
Long Term Loans:				
Market Loans	62,016,040	65,674,812	62,026,760	63,933,849
PWLB Loans	290,040,780	296,161,438	292,068,946	295,199,736
Total Long Term Loans	352,056,820	361,836,250	354,095,706	359,133,585
Temporary Loans	20,000,000	19,994,646	0	0
Soft Loans	2,472,500	2,418,617	0	0
Total Loans Value	374,529,320	384,249,513	354,095,706	359,133,585
Short Term Creditors	0	0	0	0
Short Term Finance Leases	0	0	0	0
Long Term Creditors	0	0	0	0
Long Term Finance Leases	0	0	0	0
Total Financial Liabilities	374,529,320	384,249,513	354,095,706	359,133,585
Loans and Receivables:				
Long Term Investments	0	0	0	0
Short term Investments	22,538,427	22,537,728	42,927,267	42,871,411
Cash and Cash Equivalents	4,900,020	4,900,020	0	0
Total Loans and Receivables	27,438,447	27,437,748	42,927,267	42,871,411
Short Term Debtors	0	0	0	0
Long Term Debtors	0	0	0	0
Total Financial Assets	27,438,447	27,437,748	42,927,267	42,871,411

In terms of loans, this results in a lower fair value because of the effect on premiums and discounts that would be payable/receivable as a result of the early repayment of debt (i.e. at 31 March 2016). Where there is an increase in the discount rates this will increase discounts receivable and reduce premiums payable on early repayment of loans.

Note 64 Fair Value of Non current Assets

This new note is being prepared with the valuer and will be updated when complete.

Housing Revenue Account

This account records the transactions relating to the Council's housing stock. The Local Government and Housing Act 1989 requires its separation to give a clear picture of the cost of providing homes for council tenants. Housing Revenue Account income and expenditure does not affect the amount of Council Tax levied.

	NOTE	2015/2016		2014/2015	
		£000	£000	£000	£000
Income					
Rents (gross):					
- dwellings		(25,021)		(24,555)	
- garages		(333)		(324)	
- other		(214)	(25,568)	(186)	(25,065)
Charges for services and facilities			(605)		(601)
Total Income			(26,173)		(25,666)
Expenditure					
Repairs and Maintenance			6,138		6,124
Supervision and Management:					
- general		2,544		2,778	
- special services		1,082	3,626	1,310	4,088
Rent rebates			0		0
Negative Subsidy payment to Secretary of State			0		0
Increased provision for bad debts			96		132
Depreciation & Impairments of Fixed Assets					
- On dwellings	3	11,612		16,380	
- On garages	3	148		148	
- On other Assets	3	52		52	
			11,812		16,580
Total Expenditure			21,672		26,924
Net Cost Of Services per Income & Expenditure Account			(4,501)		1,258
HRA Services share of Corporate and Democratic Core			321		321
Net Cost Of HRA Services			(4,180)		1,579
(Gain)/Loss on sale of HRA fixed assets			(886)		(1,482)
Interest Payable			3,673		3,673
Interest:					
- on mortgages		(54)		(47)	
- on balances		(110)	(164)	(89)	(136)
(Surplus)/Deficit for the Year on HRA services			(1,557)		3,634

Statement of Movement on the HRA Balances

	2015/2016 £000	2014/2015 £000
Balance on HRA at the end of previous year	(18,162)	(16,896)
(Surplus)/ Deficit for year on HRA Income and Expenditure Account	(1,557)	3,634
Adjustments between accounting basis and funding basis under statute	(760)	(4,900)
Net (increase)/decrease before transfers to/ from reserves	(2,317)	(1,266)
Transfer to/ from reserves	0	0
Net (increase)/decrease in year on HRA	(2,317)	(1,266)
Balance on HRA at the end of current year	(20,479)	(18,162)

Note to Statement of Movement on the HRA Balances

	2015/2016 £000	2014/2015 £000
Items included in the HRA Income and Expenditure Account but excluded from the movement on HRA balance for the year		
Gain/(Loss) on sale of HRA fixed assets	885	1,482
Items not included in the HRA Income and Expenditure Account but included from the movement on HRA balance for the year		
Transfer to/from Major Repairs Reserve note 5	(5,625)	(10,393)
Transfer to/from Pension Reserve note 6	12	39
Transfer to/from accumulated absences	(7)	(3)
Revenue Contributions to Capital Expenditure	3,975	3,975
Net Additional amount required by statute to be credited to the HRA balance for the year	(760)	(4,900)

Housing Revenue Account Notes

1 Housing Stock

Houses and Bungalows	31 March 2016	31 March 2015
- 1 bedroom	278	278
- 2 bedrooms	1,430	1,434
- 3 bedrooms	1,772	1,789
- 4+ bedrooms	141	143
Flats		
- 1 bedroom	918	918
- 2 bedrooms	692	694
- 3+ bedrooms	68	68
Total dwellings as at 31 March	5,299	5,324

The council sold 25 houses during 2015/2016 under the right to buy scheme (RTB), for which the council received a total before pooling of £1,875,200 as capital receipts.

The figures above do not include the PFI housing units recently brought on stream. Further information on these PFI dwellings is found in the PFI note.

2 Arrears

The year end position regarding arrears owed to the HRA was:

	31 March 2016 £000	31 March 2015 £000
Rent arrears	1,132	1,167
less rent payments in advance	(500)	(437)
less bad debt provision	(1,075)	(1,108)
Net arrears position	(443)	(378)

3 Movement of Housing Revenue Account Assets

	Council Dwellings (Structures) £000	Council Dwellings (Services) £000	Council Dwellings (Land) £000	Other Property (Garages) £000	Other Equipment £000	Total £000
Net Book Value 1 April 2015	128,966	24,991	78,178	3,564	199	235,898
Additions in Year	6,082	4,273	1,199			11,554
Disposals	(1,257)					(1,257)
Revaluations	4,559	2,765	1,353			8,677
Depreciation	(5,364)	(6,248)		(148)	(52)	(11,812)
Category Adjustments	166					166
Balance at 31 March 2016	133,152	25,781	80,730	3,416	147	243,226

The Balance Sheet value of Council Dwellings (structures, services and land) as at 31 March 2016 was £239,663,437. This represents the valuation at existing use for social housing which is the value of the properties with a secured tenant continuing to live in the property paying social rents rather than market rents.

The Vacant Possession value of the properties at 31 March 2016 was £773,107,868. This represents the value of the houses if the property were sold without a secured tenant continuing in the property. Therefore it could be rented out at market rent so has a higher value. This figure has been discounted by a factor of 31% to get the Existing use value - social housing.

The difference between the Vacant Possession value and the Balance Sheet value of dwellings within the HRA shows the Economic Cost of providing Council Housing at less than open market rents. The Economic Cost of the properties at 31 March 2016 was £533,444,431.

The value of land valued in the HRA which is included in the balance sheet value of the council dwellings is £80,729,633.

4 Financing of HRA capital expenditure

	2015/2016 £000
Revenue and Reserves	3,975
Other receipts (MRR)	9,859
	13,834
Council Dwellings (Structures and Services)	11,554
Plant & Equipment	0
Asset under Construction	2,280
	13,834

5 Major Repairs Reserve

	2015/2016 £000	2014/2015 £000
Brought forward at 1 April	(9,640)	(5,694)
Transfer to Capital	8,028	2,242
HRA Depreciation	(11,812)	(12,760)
Transfer to HRA	5,625	6,572
Carried forward at 31 March	<u>(7,799)</u>	<u>(9,640)</u>

6 Contribution to Pension Reserve

The HRA bears a share of the pension contribution due to the IAS 19 adjustment in proportion to the payments made during the year. See note 61 to the Core Financial Statements for more information on accounting for retirement benefits.

The Collection Fund

The Collection Fund is a statutory fund. It covers Council Tax and Non-Domestic Rate collection and the precepts of Wiltshire Council, the Office of the Police and Crime Commissioner for Wiltshire and Swindon (Police), Wiltshire Fire and Rescue Service (Fire) and Parish Councils.

NOTE	Non-Domestic			Non-Domestic		
	Rates 2014/2015	Council Tax 2014/2015	Total 2014/2015 £000	Rates 2013/2014	Council Tax 2013/2014	Total 2013/2014 £000
Income						
Council Tax		(268,120)	(268,120)		(262,181)	(262,181)
Non-Domestic Rates	(142,729)		(142,729)	(138,898)		(138,898)
Transferred from General Fund						
Transitional Relief	985		985	(362)	(6)	(368)
	<u>(141,794)</u>	<u>(268,120)</u>	<u>(409,914)</u>	<u>(139,255)</u>	<u>(262,187)</u>	<u>(401,442)</u>
Disbursement						
Precepts and Demands						
- Wiltshire Council	68,532	208,843		69,573	204,555	
- Police		28,015		0	26,927	
- Fire	1,399	11,084		1,420	10,646	
- Town/Parish Councils		14,206		0	13,474	
- Central Government	69,981			70,993	0	
			402,010			397,588
Share of surplus/(deficit) on Collection Fund						
- Wiltshire Council	(555)	4,647		(2,658)	2,966	
- Police		612		0	383	
- Fire	(11)	242		(54)	151	
- Central Government	(566)			(2,713)	0	
			4,369			3,500
Cost of collection allowance	622			616		
Provision for Bad Debts	(105)	(78)		(92)	156	
Write offs	1,124	764		1,236	549	
Appeals	112			376		
Other transfers to general fund	923			1,048		
Interest on overpayments	38			64		
			3,400			3,953
Funds surplus/(deficit) for the year	350	(215)	135	(554)	2,380	1,826
	<u>141,794</u>	<u>268,120</u>	<u>409,914</u>	<u>139,255</u>	<u>262,187</u>	<u>406,867</u>
Balance Sheet						
	Non-Domestic		Total	Non-Domestic		Total
	Rates	Council Tax		Rates	Council Tax	
Fund balance of	8,443	(6,915)	1,528	7,889	(4,535)	3,354
(Surplus)/deficit for year	(350)	215	(135)	554	(2,380)	(1,826)
Fund balance of	<u>8,093</u>	<u>(6,700)</u>	<u>1,393</u>	<u>8,443</u>	<u>(6,915)</u>	<u>1,528</u>

Notes to the Collection Fund

1 Council Tax

Council Tax is charged according to the Government's valuation of residential properties as at 1 April 1991. Valuations are stratified into eight bands for charging purposes. Individual charges are calculated by estimating the total amount of income required by the Collection Fund's preceptors and dividing this by the Council Tax base. The tax base is the total number of chargeable properties in all valuation bands converted to an equivalent number of band D dwellings, with an allowance made for discounts and exemptions.

The average amount of Council Tax required from a property in any tax band is the band D charge, average for Wiltshire Council was £1,534.45 for 2015/2016 multiplied by the ratio specified for that band. Ratios specified for the bands A to H are as follows:

Band	Estimated No. of Taxable Properties after discounts	Band D Equivalent Dwellings	Ratio
Band A Disabled	27	15	5/9
Band A	13,535	9,023	6/9
	13,562	9,038	
Band B	27,618	21,481	7/9
Band C	40,318	35,838	8/9
Band D	30,927	30,927	9/9
Band E	24,320	29,725	11/9
Band F	15,035	21,717	13/9
Band G	9,684	16,140	15/9
Band H	1,115	2,229	18/9
		167,095	
		3,748	
		170,843	

Adjustment for MOD contribution in lieu, new properties, & collection rate

Council Tax Base 2015/2016

2 National Non-Domestic Rates

The total non-domestic rateable value at 31 March 2016 was £368,870,595. The national non domestic multiplier for the year was 49.3p and the small business rates relief multiplier was 48.0p.

3 Collection Fund Balance

The Council has to record transactions for Council Tax and Non-Domestic Rates in the Collection Fund Account. The balance, as usable income, will be paid to the Council and its major preceptors in future years. This is the first year the Non-Domestic Rates have been treated in this way.

	Non-domestic Rates 31/03/2015 £000	Council Tax 31/03/2015 £000	Total 31/03/2015 £000	Non-domestic Rates 31/03/2015 £000	Council Tax 31/03/2015 £000	Total 31/03/2015 £000
Wiltshire Council	3,966	(5,643)	(1,677)	4,137	(5,833)	(1,696)
Police	0	(757)	(757)	0	(775)	(775)
Fire	81	(300)	(219)	84	(307)	(223)
Central Government	4,046	0	4,046	4,222	0	4,222
	8,093	(6,700)	1,393	8,443	(6,915)	1,528

Glossary

For the purposes of compiling the Statement of Accounts, the following definitions have been adopted and may be useful to the reader in understanding terminology used in the statement.

Accruals

The recognition of income and expenditure as it falls due, not when cash is received or paid.

Amortisation

The writing down of the value of intangible fixed assets in line with its programmed useful life.

Assets

These can be either:

- **Intangible assets** – assets which are non-physical in form, that is, which cannot be seen. Examples are patents, goodwill, trademarks and copyrights;
- **Property plant and Equipment (PPE) assets** – tangible assets that give benefits to the Council for more than one year;
- **Community assets** – assets without determinate life that the Council intends to hold in perpetuity. They may have restrictions on their disposal. Examples include parks and historic buildings;
- **Infrastructure assets** – inalienable fixed assets such as highways and footways;
- **Non-operational assets** – fixed assets not directly used for service provision. Examples include surplus land and buildings awaiting sale or further development.
- **Heritage assets** – Assets held solely for historical, artistic, scientific, technological, geophysical or environmental qualities.

Balance Sheet

A summary of all the assets, liabilities, funds, reserves etc.

Best Value

The Council duty to provide effective and efficient services based on community need and desire.

Budget

The Council's financial plans for the year. Both capital and revenue budgets are prepared and, amongst other things, used as performance measures.

Capital Expenditure

Substantial expenditure producing benefit to the Council for more than one year.

Capital Receipts

The proceeds of the disposal of assets, non-approved investments and the repayment of grants made by the Council.

Cashflow Statement

A summary of the inflows and outflows of cash with third parties for revenue and capital purposes.

CIPFA

The Chartered Institute of Public Finance and Accountancy. This is the institute of professional local government accountants and produces standards and codes of practice followed in the production of a Council's accounts.

Code of Practice

Issued by CIPFA, this is a code of proper accounting practice with which Local Authorities in England and Wales must comply in preparing their financial statements.

Comprehensive Income and Expenditure Statement (CI&ES)

This account shows expenditure on and income from the Council's day to day activities. Expenditure includes salaries, wages, service and depreciation charges. It gives the cost of the main services provided by the Council.

Creditors

Money owed by the Council to others.

Debtors

Money owed to the Council by others.

Dedicated Schools Grant (DSG)

A central government grant paid to the council for the use for expenditure on schools.

Depreciation

The writing down of the value of tangible fixed assets in line with its programmed useful life.

Employee Costs

Pay and associated costs such as national insurance, pension contributions etc.

Exceptional Items

Items that, although usual to the activities of the Council, by their nature need separate disclosure because of their unusual size or incidence.

Extraordinary Items

Material items needing separate disclosure because they are unusual to the activities of the Council by their nature.

General Fund

The main revenue fund of the Council which shows income from and expenditure on the Council's day to day activities. It excludes the provision of housing which must be charged to a separate Housing Revenue Account.

Government Grants

The amounts of money the Council receives from the Government and inter-government agencies to help fund both general and specific activities.

Government Grants Deferred

Capital grants which are credited to the balance sheet and amortised to revenue over the life of the relevant asset to offset provisions made for depreciation.

Gross Expenditure

Expenditure before deducting any related income.

Housing Revenue Account (HRA)

The account which sets out the expenditure and income on the provision of housing. Other services are charged to the General Fund.

Impairment

A reduction in the value of a fixed asset below its carrying amount on the Balance Sheet.

IFRSs

International Financial Reporting Standards issued by the Accounting Standards Board requiring information to be shown in accounts.

Leases

These may be finance leases that transfer the risks and rewards of ownership of an asset to the Council. Alternatively, they may be operating leases that are more akin to a hire agreement.

Liabilities

Amounts the Council either owes or anticipates owing to others, whether they are due for immediate payment or not.

Long Term Contracts

A contract that, once entered into, will take longer than the current period of account to complete.

Minimum Revenue Provision (MRP)

Statute requires revenue accounts to be charged with a Prudent Minimum Revenue Provision as a notional redemption cost of all external loans.

Major Repairs Allowance (MRA)

Funded by Central Government. It represents the long term average amount of capital spending required to maintain a Council's housing stock in its current condition.

Net Expenditure

Gross expenditure less directly related income.

Non-Domestic Rates (NDR)

Wiltshire Council collects Non-Domestic Rates from local businesses and organisations. The income is then distributed between Wiltshire Council, Central Government and Wiltshire & Swindon Fire Authority in line with the relevant statutory and accounting guidelines.

Precept

The amount of income demanded of the Collection Fund by an authority entitled to that income.

Preceptor

An authority entitled to demand money of the Collection Fund. The preceptors on Wiltshire Council's Collection Fund are the Council itself, the Office of the Police and Crime Commissioner for Wiltshire and Swindon, Wiltshire Fire and Rescue Service and Parish and Town Councils.

Private Financing Initiative (PFI)

A long-term contractual public private partnership under which the private sector takes on the risks associated with the delivery of public services in exchange for payments tied to standards of performance.

Provision for Credit Liabilities (PCL)

Statute requires the Council to set aside provision to repay external loans and other credit transactions. Debt-free authorities do not have to apply the whole of the balance shown within the Capital Financing Reserve.

Provisions

Amounts held in reserve against specific potential liabilities or losses where there is uncertainty as to amounts and/or due dates. Payment to a provision is counted as service expenditure.

Rateable Value

Assessment by the Inland Revenue of a property's value from which rates payable are calculated.

Reserves

Amounts prudently held to cover potential liabilities. Payments to reserves are not counted as service expenditure.

Revaluation Reserve

A capital reserve where changes in the value of fixed assets are disclosed when they are revalued. This reserve replaces the Fixed Asset Restatement Account (FARA) which was previously required.

Revenue Expenditure

Day to day running costs of services.

Revenue Income

Day to day income received for services.

Revenue Support Grant

A Government grant paid towards the cost of General Fund services.

Running Expenses

The cost of running a service less employee expenses and capital charges.

Service Reporting Code of Practice (SeRCOP)

Established to modernise the system of Local Authority accounting and reporting, and ensure that it meets the changed and changing needs of modern Local Government; particularly the duty to secure and demonstrate best value in the provision of services to the community.

Usable Capital Receipts Reserve

This reserve holds the amounts of capital receipts derived from the disposal of fixed assets until such a time that they are used to finance capital expenditure.

Useful Life

The anticipated period that an asset will continue to be of benefit.

Value Added Tax (VAT)

An indirect tax levied on vatable goods and services.

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Wiltshire Council

Cabinet

14 June 2016

Subject: **Capital Monitoring Outturn 2015/2016 (as at 31 March 2016)**

Cabinet member: **Councillor Dick Tonge - Finance**

Key Decision: **No**

Executive Summary

The report details changes to the budget made since the 2015/2016 budget was set in February 2015, over and above the changes detailed in the Period 9 report.

The report reflects the final position of the 2015/2016 spend against this budget.

Proposal

To note the budget movements undertaken to the capital programme (shown in appendices A and B) and the final outturn position of the Capital Programme shown in appendix A 2015/2016.

To also note the reprogramming of £7.395 million between 2015/2016 and 2016/2017.

Reason for Proposals

To inform Cabinet of the position of the 2015/2016 capital programme as at Outturn (31 March 2016), including highlighting any budget changes.

Carolyn Godfrey
Corporate Director

Wiltshire Council

Cabinet

14 June 2016

Subject: **Capital Monitoring Outturn 2015/2016 (as at 31 March 2016)**

Cabinet member: **Councillor Dick Tonge - Finance**

Key Decision: **No**

Purpose of Report

1. To inform Cabinet on the final position of the 2015/2016 Capital Programme, including highlighting budget changes. A budget monitoring report to members is taken to Cabinet Capital Assets Committee quarterly in September, December, February and June. This report focuses on major variations in budget.

Budget Movements

2. The original budget for 2015/2016 was presented to the Council as part of the budget meeting on 24 February 2015. Since that date there have been a number of changes to the budget for 2015/2016, largely due to reprogramming of budget from 2014/2015 and to 2016/2017; but also to reflect additional funding being available. The changes to the budget since it was last amended in the Period 9 monitoring report are summarised in the table that follows, a fuller breakdown of the changes made at a scheme by scheme level is attached as Appendix A.

Breakdown of Budget Amendments from Period 9 Budget to Outturn Budget (as at 31 March 2016)

	£m	Notes
Budget Period 9 2015/2016	122.665	
Additions/amendments to the Capital Programme 2015/2016 since Period 9 Budget		
Additional Budgets added to Programme	1.727	See Appendix A and B section 1 for further details
Grant Amendments	(0.358)	See Appendix A for further details
Reduced Budgets	(0.031)	See Appendix A for further details
Budgets reprogrammed from 2015/2016 into 2016/2017	7.395	See Appendices A and B section 2 for further details
Final Budget 2015/2016	131.398	

3. The budget additions shown above largely reflect increases in funding being available and brought into the programme under the Chief Financial Officer delegated authority. They largely comprise of additional grants from Central Government, Section 106 contributions and other contributions used to finance capital spend within the capital programme. Further information on the budget movements at an individual scheme level is shown in Appendix A and in further detail in Appendix B.
4. As part of this report the programme has been reduced by £0.031 million to reflect changes to the approved capital budgets within the revenue provision (interest and capital repayment) of £23.199 million; commentary on these amounts is given in Appendix C.
5. The budgets that have been reprogrammed into 2016/2017 are shown in further detail in Appendices A and B, with the higher value amounts also explained in the narrative for schemes in Appendix C.

Summary of Position as at 31 March 2016

6. The current budget for the year 2015/2016 is £131.398 million. Actual spend on schemes as at 31 March 2016 was £114.850 million. A full breakdown of these figures is attached in Appendix A. This represents a net underspend for the 2015/2016 financial year of £16.548 million.
7. The final position of the capital programme includes £0.405 million of overspent schemes and £0.095 million of underspent schemes where the remaining budgets are to be removed. Commentary of the overspent schemes is provided in Appendix C.
8. A total of £8.289 million has been slipped from 2015/2016 into 2016/2017 as part of this report to match planned expenditure. £0.894m has been brought forward to 2015/2016 from 2016/2017, giving a net re-programme of £7.395m.
9. The reprogramming of capital budgets is reflected in the outturn position of the Capital Financing budgets line. This revenue budget is £1.224 million underspent at the year end, a change of £0.744 million from the Period 9 revenue monitoring report.
10. Further information on the movements undertaken and the final position of some of the larger schemes is set out in Appendix C, along with updates on the capital receipts received during 2015/2016.

Risks Assessment

11. The capital budget for 2015/2016, as detailed in this report, has been revised to £131.398 million. Within any capital programme there are a number of potential risks such as from cost overruns or lower than expected levels of capital receipts. Such issues will be highlighted as soon as they establish themselves through the quarterly reporting process. Members may wish to bear in mind that the capital programme has been set for four years and therefore risks will be appraised over the whole period.

Equality and Diversity Impact of the Proposal

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

Financial Implications

13. This is a report from the Chief Finance Officer and the financial implications are discussed in the detail of this report.

Legal Implications

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

Public Health Implications

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

Environmental Implications

16. Wiltshire Council is now included in the Carbon Reduction Commitment (CRC); the UK's mandatory climate change and energy saving scheme. The objectives of the scheme are to improve energy efficiency and reduce carbon dioxide emissions. It is calculated that 79% of the Council's carbon footprint comes from energy use in buildings. Capital schemes therefore have the potential to greatly increase or decrease carbon emissions, for example schemes making council buildings more energy efficient will reduce the Council's carbon footprint. There are no direct impacts of this report, however there are a number of schemes in the capital programme that are planned to enable energy efficiency benefits for the council.

Safeguarding Implications

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

Proposals

18. To note the budget movements undertaken to the capital programme (shown in Appendices A and B) and the final outturn position of the Capital Programme shown in appendix A 2015/2016.

To also note the reprogramming of £7.395 million between 2015/2016 and 2016/2017.

Background Papers and Consultation

None

Contact Name:

Michael Hudson, Associate Director Finance, ext 13601
Michael.hudson@wiltshire.gov.uk

Report Author: Leanne Sykes, Accountancy Services Manager.

Appendices:

- Appendix A – 2015/2016 Capital Programme Budget Movements and spend to 31 March 2016
- Appendix B – Delegated authority for budget movements
- Appendix C – Narrative on specific schemes

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Capital Programme Budget Movements since Period 9 and Final Spend 2015/2016

Scheme Name	2015/2016 Budget Breakdown											
	Period 9 Budget	Budget Movements between Schemes	Additional Budgets added to Programme (Section 1 Appendix B)	Grant Amendments	Reduced Budgets	Budgets reprogrammed from 2015/2016 into 2016/2017 (Section 2 Appendix B)	Final Budget 2015/2016	Total Spend 2015/2016	Total Spend 2015/2016	Underspend (Budget Removed)	Overspend	Budget Transfer to 2016/2017
	£m	£m	£m	£m	£m	£m	£m	£m	%	£m	£m	£m
Thriving & Growing Economy												
Carbon Reduction Schemes	1.058	(0.335)				(0.078)	0.645	0.521	80.78%			0.123
Oil to Biomass Schemes	0.966						0.966	0.045	4.66%			0.921
Other Economic Development Schemes	0.834		0.063	(0.332)	(0.031)		0.534	0.461	86.33%		(0.001)	0.074
Strategic Economic Plan	0.866						0.866	0.000	0.00%			0.866
Corsham Mansion House	0.000		0.258				0.258	0.030	11.63%			0.228
A429 Malmesbury Access Improvements	2.000						2.000	2.000	100.00%			0.000
Chippenham Station HUB	0.100						0.100	0.028	28.00%			0.072
LTB Scheme A350 North of Chippenham Bypass Improvements	1.451					1.677	3.128	3.043	97.28%			0.085
A350 Dualling Chippenham Bypass	0.000					0.097	0.097	0.097	100.00%			0.000
M4 Junction 17	0.000		0.020				0.020	0.020	100.00%			0.000
Growth Fund (inc Porton Science Park)	0.329						0.329	0.322	97.87%			0.007
Salisbury Marketplace Churchfields & The Maltings	0.000						0.000	0.036	0.00%		(0.036)	0.000
Bowerhill Portal Way Improvement Works	0.852						0.852	0.773	90.73%			0.079
Total Thriving & Growing Economy	8.456	(0.335)	0.341	(0.332)	(0.031)	1.696	9.795	7.376	0.753	0.000	(0.037)	2.455
Working Together to Solve Problems & Participate in Decisions												
Buildings Repair & Maintenance	2.843		0.023			(0.330)	2.536	1.834	0.723			0.701
Rural Estates	0.106						0.106	0.061	0.575			0.045
Hub Programme Office Rationalisation	0.121						0.121	0.144	1.190			0.000
Operational Estate	0.215						0.215	0.050	0.233			0.143
Depot & Office Strategy	0.519						0.519	0.000	0.000			0.519
Health and Well Being Centres (Formerly Campus) - Live Schemes	15.226	0.335	0.155				15.716	14.664	0.933			1.053
Area Boards and LPSA PRG Reward Grants	1.033					(0.008)	1.025	0.884	0.862			0.141
Fitness Equipment for Leisure Centres	0.525					(0.470)	0.055	0.053	0.964			0.001
Churchyards & Cemeteries	0.100						0.100	0.048	0.480			0.052
Total Working Together to Solve Problems & Participate in Decisions	20.688	0.335	0.178	0.000	0.000	(0.808)	20.393	17.738	0.870	0.000	0.000	2.655
High Quality Environment												
Integrated Transport	2.807		0.206				3.013	3.064	1.017			(0.051)
Structural Maintenance (Grant & Council Funded)	24.156	(0.187)	0.008			4.000	27.977	27.266	0.975			0.710
Bridges	3.096		0.026				3.122	3.100	0.993			0.021
Highways Severe Weather Recovery Scheme	0.000	0.252					0.252	0.252	1.000			0.000
Highway flooding prevention and Land Drainage schemes	2.000		0.039				2.039	2.042	1.001			(0.004)
Flooding Repair & Renewal	0.148					(0.005)	0.143	0.143	1.000			0.000
A350 Chippenham (Pinch Point)	0.130	(0.065)					0.065	0.065	1.000			0.000
Farmers Roundabout	0.500						0.500	0.052	0.104			0.448
Local Sustainable Transport Fund	0.049	0.002					0.051	0.051	1.000			0.000
Street Lighting	0.060	(0.001)					0.059	0.059	1.000			0.000
Salisbury Marketplace Highways Works	0.105	(0.001)					0.104	0.104	1.000			0.000
Passenger Transport Capital	0.000		0.024				0.024	0.024	1.000			0.000
Waste Services	0.378					0.010	0.388	0.324	0.835			0.063
Fleet Vehicles	1.288						1.288	1.443	1.120			(0.154)
Disabled Facilities Grants	1.972		0.026			0.005	2.003	2.003	1.000			0.000
Gypsies and Travellers Projects	0.678						0.678	0.502	0.740			0.177
Council House Build Programme	3.400						3.400	2.280	0.671			1.120
Complex Needs Bungalows	0.613						0.613	0.528	0.861			0.085
Extra Care Programme	0.000						0.000	0.017	0.000		(0.017)	0.000
Sheltered Housing	0.625						0.625	0.313	0.501			0.313
Affordable Housing including Commuted Sums	0.000		0.192				0.192	0.192	1.000			0.000
Social Care Infrastructure & Strategy	0.180						0.180	0.104	0.578			0.076
HRA - Refurbishment of Council Stock	12.210						12.210	11.028	0.903			1.182
Total High Quality Environment	54.395	0.000	0.521	(0.005)	0.000	4.015	58.926	54.956	0.933	0.000	(0.017)	3.986

Capital Programme Budget Movements since Period 9 and Final Spend 2015/2016

Scheme Name	2015/2016 Budget Breakdown											
	Period 9 Budget	Budget Movements between Schemes	Additional Budgets added to Programme (Section 1 Appendix B)	Grant Amendments	Reduced Budgets	Budgets reprogrammed from 2015/2016 into 2016/2017 (Section 2 Appendix B)	Final Budget 2015/2016	Total Spend 2015/2016	Total Spend 2015/2016	Underspend (Budget Removed)	Overspend	Budget Transfer to 2016/2017
	£m	£m	£m	£m	£m	£m	£m	£m	%	£m	£m	£m
Inclusive Communities Where Everyone Can Achieve Their Potential												
Sarum Academy Salisbury	0.392						0.392	0.082	0.209			0.310
Basic Need	8.927	(0.014)	0.053				8.966	8.099	0.903			0.864
Schools Maintenance & Modernisation	5.245			(0.021)		(0.008)	5.216	4.415	0.846			0.803
Devolved Formula Capital	0.807						0.807	0.794	0.984			0.012
Access and Inclusion	0.129		0.001				0.130	0.077	0.592			0.053
New Schools	8.195	0.004	0.633				8.832	8.410	0.952			0.423
School Expansions & Replacements	0.340						0.340	0.098	0.288			0.242
Early Years & Childcare	0.173						0.173	0.116	0.671			0.057
Other Education Schemes	0.034						0.034	(0.086)	(2.529)	0.095		0.026
Universal Infant Free School Meals Capital	0.649						0.649	0.589	0.908			0.060
Army Rebasing	0.150	0.010					0.160	0.109	0.681			0.051
Total Inclusive Communities Where Everyone Can Achieve Their Potential	25.041	0.000	0.687	(0.021)	0.000	(0.008)	25.699	22.703	0.883	0.095	0.000	2.901
Healthy, Active and High Quality Lives												
Public Health Schemes	0.062						0.062	0.000	0.000			0.062
Total Healthy, Active and High Quality Lives	0.062	0.000	0.000	0.000	0.000	0.000	0.062	0.000	0.000	0.000	0.000	0.062
Changing The Way We Do Business												
ICT Schemes	5.641						5.641	1.217	0.216			4.424
Other Schemes including cross cutting systems	0.494						0.494	0.648	1.312		(0.351)	0.198
Learning Management System	0.069						0.069	0.036	0.522			0.033
Wiltshire Online	7.719					2.500	10.219	10.166	0.995			0.051
Salisbury CCTV	0.100						0.100	0.010	0.100			0.090
Total Changing The Way We Do Business	14.023	0.000	0.000	0.000	0.000	2.500	16.523	12.077	0.731	0.000	(0.351)	4.796
Total 2015/2016 Programme	122.665	0.000	1.727	(0.358)	(0.031)	7.395	131.398	114.850	0.874	0.095	(0.405)	16.855

CHIEF FINANCE OFFICER (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME

Cabinet Meeting
Financial Year:

14 June 2016

2015/2016

SECTION 1 - DELEGATED CFO POWERS

"Adjustment/addition of scheme in the capital programme which has no effect on the net funding position of the programme
i.e. Additional resources available in the form of Grant, Section 106 contributions etc which fund the addition, "

Project Name: Other Economic Development Schemes

Budget Change:

2015/2016	2016/2017	2017/2018
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62,500

Funding Source: Interest free loan from SWLEP Growing Places Fund towards coemption of Castledown phase 2

Project Name: Corsham Mansion House

Budget Change:

2015/2016	2016/2017	2017/2018
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258,000

Funding Source: Local Growth Fund grant towards digital technologies business incubation and learning centre

Project Name: M4 Junction 17

Budget Change:

2015/2016	2016/2017	2017/2018
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20,433

Funding Source: Local Growth Fund grant towards improving the M4 Junction 17

Project Name: Buildings Repair & Maintenance

Budget Change:

2015/2016	2016/2017	2017/2018
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23,260

Funding Source: Contributions from the Edwin Young Trust towards works at Salisbury Library & from Devizes School towards work at Devizes Leisure Centre

Project Name: Health and Well Being Centres (Formerly Campus)- Live Schemes

Budget Change:

2015/2016	2016/2017	2017/2018
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155,263

Funding Source: Grant from the football foundation for football pitches at Woolmore Farm site

Project Name: Integrated Transport

Budget Change:

2015/2016	2016/2017	2017/2018
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205,904

Funding Source: Developer Contributions, Parish Council, Town Council and MOD contributions towards Integrated Transport Schemes

Project Name: Structural Maintenance (Grant & Council Funded)

Budget Change:

2015/2016	2016/2017	2017/2018
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7,500

Funding Source: ET Solutions contribution towards highways patching

Project Name: Bridges

Budget Change:

2015/2016	2016/2017	2017/2018
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25,764

Funding Source: Network Rail contribution towards bridges works

Project Name: Highway flooding prevention and Land Drainage schemes

Budget Change:

2015/2016	2016/2017	2017/2018
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38,769

Funding Source: Contributions towards flooding and drainage schemes from the Environment Agency

Project Name: Passenger Transport Capital

Budget Change:

2015/2016	2016/2017	2017/2018
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23,552

Funding Source: Grant from Go South Coast towards bus shelters

Project Name: Disabled Facilities Grants

Budget Change:

2015/2016	2016/2017	2017/2018
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26,246

Funding Source: Returned private sector housing grants

Project Name: Affordable Housing including Commuted Sums

Budget Change:

2015/2016	2016/2017	2017/2018
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192,295

Funding Source: Commuted sums received Affordable Housing projects

**CHIEF FINANCE OFFICER (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR
ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME**

Cabinet Meeting
Financial Year:

14 June 2016

2015/2016

Project Name:	Basic Need		
Budget Change:	2015/2016	2016/2017	2017/2018
	53,006		
Funding Source:	Section 106 developer funds received towards school place extension projects		
Project Name:	Access and Inclusion		
Budget Change:	2015/2016	2016/2017	2017/2018
	795		
Funding Source:	Contribution from Winterbourne Earls Primary School towards capital works		
Project Name:	New School		
Budget Change:	2015/2016	2016/2017	2017/2018
	632,892		
Funding Source:	Section 106 developer funds received towards new schools projects		
Project Name:	Wiltshire Online		
Budget Change:	2015/2016	2016/2017	2017/2018
	298		
Funding Source:	Receipts received from sales of reconditioned laptops		
	1,726,477	Total Delegated Changes Approved by Section 151 Officer	

SECTION 2 - DELEGATED CFO POWERS

"Schemes within the capital programme which require the reprogramming of expenditure between years due to scheme not progressing as originally anticipated or other circumstances"

Project Name:	Carbon Reduction Schemes		
Budget Change:	2015/2016	2016/2017	2017/2018
	(77,951)	77,951	
Notes:	Reprogramming of Schemes to match anticipated expenditure between financial years		
Project Name:	LTB Scheme A350 North of Chippenham Bypass Improvements		
Budget Change:	2015/2016	2016/2017	2017/2018
	1,677,000	(1,677,000)	
Notes:			
Project Name:	A350 Dualling Chippenham Bypass		
Budget Change:	2015/2016	2016/2017	2017/2018
	97,429	(97,429)	
Notes:			
Project Name:	Buildings Repair & Maintenance		
Budget Change:	2015/2016	2016/2017	2017/2018
	(330,199)	330,199	
Notes:			
Project Name:	Area Boards and LPSA PRG Reward Grants		
Budget Change:	2015/2016	2016/2017	2017/2018
	(7,872)	7,872	
Notes:			
Project Name:	Fitness Equipment for Leisure Centres		
Budget Change:	2015/2016	2016/2017	2017/2018
	(470,473)	470,473	
Notes:			
Project Name:	Structural Maintenance		
Budget Change:	2015/2016	2016/2017	2017/2018
	4,000,000	(4,000,000)	
Notes:			

**CHIEF FINANCE OFFICER (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR
ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME**

Cabinet Meeting
Financial Year:

14 June 2016

2015/2016

Project Name:	Waste Services		
Budget Change:	2015/2016	2016/2017	2017/2018
	10,000	(10,000)	
Notes:			
Project Name:	Disabled Facilities Grants		
Budget Change:	2015/2016	2016/2017	2017/2018
	5,000	(5,000)	
Notes:			
Project Name:	Schools Maintenance & Modernisation		
Budget Change:	2015/2016	2016/2017	2017/2018
	(7,579)	7,579	
Notes:			
Project Name:	Wiltshire Online		
Budget Change:	2015/2016	2016/2017	2017/2018
	2,500,000	(2,500,000)	
Notes:			
	-7,395,355	Total Re-programming between years	

SECTION 3 - REQUESTS TO CABINET FOR ADDITIONAL RESOURCES

"Adjustment/addition of scheme to the capital programme which places an additional funding requirement on the programme"

Project Name:

Budget Change:

2015/2016

2016/2017

2017/2018

Funding Source:

There are no requests for additional resources detailed within this report

0

Total requests for additional resources

In the exercise of my delegated powers (Section 1 and 2), I hereby authorise the amendments to the Capital Programme summarised above.

**CHIEF FINANCE
OFFICER:**

Michael Hudson

DATE:

June 2016

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Further Information on Schemes in the Capital Programme and Funding Sources as at Outturn (31 March 2016)

Thriving & Growing Economy

1. Local Growth Fund schemes on the A429 Malmesbury and the A350 Chippenham Bypass have progressed well with practical completion in 2015/2106. £1.677 million of budget was drawn forward from 2016/2017 for the LTB scheme A350 North of Chippenham Bypass Improvements to reflect the completion of the work.
2. The work on Oil to Biomass Schemes has now all been completed with final retentions paid and only minor and disputed costs remaining. Final accounts are still being examined but on completion a significant portion of the remaining budget will be returned to central funding.
3. Economic development work on the Salisbury Marketplace project continues without specific budget approval; this has generated an overspend of £0.036 million in 2015/2016.

Working Together to Solve Problems & Participate in Decisions

4. Salisbury Health and Wellbeing Centre was completed in March 2015, spend to date is £7.253 million with final accounts including retentions and final FFE to complete. The current forecast is £8.411 million, £1.315 million over approved budget.
5. Tisbury and Woolmore Farm are in build phase and are planned to complete in summer 2016.
6. The other four approved campuses are currently being reassessed along with forecast overspends for Salisbury and Tisbury to ensure that the whole programme is delivered within the revised budget allocation of £80.062 million which includes the £10 million budget increase that was approved as part of 2016-2020 Capital Programme.

High Quality Environment

7. Expenditure on Highways capital projects accelerated towards the end of 2015/2016 with £25.125 million incurred in the final quarter. £4.000 million of Structural Maintenance budget was drawn forward from 2016/2107 to cover the additional work and contract finalisation.
8. The Council House Build Programme and Extra Care schemes commenced in 2015/2016. A revised programme was approved by CCAC on 15th September 2015, increasing the full programme budget to £42.449 million. As a result of seeking re-approval for the whole programme, procurement changes leading to longer tendering process and issues with SEC there has been a delay to the programme.

Changing the Way We Do Business

9. There were two overspent schemes amongst the Other Schemes including Cross Cutting Systems schemes; school leases for IT and other equipment totalling £0.271 million, and Civica development work totalling £0.080 million.
10. £2.500 million of budget was drawn forward from 2016/2017 to match the expenditure on the Wiltshire Online project. Phase 1 of the high speed broadband project is nearing completion with a evaluation taking place to determine any underspend available to reinvest with BT and achieve further coverage.

Funding of the Capital Programme

11. The capital programme is funded by 3 principal sources; grants & contributions, capital receipts and borrowing.
12. Grants and Contributions fund the largest proportion of the programme, the total received in these areas in 2015/2016 was £43.347 million with the majority for Highways and Education schemes as in previous years. A total of £49.911 million of grants and contributions were used to finance the capital programme in 2015/2016.
13. As at the end of the 2015/2016 financial year £13.406 million of gross income has been received from Capital Receipts from the proceeds of fixed asset sales. These include general asset disposals such as the sale of Orchard House, Granby Gardens and the first payment for the Shurnhold site. 21 sales under the Council Housing Right to Buy (RTB) scheme have also been received. A total of £11.087 million of capital receipts were used in 2015/2016 to finance capital expenditure.
14. A total of £41.846 million in capital expenditure was financed through borrowing as at Outturn. The previous estimate as at the Month 9 Capital Monitoring Report of the amount of borrowing that would be required in 2015/2016 was £45.424 million. As there has been slippage from 2015/2016 into 2016/2017 this has reduced the amount of borrowing required. Underspending on borrowing has a positive impact on the general fund revenue account as shown by the £1.224 million underspend in 2015/2016 on the capital financing budget.

Wiltshire Council

Cabinet

14 June 2016

Subject: Annual Report on Treasury Management 2015-16

Cabinet member: Councillor Richard Tonge - Finance

Key Decision: No

Executive Summary

In accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) (the accountancy body for the public services) Prudential Code for Capital Finance in Local Authorities 2003 (The Prudential Code), the Council adopted a Treasury Management Strategy (TMS) for 2015-16, including a set of Prudential and Treasury Indicators (PrIs/TrIs) and an Annual Investment Strategy (AIS) at its meeting on 24 February 2015. The Strategy report can be found in the Council agenda reports pack at the following [Link](#), Item 9, Pages 167 to 190. This report shows how the Council has performed against the strategy.

The Treasury Strategy was adhered to in 2015-16; the average long term borrowing rate was 3.769%; and the return on short term investments was 0.56%.

Proposals

The Cabinet is asked to consider and note:

- a) Prudential Indicators, Treasury Indicators and other treasury management strategies set for 2015-16 against actual positions resulting from actions within the year as detailed in Appendix A; and
- c) investments during the year in the context of the Annual Investment Strategy as detailed in Appendix B.

Reasons for Proposals

To give members of the Cabinet an opportunity to consider the performance of the Council against the parameters set out in the approved Treasury Management Strategy for 2015-16.

This report is required by the Prudential Code for Capital Finance in Local Authorities and the CIPFA Code of Practice for Treasury Management in the Public Services.

Carolyn Godfrey
Corporate Director

Subject: Annual Report on Treasury Management 2015-16

Cabinet member: Councillor Richard Tonge - Finance

Key Decision: No

1. Background & Purpose of Report

- 1.1 In accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) (the accountancy body for the public services) Prudential Code for Capital Finance in Local Authorities 2003 (The Prudential Code), the Council adopted a Treasury Management Strategy (TMS) for 2015-16, including a set of Prudential and Treasury Indicators (PrIs/TrIs) and an Annual Investment Strategy (AIS) at its meeting on 24 February 2015. The Strategy report can be found in the Council agenda reports pack at the following [Link](#), Item 9, Pages 167 to 190.
- 1.2 A quarterly report for the period from 1 April to 31 December 2015 was submitted to Cabinet on 15 March 2016. This report covers the whole financial year ended 31 March 2016.

2. Main Considerations for the Cabinet

- 2.1 This report reviews:
 - a) PrIs, TrIs and other treasury management strategies set for 2015-16 against actual positions resulting from actions within the year (see Appendix A); and
 - b) investments during the year in the context of the Annual Investment Strategy (see Appendix B).
- 2.2 There were no opportunities to restructure Public Works Loan Board (PWLB) loans in 2015-16, mainly because of the continuing high level of premiums payable for early repayment. However, the Council did refinance a £10 million PWLB loan that matured in March 2016 with a PWLB loan at a lower interest rate.

Lender Option Borrower Option (LOBO) Loans
- 2.3 During the beginning/middle of March 2016 there were comments in the press relating to local authority LOBO loans. As members will be aware, Wiltshire Council has LOBO loans in its loan portfolio, however, they currently total less than 20% of the loan portfolio.

2.4 All this Council's LOBO loans are the 'plain vanilla' type and not the exotic version and we adhere to a Treasury Strategy of paying off any LOBO loan where the lender exercises their option to increase the interest rate on any contracted call date.

Review of Prudential and Treasury Indicators and Treasury Management Strategy for 2015-16

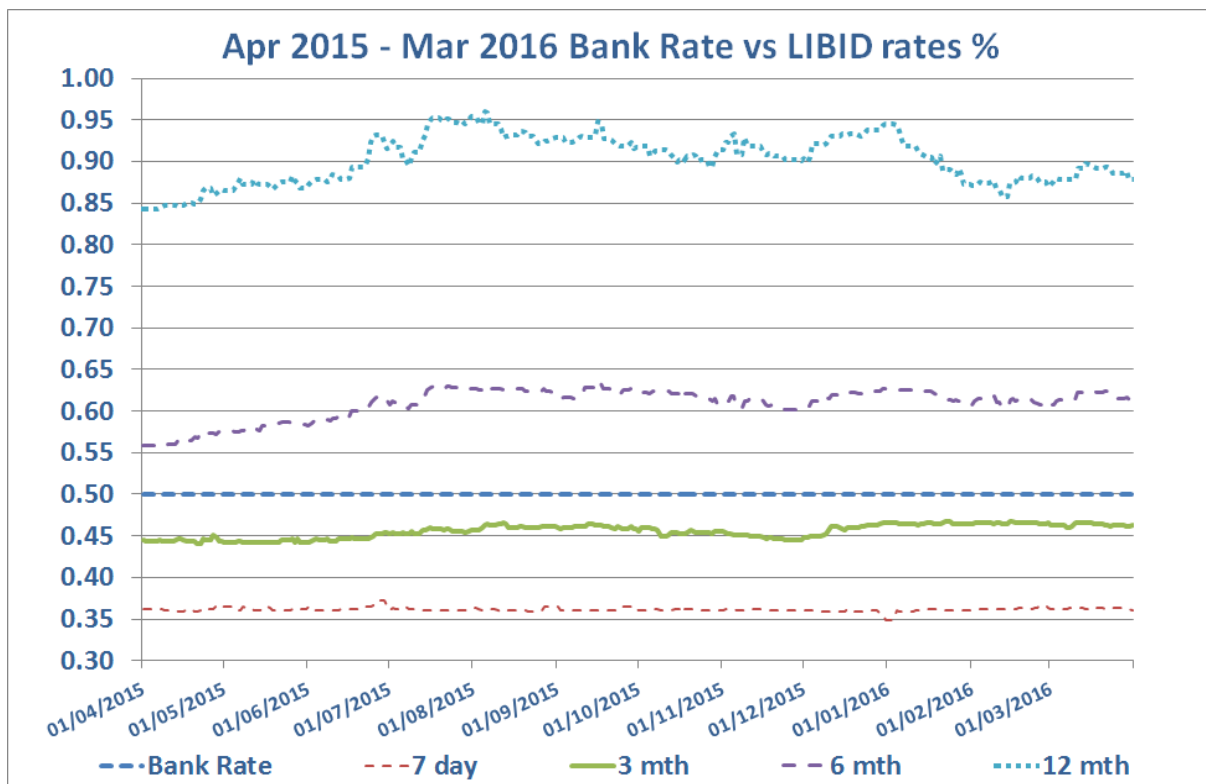
2.5 The detail of the review is given in Appendix A. The Cabinet is asked to note that:

- a) all action has been within the approved Prls and Trls;
- b) the average interest rate for long term debt has decreased (from 3.823%) to 3.769%, the decrease being due to the maturity of two PWLB loans and the refinancing of one of them at a lower rate (albeit for a shorter period) during the year. The amount of loans outstanding has reduced by £2 million between 1 April 2015 and 31 March 2016 as a result of an earlier maturity, which was not refinanced;
- c) short term cash deficits and surpluses were managed through temporary loans and deposits with a return on short term investments of 0.56% (a decrease from 0.60% in 2014-15, reflecting decreases in the market during the year). This compares with the average market rate, based on the Average 3 Month LIBID Rate for 2015-16 (London Interbank Bid Rate, i.e. the rate at which banks are prepared to borrow from other banks) of 0.46% (0.43% for 2014-15); and

Review of Investment Strategy

2.6 This review is detailed in Appendix B. The Cabinet is asked to note that:

- a) the financial year 2015-16 continued the challenging investment environment of previous years, namely low investment returns.
- b) Bank Rate remained at its historic low of 0.50% throughout the year; it has now remained unchanged for seven years. Capita are currently projecting that the start of monetary tightening (when the Bank of England is expected to start raising interest rates) will occur around the first quarter of 2017. However, under current market this is difficult to predict. Deposit rates remained depressed during the whole of the year.
- c) as can be seen from the chart below, interest (investment) rates remained relatively low/flat during the financial year, as measured by the London Interbank Bid (LIBID) rate (i.e. the bid rate banks are willing to pay other banks for deposits in the London interbank market).



3. Safeguarding Implications

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

4. Public Health Implications

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

5. Corporate Procurement Implications

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

6. Equalities Impact of the Proposal

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

7. Environmental and Climate Change Considerations

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

8. Risks Assessment and Financial Implications

8.1 The primary treasury management risks to which the Council is exposed are adverse movements in interest rates and the credit risk of counterparties.

- 8.2 Investment counterparty¹ risk is controlled by assessing and monitoring the credit risk of borrowers as authorised by the Annual Investment Strategy. Appendix B of this report details action taken in 2015-16.
- 8.3 At 31 March 2016, the Council's average interest rate in respect of long term debt was 3.769%.
- 8.4 It is also considered important to ensure that there is an even spread of loans to avoid the prospect of a number of high value loans maturing in any one year, which may need to be re-financed at a time when interest rates are high. A summary of the present loan maturity profile is shown in Appendix C (i).
- 8.5 Returns on short term investments have not moved significantly, mainly as a result of the volatility of the market following the 'credit crunch' starting in October 2008 and are likely to continue at near current levels for some time. The costs of borrowing for this Council have remained at similar levels because the loan profile is almost entirely at fixed maturity rates (despite the unexpected change of policy on PWLB lending arrangements in October 2010, when new borrowing rates increased by 0.75% to 0.85%, without an associated increase in early redemption rates). The investment rate of return for the year was 0.56%, against the average borrowing rate of 3.769%.
- 8.6 Market expectations for the first increase in Bank Rate moved considerably during 2015/16, starting at quarter 3 2015 but soon moving back to quarter 1 2016. However, by the end of the year, market expectations had moved back radically to quarter 2 2018 due to many fears including concerns that China's economic growth could be heading towards a hard landing; the potential destabilisation of some emerging market countries particularly exposed to the Chinese economic slowdown; and the continuation of the collapse in oil prices during 2015 together with continuing Eurozone growth uncertainties.
- 8.7 These concerns have caused sharp market volatility in equity prices during the year with corresponding impacts on bond prices and bond yields due to safe haven flows. Bank Rate, therefore, remained unchanged at 0.5% for the seventh successive year. Economic growth (GDP) in 2015/16 has been disappointing with growth falling steadily from an annual rate of 2.9% in quarter 1 2015 to 2.1% in quarter 4.
- 8.8 PWLB rates have fallen during the year, however, they are expected to rise steadily over the next three years as the Bank Rate rises and the UK economy continues to improve.

¹ A Counterparty is a term most commonly used in the financial services industry to describe a legal entity, unincorporated entity or collection of entities (e.g. lender/borrower) to which an exposure to financial risk might exist.

9. Legal Implications

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

10. Options Considered

10.1 The availability of any longer term investment opportunities, such as those offered by “special tranche rates”, is continually monitored.

10.2 Also any options available to provide savings from rescheduling long term borrowing are continually assessed in liaison with our treasury advisers.

11. Conclusion

11.1 Cabinet is asked to note the report.

Michael Hudson
Associate Director, Finance

Report Author:

Keith Stephens, Business Analyst (Cash and Treasury) Tel: 01225 713603, email: keith.stephens@wiltshire.gov.uk

Background Papers

The following unpublished documents have been relied on in the preparation of this Report: NONE

Appendices

Appendix A Review of Prudential and Treasury Indicators for 2015-16

Appendix B Review of Investment Strategy for 2015-16

Appendix C Summary of Long Term Loans, Temporary Loans and Deposits for 2015-16

REVIEW OF PRUDENTIAL AND TREASURY INDICATORS FOR 2015-16

1. Where appropriate the figures shown in this report are consistent with the PrI and TrI estimates in the Strategy for the next three years, as reviewed and reported as part of the 2015-16 budget process.

Prudential Indicators

PrI 1 - Capital Expenditure

2. The table below shows the original and revised estimate of capital expenditure against the actual for the year 2015-16:

	2015-16 Original Estimate £ million	2015-16 Revised Estimate £ million	2015-16 Actual Outturn £ million
General Fund	131.7	110.5	101.6
Housing Revenue Account	15.3	12.2	13.3

3. The actual capital spends have increased from those reported in the December quarterly report because of additional capital expenditure incurred between the end of December 2015 and the end of March 2016.
4. The Capital Programme has been actively managed throughout the year and the revised capital budget (capital outturn position for 2015-16) is £131.4 million. Further breakdown of these figures is presented in the capital outturn report, elsewhere on the Cabinet agenda.

PrI 2 – Ratio of Financing Costs to Net Revenue Stream

5. PrI 2 expresses the net costs of financing as a percentage of the funding receivable from the Government and council tax payers (General Fund) and rents receivable (HRA). The net cost of financing includes interest and principal repayments for long and short term borrowing, as well as other credit-like arrangements, netted off by interest receivable from cash investments.

	2015-16 Original Estimate	2015-16 Revised Estimate	2015-16 Actual
General Fund	7.3%	7.1%	7.0%
Housing Revenue Account	14.6%	14.7%	14.9%

6. In terms of the General Fund slight differences between budgeted and actual costs led to a minor decrease in actual ratio when compared with the revised estimate. The actual ratio is also slightly lower than the revised estimate and the figure reported in the December 2014 quarterly report, reflecting a higher level of investment income than anticipated.

Prl 3 – Estimate of Incremental Impact of Capital Investment Decisions on the Council Tax

7. This indicator is only relevant during budget setting, as it reflects the impact on the Band D Council Tax, or average weekly housing rents in respect of the HRA, caused by any agreed changes in the capital budget.

Prl 4 – Gross Borrowing and the Capital Financing Requirement

8. Prl 4 measures the so called “Golden Rule” which ensures that borrowing is only for capital purposes. The table below shows the original and revised estimate for 2015-16 compared with the actual position at the year end.

	2015-16 Original Estimate £ million	2015-16 Revised Estimate £ million	2015-16 Actual £ million
CFR – General Fund	416.2	413.8	394.7
CFR – HRA	122.6	122.6	122.6
Gross Borrowing – Gen Fund	289.1	280.1	231.1
Gross Borrowing – HRA	118.8	118.8	118.8
CFR not funded by gross borrowing – Gen Fund	127.1	133.7	163.6
CFR not funded by gross borrowing – HRA	3.8	3.8	3.8

9. The Capital Financing Requirement (CFR) increases whenever capital expenditure is incurred. If resourced immediately (from capital receipts, direct revenue contributions or capital grant/contributions) the CFR will reduce at the same time that the capital expenditure is incurred, with no net increase in CFR.
10. Where capital expenditure is not resourced immediately, there is a net increase in CFR, represented by an underlying need to borrow for capital purposes, whether or not external borrowing actually occurs. The CFR may then reduce over time by future applications of capital receipts, capital grants/contributions or further charges to revenue.
11. This Prl is necessary, because under an integrated treasury management strategy (in accordance with best practice under the CIPFA Code of Practice on Treasury Management in the Public Services), borrowing is not associated with particular items or types of expenditure, whether revenue or capital
12. The difference between actual external (gross) borrowing (£231.1 million) and the CFR (CFR not funded by gross borrowing above) is capital expenditure met by internal borrowing, i.e. funded from the Council’s own funds, such as reserves and balances and working capital (an accounting term for the difference, at a point in time, between what the Council owes and what is owed to it).

13. Internal borrowing is cheaper than external borrowing (see paragraph 8.5 of the main report), however, the ability to borrow internally will depend upon the sufficiency of reserves, balances and working capital. The sufficiency needs to be monitored and projections carried out to indicate where any adverse movements are expected, that could jeopardise the Council's cash flow position, making it necessary to replace internal with external borrowing.

Prl 5 – Compliance with CIPFA Code of Practice for Treasury Management in the Public Services (“The Code”)

In the past year the Council was fully compliant with the CIPFA Code of Practice for Treasury Management in the Public Services.

14. This Code of Practice has been complied with during 2014-15.

Treasury Management Indicators within the Prudential Code

Trl 1 – Authorised Limit for External Debt

Authorised Limit	2015-16 £ million	2016-17 £ million	2017-18 £ million	2018-19 £ million
Borrowing – General Fund	448.2	471.7	483.0	466.6
Borrowing – HRA	123.2	123.2	123.2	123.2
Total Borrowing	571.4	594.9	606.2	589.8
Other Long Term Liabilities	0.2	0.2	0.2	0.2
TOTAL	571.6	595.1	606.4	590.0

15. This Authorised Limit was not exceeded at any time during the year, as maximum borrowing was below the (lower) Operational Boundary.

Trl 2 – Operational Boundary for External Debt

Operational Boundary	2015-16 £ million	2016-17 £ million	2017-18 £ million	2018-19 £ million
Borrowing – General Fund	437.2	460.2	471.2	455.2
Borrowing – HRA	123.2	123.2	123.2	123.2
Total Borrowing	560.4	583.4	594.4	578.4
Other Long Term Liabilities	0.2	0.2	0.2	0.2
TOTAL	560.6	583.6	594.6	578.6

16. This Trl is for gross borrowing and was set at a limit that would allow the Council to take its entire financing requirement as loans if this was the most cost effective alternative. The limit on HRA borrowing is capped in 2015-16 at £123.2 million. The limits, which have not been exceeded during the period covered by this report, are set to anticipate expected expenditure. The maximum gross borrowing during the year being £351.9 million (£233.1 million on General Fund and £118.8 on HRA) at the beginning of the financial year up to 31 May 2015. In June 2015 a fixed rate PWLB loan (for £2 million) matured and was not refinanced.

Trl 3 – External debt

	31/3/15 Actual £ million	31/3/16 Expected £ million	31/3/16 Actual £ million
Borrowing – General Fund	233.1	251.1	231.1
Borrowing – HRA	118.8	118.8	118.8
Total Borrowing	351.9	369.9	349.9
Other Long Term Liabilities	£0.2	0.2	£0.2
TOTAL	352.1	370.1	350.1

17. This Trl shows the gross External Debt outstanding at year end. The actual borrowing figure is outstanding long term borrowing as shown in Appendix C (i). Actual borrowing was less than expected at the end of 2015-16, partially due to the reduced borrowing position as a result of not refinancing one of the maturing loans, together with the actual underlying borrowing requirement for capital projects being lower than anticipated.
18. As can be seen in the above table, actual General Fund Borrowing has decreased by £2 million (net), between 31st March 2015 and 31st March 2016. Two PWLB loans matured during 2015-16, a £2 million loan in June 2015 and a £10 million loan in March 2016, which was refinanced for a further three years, at a lower interest rate, to strengthen the Council's cash position and maintain a manageable gap between actual borrowing and the underlying borrowing requirement (per the CFR).

Treasury Management Indicators within the Treasury Management Code

Trl 4a and 4b – Upper Limit on Fixed Interest Rate Exposures and Interest Rate Exposures, respectively

The Council's upper limit for fixed interest rate exposure for the period 2015-16 to 2018-19 is 100% of net outstanding principal sums.

The Council's upper limit for variable interest rate exposure is 47% for 2015-16, 52% for 2016-17, 54% for 2017-18 and 56% for 2018-19 of net outstanding principal sums.

19. All loans and investments are at fixed rates of interest.

Trl 5 – Maturity Structure of Borrowing

Limits on the Maturity Structure of Borrowing	Upper Limit	Lower Limit	Actuals 31/3/16	Actuals 31/3/16
			Next Call Date	Contracted Maturity
Maturing Period:				
- under 12 months	15%	0%	16.6%	3.4%
- 12 months and within 24 months	15%	0%	4.0%	2.9%
- 2 years and within 5 years	45%	0%	6.5%	6.5%
- 5 years and within 10 years	75%	0%	13.7%	12.0%
- 10 years and above	100%	0%	59.2%	75.2%

20. In addition to the main maturity indicators it is considered prudent that no more than 15% of long term loans should fall due for repayment within any one financial year. Using CIPFAs guidance notes, it is recommended that treasury reports show LOBOs at the next call date, however, the Code states that LOBOs should be shown in the accounts disclosure notes when “the counterparty could first require payment”. This would ordinarily be the maturity date (further details are shown in Appendix C(i)).

21. Applying the CIPFA recommendation, for the treasury report, the actual maximum percentage falling due for repayment in any one year is currently 16.6% (£58 million) in 2016-17. This takes it, temporarily, (marginally) over the 15% and in excess of the upper limit on the maturity structure of borrowing. However, this is not the case if the alternative (contracted maturity date) is applied. 79% of the £58 million shown as maturing in 2016-17, by the recommended method, relates to LOBO loans. Through call options, the lender has the right to change the interest rate at various points, in which case the Council will repay the loans and consider whether it needs to refinance them. In the current interest rate climate (where interest rates are expected to remain low for some time – Bank Rate is not anticipated to rise until at least quarter 1 2017 and the Bank of England has stated that it expects to raise rates slowly) they are extremely unlikely to be called. The average interest rate on present long-term debt is 3.769%, which continues to be relatively low when compared with other local authority borrowing rates.

Trl 6 – Total Principal Sums invested for periods longer than 364 days

22. This Trl is covered by the Annual Investment Strategy, which is detailed in Appendix B.

Other Treasury Management issues

Short Term Cash Deficits and Surpluses

23. It was agreed, as per the approved Strategy, that temporary loans and deposits would be used to cover short term cash surpluses and deficits that arise during the year. Such borrowing or investments would be made to specific dates at fixed

rates, with reference to cash flow requirements. Investments have also been placed in Money Market Funds during the year.

24. Any outstanding temporary loans and/or deposits are summarised in Appendix C (ii).

Icelandic Bank Deposits

25. Nothing further to report.

Longer Term Cash Balances

26. Interest rate movements in the financial year have not provided many opportunities for an increased return through longer term investment of the more permanent cash surpluses, such as reserves and balances. However, the availability of any appropriate longer term investment opportunities is continually monitored, such as “special tranche rates” that are offered by ‘Government backed’ banks. The rates available from these types of investments will now be reduced as Lloyds are no longer be partially Government owned and RBS will follow in the future, as the Government’s programme of the sale of shares in the banks progresses. This has already led to a change in the credit rating level of Lloyds and, consequently, the recommended duration for deposits, thus affecting the interest rate available to the Council. The tight monetary conditions have continued through 2015-16 without much upward movement in the deposit rates for all types of investments (short/medium and long term). As a result opportunities for an increased return by longer term investment of the more permanent cash surpluses, such as reserves and balances have been limited.

REVIEW OF INVESTMENT STRATEGY FOR 2015-16

1. All investments of surplus cash balances were placed to ensure:
 - a) the security of capital, deposits only being placed with financial institutions which met the **high credit ratings** laid down in the approved Strategy;
 - b) the liquidity of investments, all deposits being placed for fixed periods at fixed rates of interest; and
 - c) all such investments were in sterling and in “Specified Investments”, as prescribed in the DCLG Guidance on Local Government Investments (the “Guidance”).
2. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.
3. Details of the deposits outstanding at the end of the year, totalling £27.371 million, are shown in Appendix C (ii). These deposits represent the Council’s reserves both long term, such as the PFI and Insurance funds, and short term such as creditors or payments in advance and include the small deposit that remains in Iceland, which is currently held subject to the, awaited, relaxation of currency controls.
4. Subject to the cash position, available opportunities to invest in longer term investments, up to 12 months, were taken during the year, taking advantage of higher interest rates available for the longer maturity period, where appropriate and within the minimum requirements set out in the Treasury Strategy. These are shown within general deposits in Appendix C (ii).
5. The Council contracts with a treasury adviser, regularly reviewing credit ratings of potential organisations and their respective country's ratings, together with other 'tools' used to assess the credit quality of institutions such as credit default swaps. The Council uses this information to assess institutions with which it may place deposits or from which it may borrow, including interest rate forecasts for both borrowing and investment, together with setting a 'benchmark' borrowing rate. The Council's investment policy is 'aimed' at the prudent investment of surplus cash balances to optimise returns whilst ensuring the security of capital and liquidity of investments. However, the Council, like any other organisation, can be exposed to financial risk, which is negated as far as possible by the foregoing measures.

SUMMARY OF LONG TERM BORROWING 1 APRIL - 31 MARCH 2016**Loans Raised During the Period**

Date Raised	Lender	Amount (£m)	Type	Interest rate (%)	Maturity date	No. of years
March	PWLB	10.000	Maturity	1.38	Mar-19	3.00
	Total	10.000				

Average period to maturity (years) 3.00

Average interest rate (%) 1.38

Maturity Profile at 31 March 2016

Year	Amount (£m)					% age		Average rate (%)	
	PWLB	Market Loans (LOBO)		Total		Next Call Date	Contracted Maturity	Next Call Date	Contracted Maturity
		Next Call Date	Contracted Maturity	Next Call Date	Contracted Maturity				
(A)	(B)	(C)	(A)+(B)	(A)+(C)					
1 to 5 years	48.810	56.000	-	104.810	48.810	30.0	13.9	3.610	2.695
6 to 15 years	97.123	5.000	-	102.123	97.123	29.2	27.8	3.315	3.280
16 to 25 years	68.500	-	-	68.500	68.500	19.6	19.6	3.897	3.897
26 to 50 years	74.500	-	51.000	74.500	125.500	21.3	35.9	4.497	4.459
Over 50 years	-	-	10.000	-	10.000	-	2.9	-	4.206
Totals	288.933	61.000	61.000	349.933	349.933	100.0	100.0	3.769	3.769

Average period to maturity (years) 14.68 21.49

CIPFAs Guidance Notes on Treasury Management in the Public Services recommends that the Treasury Management Strategy Reports include LOBO (Lender Option Borrower Option) loans at the earliest date on which the lender can require payment, deemed to be the next 'call date'. At that date the lender may choose to increase the interest rate and the borrower (the Council) may accept the new rate or repay the loan (under the current approved Treasury Management Strategy, the Council would repay the loan). Whether or not the lender chooses to exercise their right to alter the interest rate will depend on market conditions (interest rates). Current market conditions, where interest rates are predicted to remain low for some time, indicate that it is highly unlikely that lenders will call the loans in the immediate future.

The alternative method of determining the maturity profile of LOBO loans, based on contracted maturity dates, is used in the 2015-16 year end outturn.

The table above includes the maturity profiles using both the earliest date on which the lender can require payment and the contracted maturity dates.

SUMMARY OF DEPOSITS 1 APRIL - 31 MARCH 2016**Deposits Outstanding at 31 March 2016**

Borrower	Amount £m	Terms	Interest Rate	Sector Credit Rating at 31/03/2016
HSBC	4.900	No fixed maturity date	0.15	Red - 6 Months
Landesbank Baden Wuerttbg	8.000	Fixed to 12-Apr-16	0.80	Red - 6 Months
Svenska Handelsbanken AB	0.017	No fixed maturity date	0.50	Orange - 12 Months
Prime Rate Money Market Fund	14.425	No fixed maturity date	0.53	AAA
Landsbanki (Escrow Account)	0.029	Est Recoverable Amount	4.36	N/A
Total	27.371			

Investments held have decreased by £24.167 million between the end of December 2015 as reported in the previous quarterly report, and the end of March 2016. This is because of changes in cash flows/reversal of timing differences (e.g. decreased receipts/increased payments, particularly those associated with the funding arrangements for Business Rates Retention), resulting in a reduction in cash available for investment. The cash position is constantly reviewed to ensure that the Council maintains an appropriate level for cash flow purposes. The timing difference reduced (as expected) as the financial year progressed as shown in the table below.

	Year Ended 31/03/2015 £m	Quarter Ended 30/06/2015 £m	Change £m	Quarter Ended 30/09/2015 £m	Change £m	Quarter Ended 31/12/2015 £m	Change £m	Quarter Ended 31/03/2016 £m	Change £m
Total Deposits Outstanding	42.870	71.050	28.180	58.767	-12.283	51.538	-7.229	27.371	-24.167

Temporary Loans Outstanding at 31 March 2016

Lender	Amount £m	Terms	Interest Rate
Falkirk Council	5.000	Fixed to 11-Apr-16	0.45
London Borough of Havering	5.000	Fixed to 15-Apr-16	0.50
Surrey County Council	10.000	Fixed to 21-Apr-16	0.50
Total	20.000		

The three temporary loans outstanding at the end of the financial year, as shown in the above table, were all taken in March 2016 to cover anticipated short term cash deficits.

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Wiltshire Council

Environment Select Committee

7 June 2016

Cabinet

14 June 2016

Subject: **Wiltshire Local Transport Plan 2011-2026 Public Transport Strategy Review – Results of Supported Bus Service Savings Options Consultation**

Cabinet Member: Councillor Philip Whitehead, Cabinet Member for Highways and Transport

Key Decision: No

Executive Summary

The current Public Transport Strategy was approved by Cabinet at its meeting on 14 December 2010 and formally adopted by the Council at its meeting on 22 February 2011 as part of the Wiltshire LTP 2011-2026.

The Public Transport Strategy and its service delivery (i.e. Wiltshire Council supported bus services) are being reviewed as a result of continuing and growing pressures on Council budgets that mean that funding will be under increasing pressure, as we continue to deliver bus services at the level that was envisaged when the LTP was published in 2011.

The review of the LTP Public Transport Strategy is part of a wider review of all areas of Wiltshire Council's passenger transport remit (except rail and taxis). The wider review will include re-examining policy and spending in home-to-school and college transport, SEND transport and social care client transport to make sure that service provision is aligned to priorities and to identify any scope for further savings. Work on this wider review is proceeding in parallel with the Public Transport Strategy review, and if it results in any proposals for changes to policies, they will also be subject to consultation before implementation.

As a first step in the review, a pre-consultation scoping paper, associated documents and questionnaire was developed to provide key stakeholders and partners with an overview of passenger transport, and an opportunity to shape the scope of the review. The paper, associated documents and questionnaire were made available via the Council's consultation portal between 8 July and 31 August 2015. Five workshops were undertaken during the pre-consultation phase with key stakeholder groups, to discuss the scoping paper, and to provide stakeholders with an opportunity to communicate their priorities, ideas, and concerns. Discussions were also held with key Wiltshire Council services and bus operators.

Some 160 questionnaires were returned and a bus survey was provided by Christian Malford Parish Council. Other non-questionnaire responses were also received from various groups. A paper setting out all the questionnaire comments received along with the Council's responses was posted on the Council's LTP3 webpage in October 2015.

In brief summary, the key points that came out of the pre-consultation exercise are as follows:

- The overall feedback highlighted the importance of bus services to users, communities and public sector service providers.
- Community transport will not be able to provide transport alternatives on any significant scale.
- There is little scope to make subsidised bus services commercial.
- There were no new 'big ideas' suggested that would make significant financial savings within the necessary timeframe.
- There is limited potential for further savings in other areas of the Council's public transport budgets.

Based upon the pre-consultation findings and in the context of Wiltshire Council's continuing budget pressures and the experience of other councils, officers developed six savings options for supported bus services that were included in a 'Public Consultation Paper' (which also included information on the national and local policy context, relevant research findings (including the extent of bus service cuts in other local authority areas) and current bus service provision in Wiltshire). Questions on the savings options (and other relevant questions) were also included in an associated questionnaire.

It was highlighted in the consultation paper and questionnaire that the consultation was focused on Wiltshire Council supported bus services and not commercial bus services. It was also highlighted that the consultation was not a detailed consultation on particular routes, timetables or destinations, and as there would be many combinations of possible supported bus service changes, the Council had not yet determined what these changes might be (information on bus services 'at risk' was provided however). Instead, it was made clear that responses to the consultation was an information gathering exercise and would help guide the Council's subsequent decisions on any supported bus service changes.

The full suite of consultation documents was as follows (all of which were made available on the Wiltshire Council Consultation Portal):

- Public Consultation Paper
- Questionnaire
- Frequently Asked Questions paper
- LTP Public Transport Strategy (current version)
- Bus Services that operate with funding from Wiltshire Council (as at December 2015)
- Bus Service Maps
- Equality Evidence Analysis Document
- Strategic Environmental Assessment (SEA)
- Habitat Regulation Assessment

The public consultation exercise was undertaken from 11 January 2016 to 4 April 2016 (the SEA being available from 15 February 2016 to 4 April 2016). A variety of means were used to inform people of the consultation, which are listed further in this reported

11,093 questionnaires were received, making this the second largest response of any Wiltshire Council consultation. This represents the depth of feeling towards public transport across Wiltshire. Of these 11,093 questionnaires, around 3,000 were completed from a stock that were issued “on bus” by officers and bus drivers. This confirms that the consultation results are representative of bus users in Wiltshire

There were 5,165 free text comments received, which have all been read. These comments ranged from simple one word answers to multiple pages. The comments have been categorised and sub categorised. A summary of these comments can be found at **Appendix 3**.

Further to the free text comments and outside of the questionnaires, representations were received from 141 individuals, MP’s, community groups, town and parish councils and other bodies. A list of these groups can be found at **Appendix 4**. The full transcript of these responses is not attached as it amounts to over 186 pages, but it can be seen upon request. Those comments that were directly relating to the consultation have been included as part of the free text summary and categorised in **Appendix 3**.

Proposals

That Environment Select Committee / Cabinet:

- (i) Notes the results of the public consultation on supported bus service savings options as part of the review of the Wiltshire Local Transport Plan (LTP) 2011-2026 Public Transport Strategy review.
- (ii) Notes that a report on a proposed way forward for public transport in Wiltshire will be presented to Cabinet at a future meeting.
- (iii) Notes that over 11,000 individuals and organisations responded to, and took part in, the public consultation.
- (iv) Notes that due to the volume of consultation responses received only the majority or main consultation points have been outlined at this time; the analysis and consideration of more detailed points will be undertaken if and when changes to individual supported bus services are proposed and consulted upon.

Reason for Proposals

To provide Environment Select Committee and Cabinet with early visibility of the results of the public consultation on supported bus service savings options. A further paper outlining options will be presented to Cabinet in the future.

Dr. Carlton Brand
Corporate Director

Wiltshire Council

Environment Select Committee

7 June 2016

Cabinet

14 June 2016

Subject: Wiltshire Local Transport Plan 2011-2026 Public Transport Strategy Review – Results of Supported Bus Service Savings Options Consultation

Cabinet Member: Councillor Philip Whitehead, Cabinet Member for Highways and Transport

Key Decision: No

Purpose of Report

1. To update members on the results of the public consultation on supported bus service savings options as part of the review of the Wiltshire Local Transport Plan (LTP) 2011-2026 Public Transport Strategy review.

Relevance to the Council's Business Plan

2. The Wiltshire LTP Public Transport Strategy is relevant to all the Business Plan's outcomes:

Outcome 1: Wiltshire has a thriving and growing local economy

The public transport strategy can:

- Support the local economy (e.g. by making it easy for workers, shoppers and visitors to access local centres) and facilitate development growth (e.g. by helping to facilitate the planned housing and employment growth set out in the Wiltshire Core Strategy to 2026).
- Improve journey time reliability for road users (e.g. by removing some car trips from the highway network and therefore reducing congestion and delays).

Outcome 2: People in Wiltshire work together to solve problems locally and participate in decisions that affect them

The public transport strategy can:

- Enable local groups to operate community and voluntary transport schemes particularly to provide local access and safety net transport services to meet needs that cannot be effectively provided by other means (e.g. Link schemes).
- Help support community rail partnerships to improve stations and train services (e.g. Trans Wilts Community Rail Partnership).

Outcome 3: Everyone in Wiltshire lives in a high quality environment

The public transport strategy can:

- Enhance the built and natural environment (e.g. by removing some car trips from the highway network and therefore reducing greenhouse gas emissions and air quality pollutants).

Outcome 4: Wiltshire has inclusive communities where everyone can achieve their potential

The public transport strategy can:

- Provide access to key services and facilities for Protected Characteristics groups (as defined by the Equality Act 2010) (e.g. by providing travel opportunities for younger and older people who often do not have access to a car).

Outcome 5: People in Wiltshire have healthy, active and high-quality lives

The public transport strategy can:

- Encourage the use of public transport which typically involves a walking trip at the start and/or end of journeys (e.g. by working with operators to provide frequent, reliable and affordable bus services).

Outcome 6: People are as protected from harm as possible and feel safe

The public transport strategy can:

- Help make Wiltshire a safer place (e.g. by ensuring that buses and bus stops are safe to use by all).

Main Considerations for the Council

Pre-consultation exercise

3. As a first step in the review, a pre-consultation scoping paper, associated documents and questionnaire was developed to provide key stakeholders and partners with an overview of passenger transport, and an opportunity to shape the scope of the review. The paper, associated documents and questionnaire were made available via the Council's consultation portal between 8 July and 31 August 2015. Five workshops were undertaken during the pre-consultation phase with key stakeholder groups, to discuss the scoping paper, and to provide stakeholders with an opportunity to communicate their priorities, ideas, and concerns. Discussions were also held with key Wiltshire Council services and bus operators.
4. Some 160 questionnaires were returned and a bus survey was provided by Christian Malford Parish Council. Other non-questionnaire responses were also received from various groups. A paper setting out all the questionnaire comments received along with the Council's responses was posted on the Council's LTP3 webpage in October 2015.
5. In brief summary, the key points that came out of the pre-consultation exercise are as follows:
 - The overall feedback highlighted the importance of bus services to users, communities and public sector service providers.
 - Community transport will not be able to provide transport alternatives on any significant scale.

- There is little scope to make subsidised bus services commercial.
- There were no new 'big ideas' suggested that would make significant financial savings within the necessary timeframe.
- There is limited potential for further savings in other areas of the Council's public transport budgets.

The Passenger Transport Unit has since 2012 reduced expenditure on its budget by around £4 million. This has been achieved through efficiency savings, some limited service reductions and policy changes, such as the revocation of the concessionary fares bus pass before 9.30 am. These savings are however now largely exhausted, but through changes in demography further efficiencies will always be considered.

Public consultation exercise

6. Based upon the pre-consultation findings (see 'Background') and in the context of Wiltshire Council's continuing budget pressures and the experience of other councils, officers developed six savings options for supported bus services that were included in a 'Public Consultation Paper' (which also included information on the national and local policy context, relevant research findings (including the extent of bus service cuts in other local authority areas) and current bus service provision in Wiltshire). Questions on the savings options (and other relevant questions) were also included in an associated questionnaire.
7. It was highlighted in the consultation paper and questionnaire that the consultation was focused on Wiltshire Council supported bus services and not commercial bus services. It was also highlighted that the consultation was not a detailed consultation on particular routes, timetables or destinations, and as there would be many combinations of possible supported bus service changes, the council had not yet determined what these changes might be (information on bus services 'at risk' was provided however). Instead, it was made clear that responses to the consultation would improve the council's knowledge and understanding and would help guide the council's subsequent decisions on any supported bus service changes.
8. The full suite of consultation documents was as follows (all of which were made available on the Wiltshire Council Consultation Portal):
 - Public Consultation Paper
 - Questionnaire
 - Frequently Asked Questions paper
 - LTP Public Transport Strategy (current version)
 - Bus Services that operate with funding from Wiltshire Council (as at December 2015)
 - Bus Service Maps
 - Equality Evidence Analysis Document
 - Strategic Environmental Assessment (SEA)
 - Habitat Regulation Assessment.

9. The public consultation exercise was undertaken from 11 January 2016 to 4 April 2016 (the SEA being available from 15 February 2016 to 4 April 2016). A variety of means were used to inform people of the consultation:
- Wiltshire Council Consultation Portal
 - Documents made available in specific libraries, leisure centres and Council offices
 - Questionnaires made available on supported bus services
 - Questionnaires made available through Age UK, Salisbury
 - Press releases
 - Parish newsletters
 - Social media promotion
 - Area Board 'Chairman's Announcements'
 - A featured item on the 'News from Wiltshire' section of the council's website
 - Correspondence with Chambers of Commerce
 - Correspondence with Salisbury and Chippenham Business Improvement Districts
 - Emails sent to some 6,000 Area Board contacts
 - Promotion of the consultation by DEVELOP (which supports voluntary and community organisations) and the Wiltshire Forum of Community Area Partnerships
 - Promotion of the consultation through the Registered Housing providers in Wiltshire
 - Included in the November 2014 business newsletter sent by the Economic Development Team to some 2,000 business contacts
 - Emails sent to Wiltshire 100 business contacts (107 businesses)
 - Emails sent to some 4,000 Leisure Service contacts.
 - Promotion of the consultation through the Apprentice Network (a support network for young apprentices) and also via the Apprenticeship Campaign Group (training providers) and the Gloucestershire and Wiltshire Provider Network.
 - Promotion of the consultation through Wiltshire College with documents and questionnaires made available
 - [Bus Users UK](#), who are a national group championing the rights of bus and coach users, were invited to help promote the consultation in partnership with local bus suppliers, who provided bus's at prominent locations throughout Wiltshire's main towns inviting the public to board the vehicles and complete questionnaires. These events were attended by members and officers of the council to support the public in the completion of the questionnaires
10. A petition was received at Full Council on 10 May 2016 from the Salisbury Journal, who also made a short representation on the importance of buses to facilitate rural communities and improve the economic prospects of the region. The petition secured over 6,000 responses and the basis of the petition can be found at [STOP BUS CUTS](#).

Public consultation results

11. There has been significant praise towards Wiltshire Council's approach to the consultation, most notably from Bus Users UK and the bus suppliers themselves. It is recognised that a measured, balanced and transparent approach is being adopted to understand the impact that may arise from any service reduction.
12. A copy of the questionnaire and the associated results is attached as **Appendix 1**.
13. A summary of the results of the questionnaire can be found at **Appendix 2**.
14. 11,093 questionnaires were received, making this the second largest response of any Wiltshire Council consultation. This represents the depth of feeling towards public transport across Wiltshire. Of these 11,093 questionnaires, around 3,000 were completed from a stock that were issued "on bus" by officers and bus drivers. This confirms that the consultation results are representative of bus users in Wiltshire.
15. There were 5,165 free text comments received, which have all been read. These comments ranged from simple one word answers to multiple pages. The comments have been categorised and sub categorised. A summary of these comments can be found at **Appendix 3**.
16. Further to the free text comments and outside of the questionnaires, representations were received from 141 individuals, MP's, community groups, town and parish councils and other bodies. A list of these groups can be found at **Appendix 4**. The full transcript of these responses is not attached as it amounts to over 186 pages, but it can be seen upon request. Those comments that were directly relating to the consultation have been included as part of the free text summary and categorised in **Appendix 3**.
17. In addition to the above, [Wiltshire People First](#) responded as a group representing 14 service users who have a learning disability and or autism. It has not been possible to include this submission as individuals, but the group response can be found at **Appendix 5**.
18. From the 5,335 individual free text comments and representations made 15,294 issues were raised. A selection of the most commonly mentioned is as follows:

Vulnerable People – 1,095 comments were made on how any reduction to public transport would adversely impact on this demographic. This supports comments made as part of the pre consultation exercise and is also drawn out elsewhere in the consultation.

Concessionary Fares - 877 comments were made about the use of the concessionary fare pass, ranging from means testing to making a contribution. Under current legislation it is not possible to make a charge for the concessionary pass. However, through devolution bids in other parts of the country it has been suggested that a nominal payment for the concessionary pass may be considered by government.

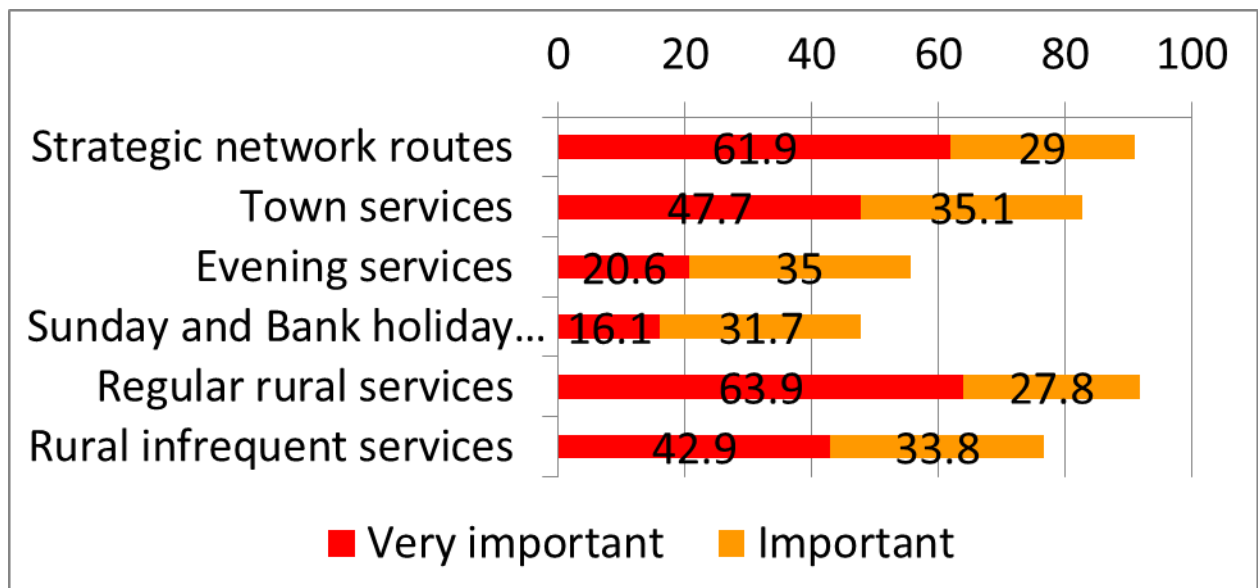
Access to essential services – 1,673 comments were received stating that a reduction in public transport would be a problem and in many cases completely deny,

them access to essential services such as shopping and medical appointments. They also suggested that a lack of public transport would have an adverse effect upon the economy.

Quality of life – Linked to vulnerability, there were a further 1,833 comments made around a reduction to peoples quality of life, due to a lack of independence, but most notably there were 661 comments referring to social isolation.

Service Type – There were 3,747 comments made about the type of service whether it be to retain, or reduce a particular type of service. Of these 3,747 comments, 1,302 suggested that the retention of rural services was very important to them, which reaffirms the results of the questionnaire

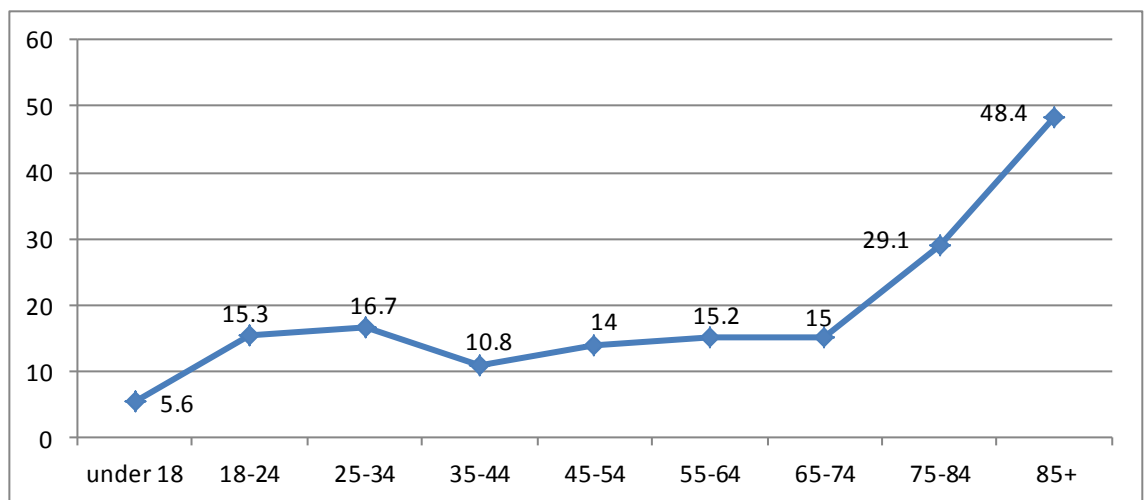
19. The following are some of the more salient points from the overall consultation results and some additional analysis that was felt important to represent the responses fully. This additional analysis was determined by officers and members of the public transport review task group.
20. In general, the demography of the respondents can be categorised as follows:
 - 42% are male 57% female
 - 58% of respondents are over 65 years old (4.3% 85+)
 - 28% of respondents say they have mobility problems
 - 62% of respondents have access to a car but 38% do not
 - 64% have a concessionary bus pass
21. The table below represents the different types of service that was consulted upon and the priority the respondents placed upon each of them.



22. As can be seen there is significant support for regular rural and the strategic network routes and less support for evening, Sunday and Bank holiday services. The impact on the user of these services is drawn out further in the following section.

Topic 1: Age and disability.

Q. *How many of the respondents aged over 65 regarded themselves as disabled?*



A. The above graph represents the percentage of respondents in each age category who consider themselves disabled. It is important to note the significant increase in disability once over the age of 75, but it is also interesting to note that there is generally a high percentage of people who

consider themselves disabled who responded. Any reduction in public transport would impact upon this vulnerable group, potentially placing additional cost pressures on other Wiltshire Council services.

Topic 2: The percentage of people who use concessionary bus passes who consider themselves disabled.

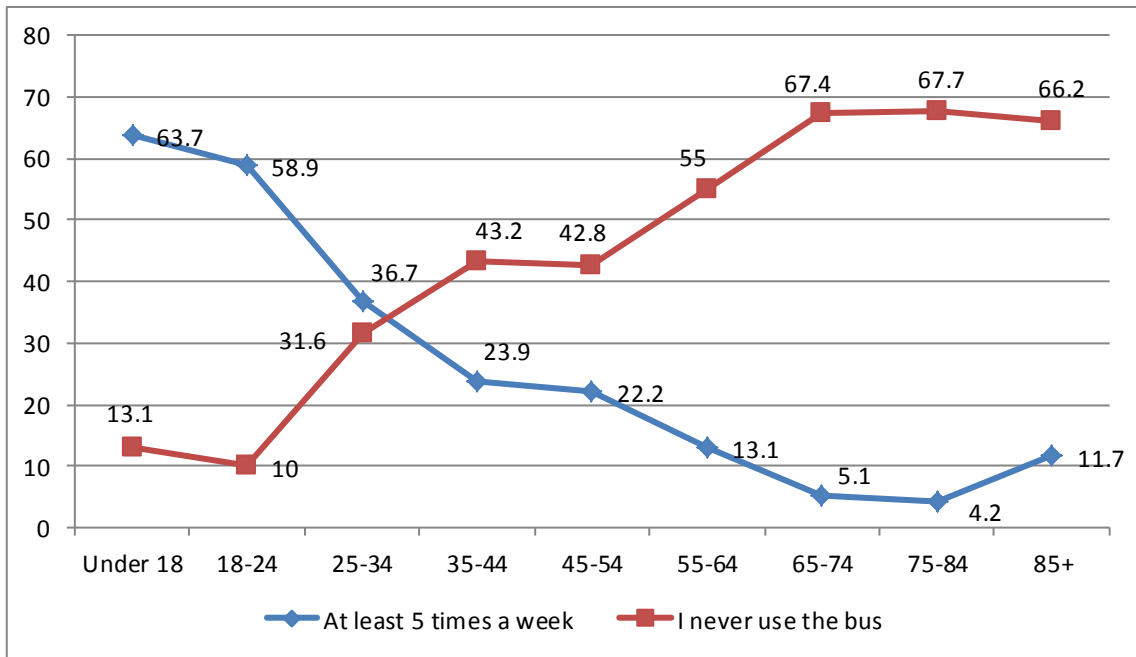
- Q. *How many of those who have concessionary bus passes say they are disabled in any way?*
- A. *There were roughly 64% of respondents who said they used a concessionary bus pass in our survey. Of these some 24% considered themselves disabled, above the average within the whole survey which was 18% but perhaps not markedly so. Conversely, however, 82% of those who did say they were disabled had a concessionary bus pass. Again the steep rise above the ages of 75, seem to account for this.*

Topic 3: The use of buses by the various age groups.

- Q. *What was the age breakdown of the various use of buses, was there a particular bus use that was more popular with a particular age group?*

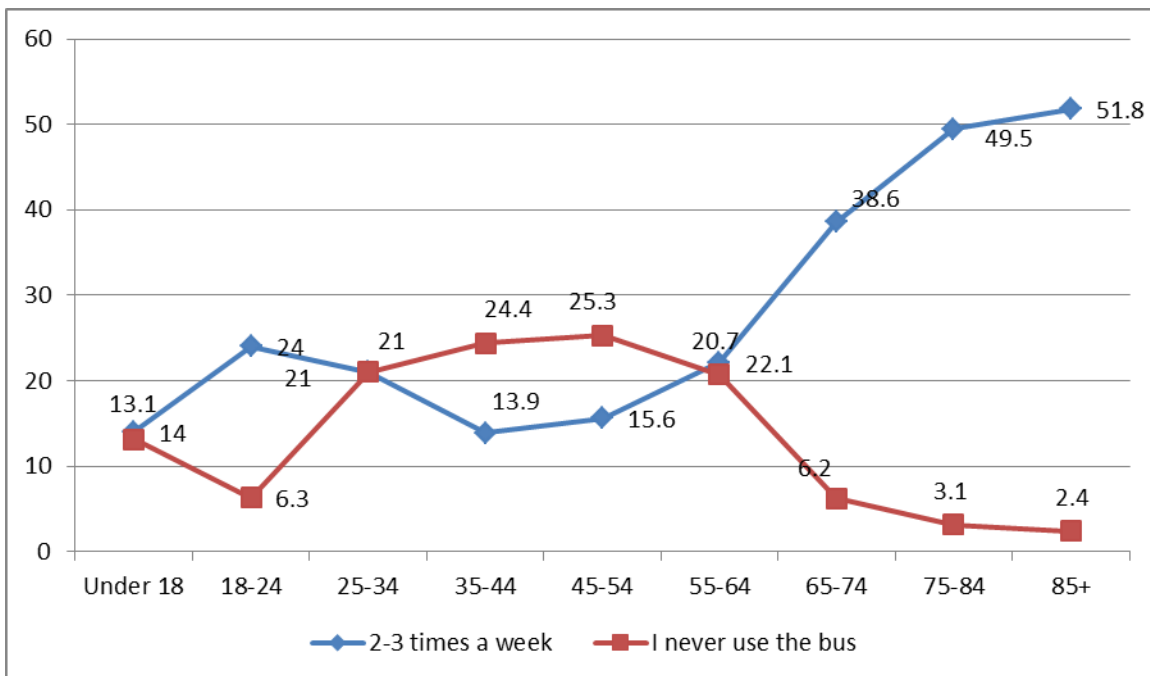
*To get to work
To go shopping
To visit family and friends
To get to a Doctors or medical appointment
To get out and about*

Figure 1 using the bus to get to work by age group



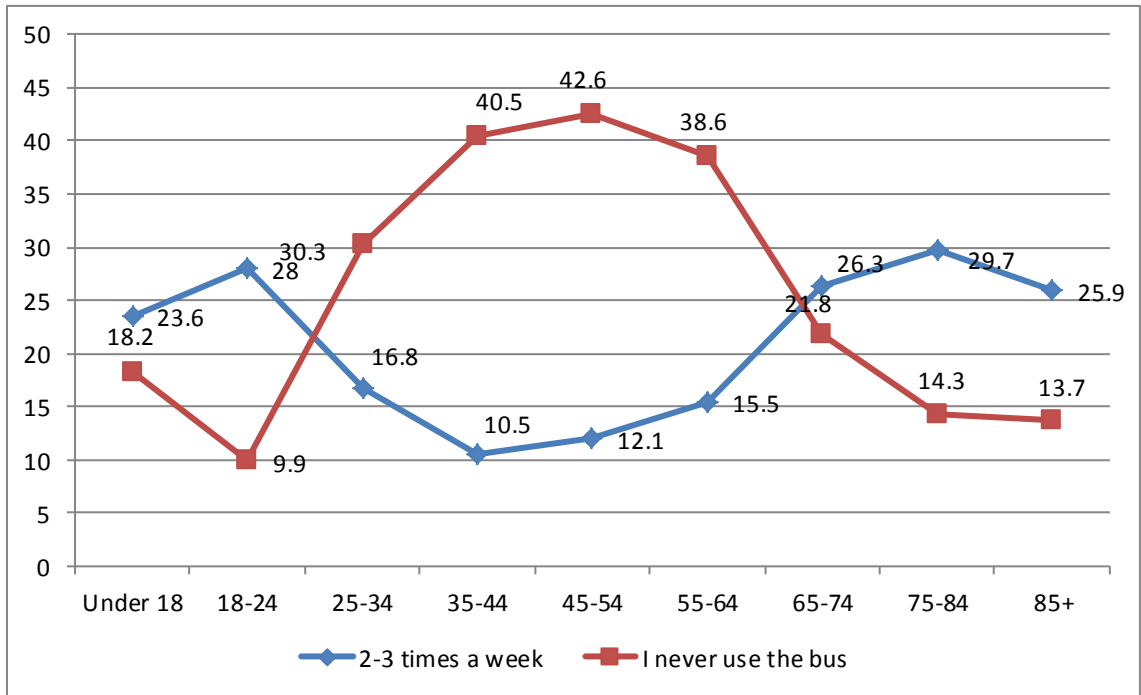
A. As can be seen the use of buses to get to work is very much age related as one would expect. This is particularly relevant for those under 24 perhaps without access to a car. It does not represent all under 24 year olds, just those who answered the survey who by its nature would tend to be bus users anyway.

Figure 2 using the bus to go shopping by age group



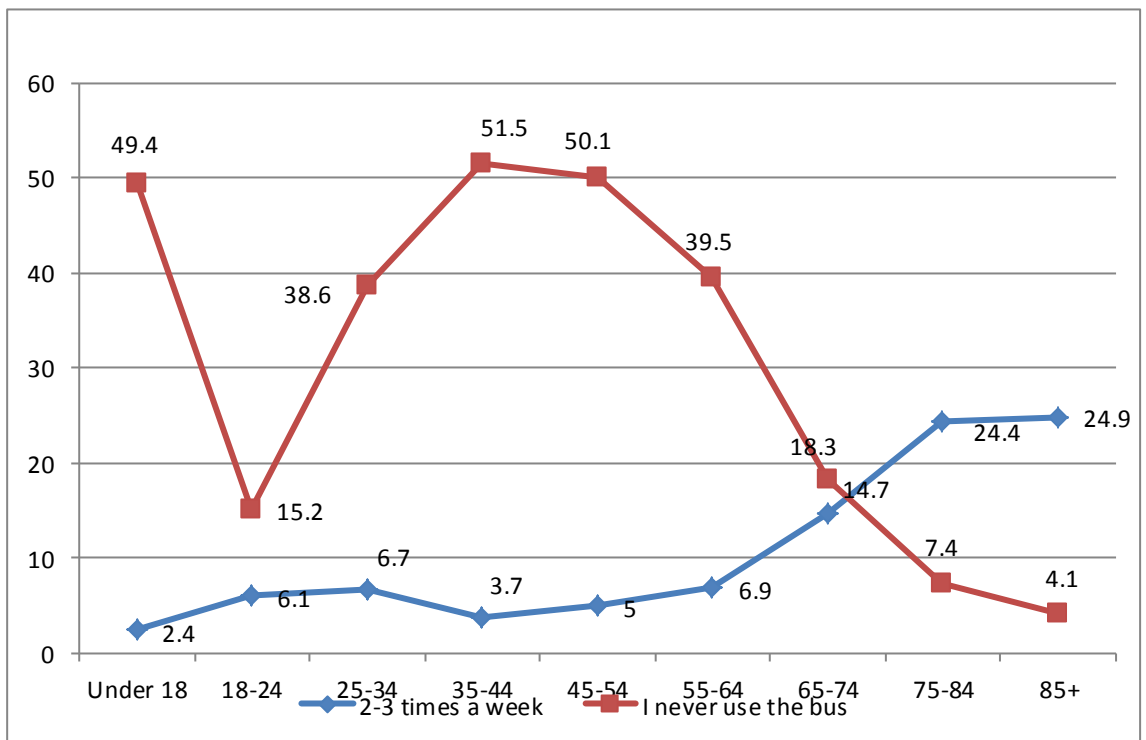
A. As can be seen the use of buses to go shopping (in this case the most popular aspect – shopping 2-3 times a week) is very much age related as one would expect. This is particularly relevant for those over 75 perhaps without access to a car. It does not represent all over 75 year olds just those who answered the survey who by its nature would tend to be bus users anyway.

Figure 3 using the bus to visit family and friends



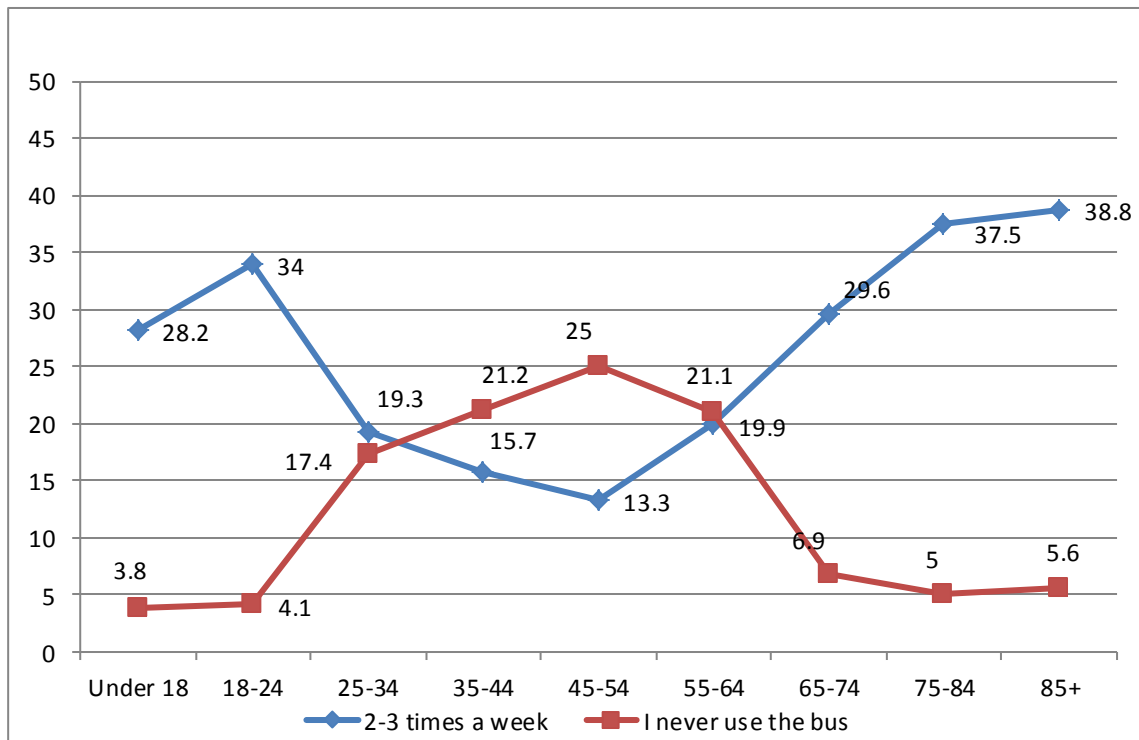
A. *The above pattern is perhaps typical with those between 25 and 64 rarely using the bus to visit family and friends. This more important for the younger and older age groups.*

Figure 4 using the bus to get to a Doctors or medical appointment



A. *Again perhaps a typical distribution with the elderly relying more on the bus to get to medical appointments.*

Figure 5 using the bus to get out and about



A. *This pattern shows that for the youngest and eldest age groups those traditionally who may not have access to a car, the bus is important as a social tool to get out and about.*

Topic 3 the 6 options – Did respondents views vary dependent on age? What was very important or important to respondents?

Q. *Strategic network routes linking the main towns*

A. *Looking across all the age groups between 87-92% said that these were very important or important – there was no significant variation therefore by specific age groups – all regarded such routes as important.*

Q. *Town services*

A. *Looking across the age ranges it is noticeable that the level of importance (very important and important) climbs gradually as age increases with 68% of under 18's, 71% of 18-24's, 75% of 25-34's all the way to over 90% of respondents aged 55+*

Q. *Evening services*

A. *Looking across the age ranges the pattern is age related with evening services being regarded as very important or important by around two thirds of respondents until they are aged over 65 when the relative importance drops to 50% at 65-74 years old, 41% at 75-84 years old and 36% at 85+.*

Q. *Sunday and Bank holiday services*

A. *Looking across the age ranges the relative importance of the service was greatest amongst the 18-24 age group (70% said it was very important or important, the 25-34 age group (63% said it was very important or important) but tailed off as one got older so that by 75-84 only 41% said it was very important or important and 36% amongst those over 85.*

Q. *Rural regular services*

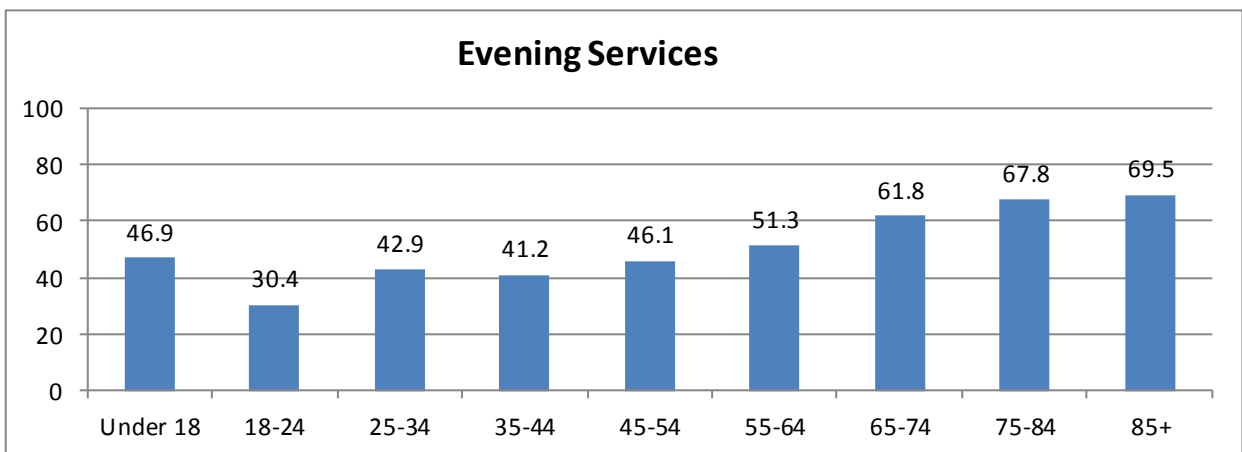
A. *Looking across the age ranges there was no noticeable difference in the percentage who said it was very important or important with the range spanning 88%-93%.*

Q. *Rural infrequent services*

A. *Looking across the age ranges there was a slight lowering of relative importance amongst those up to aged 44 with those saying these services were very important or important varying between 63% and 69% whereas in the two age groups 65-74 and 75-84 it was around 80%.*

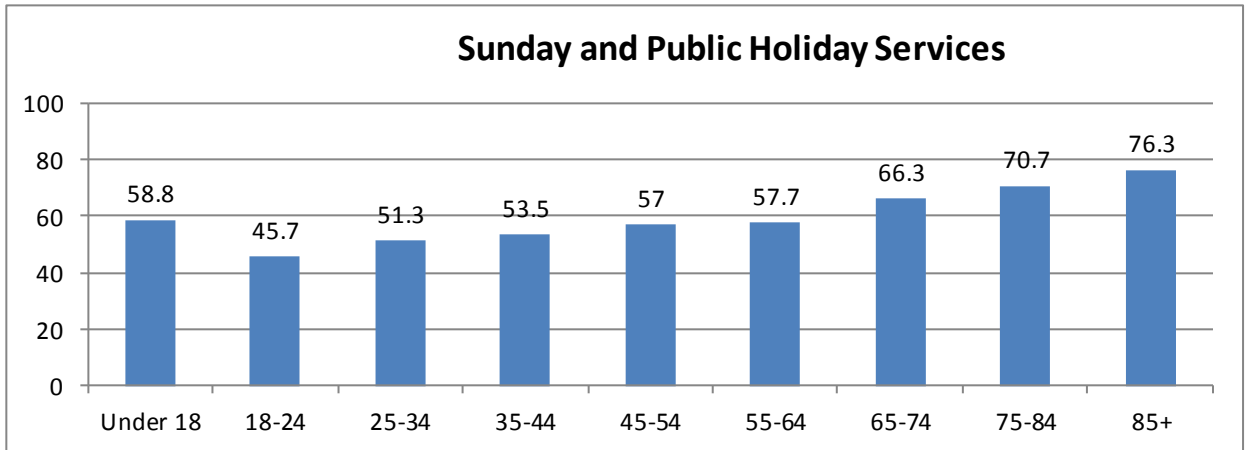
Topic 4 Looking for savings – Is support for savings dependent on age?

Q. *Do you support the Council looking for savings in this area? Evening services*



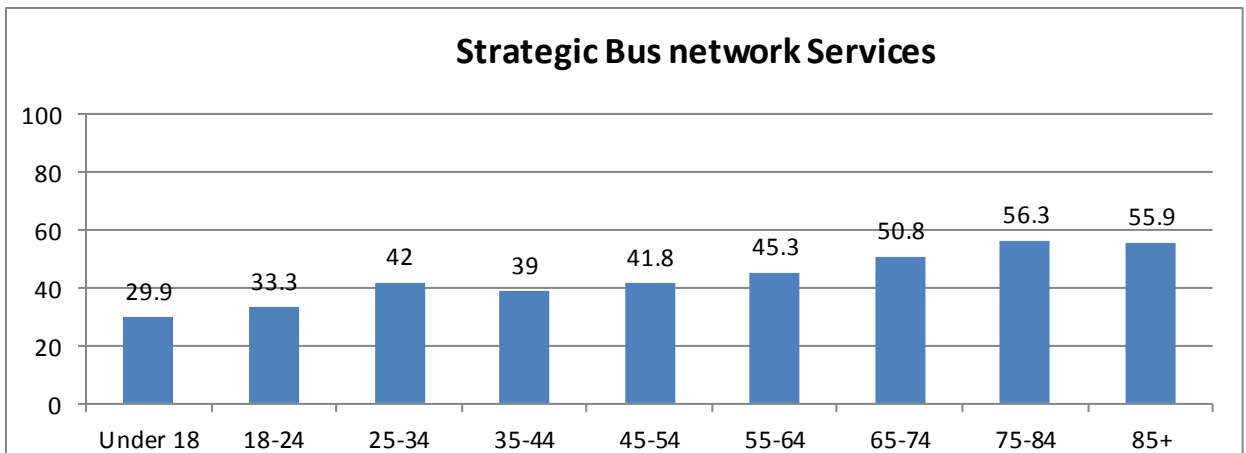
A. *The level of support for saving increases above age 65 not surprising as evening use by older groups is not as important according to our survey responses to question 9.*

Q. Do you support the Council looking for savings in this area? Sunday and Public holiday Services



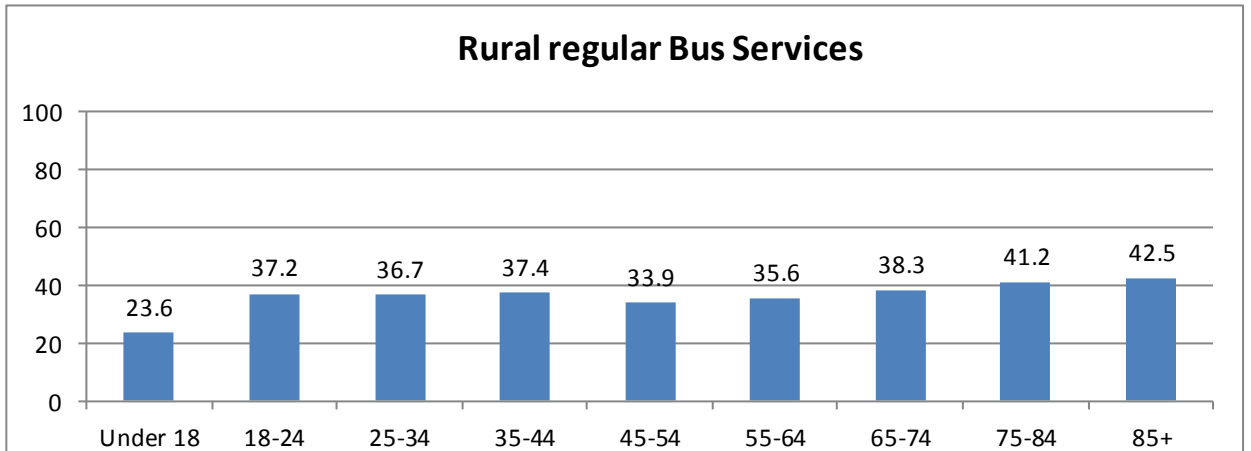
A. The level of support for savings in this area increases as respondents get older – it is only the 18-24 age group that appear slightly against this proposal overall which may reflect their confidence in using the bus to travel yet at an age where they may not yet own a car.

Q. Do you support the Council looking for savings in this area? Strategic Bus network Services



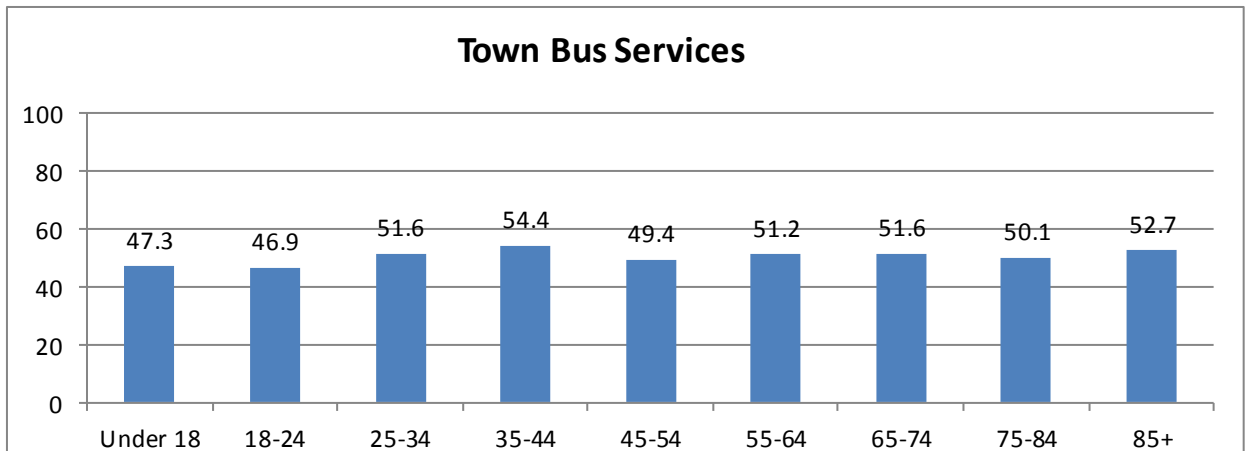
A. Support for savings in this area rise slowly via the age groups but is in a minority until the ages 65+ which perhaps reflects the shorter journeys that older respondents undertake rather than journeys between major centres.

Q. Do you support the Council looking for savings in this area? Rural regular Bus Services



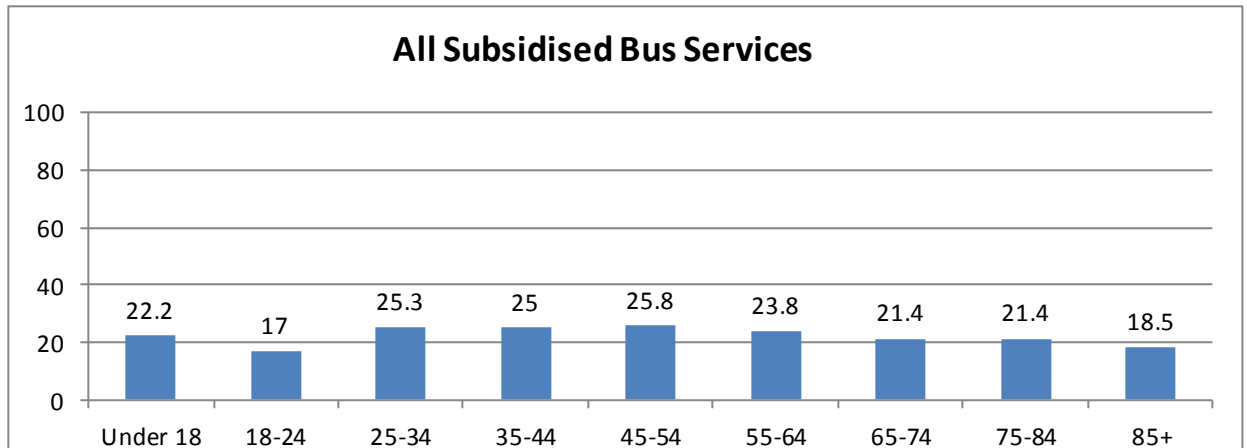
A. Support for savings in this area remain in the minority across all age ranges suggesting it is an area that is seen as essential in what is in effect a rural authority.

Q. Do you support the Council looking for savings in this area? Town Bus Services



A. Support for savings here are very similar across all age ranges with a rough 50/50 split for and against savings to Town Bus Services.

Q. *Do you support the Council looking for savings in this area? All subsidised Bus Services*



A. *Support for savings across all subsidised bus services remains universally low across all age ranges.*

Topic 5 Looking for savings – is support for savings dependent on access to a car?

Q. *Across all the options explored looking at savings from Evening services, Sunday and Public Holiday services, Strategic Network services, Town services and then Rural regular and Rural infrequent services, it was noticeable that the greatest impact would without doubt fall on those who do not have access to a car.*

A. *So of those who said that removing the subsidy “wouldn’t affect me at all, as I rarely if ever use such a service” between 69% and 89% said they had access to a car.*

In contrast between 70% and 78% of people who said such changes “would have a big impact on me personally did not have access to a car.

Option 24/7

23. Option 24/7 is a community interest group, details of the group can be found at the following link:

<http://option247.uk/index.html>

24. Their proposal is to franchise bus services in Wiltshire, by using revenue generated from the commercial, profitable bus services (not subsidised or managed by Wiltshire Council), to cross subsidise the bus services which Wiltshire Council funds. Powers to achieve this already exist in current legislation, but to date no other local authority in the country, including the large metropolitans, where bus usage and profitability, are significantly higher than in Wiltshire, have achieved this.

25. New legislation in the form of the buses bill will likely receive royal ascent in the spring / summer of 2017, which will make it clearer what franchising and enhanced partnership working with bus suppliers and other key stakeholders might look like. Unfortunately, this does not necessarily tie in with the timescales for this review. However, the Option 24/7 proposal should not be discounted and officers will continue to work with representatives of the group to develop the concept.
26. During the consultation period representatives of 24/7 were keen to promote the concept of franchising and from their website suggested how the public should respond. From the analysis of the free text comments, where all points raised were categorised and then sub categorised (**Appendix 3**), option 24/7 received 158 references out of the 15,294 recorded (around 1%).
27. In summary of the results of the questionnaire, they very much followed the same line as the outcomes from the pre consultation phase, with the main priority being on rural and strategic network services, so that people / communities do not become isolated. There was less of a priority placed upon on evenings and Sunday services. However, a reduction in one type of service category, i.e. evenings and Sundays, would adversely affect younger people and likewise a reduction in rural services would adversely affect the elderly.

Background

28. The current Public Transport Strategy was approved by Cabinet at its meeting on 14 December 2010 and formally adopted by the Council at its meeting on 22 February 2011 as part of the Wiltshire LTP 2011-2026.
29. The Public Transport Strategy and its service delivery (i.e. Wiltshire Council supported bus services) are being reviewed as a result of continuing and growing pressures on Council budgets that mean that funding is no longer available to continue delivering bus services at the level that was envisaged when the LTP was published in 2011.
30. The review of the LTP Public Transport Strategy is part of a wider review of all areas of Wiltshire Council's passenger transport remit (except rail and taxis). The wider review will include re-examining policy and spending in home-to-school and college transport, SEND transport and social care client transport to make sure that service provision is aligned to priorities and to identify any scope for further savings. Work on this wider review is proceeding in parallel with the Public Transport Strategy review, and if it results in any proposals for changes to policies, they will also be subject to consultation before implementation.

Overview and Scrutiny Engagement

31. Councillors (Councillors Terry Chivers, Peter Evans (Chair), Mollie Groom, Jacqui Lay, Magnus Macdonald and Graham Wright) on the Passenger Transport Review Task Group have been able to scrutinise the review at various stages through meetings held on 10 June 2015, 9 July 2015, 16 September 2015, and 3 December 2015. Task Group members also attended meetings organised as part of the pre-consultation exercise. In addition, Councillor Peter Evans attended meetings of the Passenger Transport Review Project Board as a representative of the Task Group. The Project Board is chaired by

Councillor Philip Whitehead (Cabinet Member for Highways and Transport) and is made up of Councillor Horace Prickett (Portfolio Holder for Passenger Transport), external key partner representatives and senior Wiltshire Council officers).

Safeguarding Implications

32. There are no safeguarding implications as a direct result of this proposal. The pre-consultation exercise included discussions with children's services and adult social care teams in Wiltshire Council. An Equality Evidence Analysis Document formed part of the suite of supporting documents to the public consultation. This will be reviewed as part of a further paper outlining options being presented to Cabinet.

Public Health Implications

33. There are no public health implications as a direct result of this proposal. The pre-consultation exercise included discussions with public health teams in Wiltshire Council. In addition, a Strategic Environmental Assessment (SEA), which includes a topic on 'healthy communities' formed part of the suite of supporting documents to the public consultation. This will be reviewed as part of a further paper outlining options being presented to Cabinet.

Procurement Implications

34. There are no procurement implications as a direct result of this proposal.

Equalities Impact of the Proposal

35. There are no equalities impact implications as a direct result of this proposal. An Equality Evidence Analysis Document formed part of the suite of supporting documents to the public consultation. This will be reviewed as part of a further paper outlining options being presented to Cabinet.

Environmental and Climate Change Considerations

36. There are no environmental and climate change implications as a direct result of this proposal. A Strategic Environmental Assessment (SEA) and Habitats Regulation Assessment (HRA) formed part of the suite of supporting documents to the public consultation. The SEA and HRA will be reviewed as part of a further paper outlining options being presented to Cabinet.

Risk Assessment

37. This section highlights the key risks and proposed management of those risks associated with the proposals in this report.

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

38. None.

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

39. None.

Financial Implications

40. There are no financial implications as a direct result of this proposal.

Legal Implications

41. There are no legal implications as a direct result of this proposal.

Options Considered

42. In advance of any future decision on public transport in Wiltshire, it was decided, that it would be beneficial to provide the Environment Select Committee and Cabinet with early visibility of the consultation results, and to reduce the extent and complexity of the proposed further report to Cabinet.

Conclusions

43. For the Environment Select Committee and Cabinet to note the contents of this report in advance of a further paper outlining options being presented to Cabinet in future.

Parvis Khansari

Associate Director Highways and Transport

Report Authors:

Phil Morgan

Strategic Consultation and Engagement Manager
Tel: 01225 713186

Robert Murphy

Principal Transport Planner - Policy
Tel: 01225 713458

Jason Salter

Head of Service - Passenger Transport Unit
Tel: 01225 713334

9 May 2016

The following unpublished documents have been relied on in the preparation of this Report:

None

Appendices:

- Appendix 1 - Final results of questionnaire and the questionnaire
- Appendix 2 - Summary of questionnaire responses
- Appendix 3 - Summary of free text comments
- Appendix 4 – Confirmation of organisations who responded
- Appendix 5 – Wiltshire people First submission

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Public consultation on the future provision of subsidised bus services in Wiltshire

This survey is part of the Council's Review of Passenger Transport (excluding taxis and trains) which seeks to consult widely on the actions, options, opportunities and developments around bus and community transport. It is not a detailed consultation on particular routes, timetables and destinations. We are keen to hear the views of residents, stakeholders and other interested parties.

Although passenger transport makes a strong contribution to the priorities that underpin Wiltshire Council's Business Plan, a key challenge in recent years has been how the service can continue to achieve these priorities in the face of growing pressures on local authority spending. This review is therefore being undertaken to help identify savings from passenger transport budgets.

Please note this is a consultation only about subsidised bus services, which are those services that are not viable for a bus company to run without Council funding. The majority of bus services that run within Salisbury and between major towns are operated as a commercial venture by the bus companies themselves without Council funding and so are not the subject of this review.

This review will be accompanied by continuing work to identify savings in other areas of the Council's passenger transport spending.

About you?

Any information provided is governed by the Data Protection Act 1998 and will be treated as strictly confidential.

1. Are you?

Male	Female	Prefer not to say
4476 (41.7%)	6124 (57.1%)	126 (1.2%)

2. What is your age range?

216 (2.0%)	under 18
233 (2.1%)	18-24
351 (3.2%)	25-34
640 (5.8%)	35-44
1223 (11.1%)	45-54
1928 (17.5%)	55-64
4005 (36.4%)	65-74
1919 (17.5%)	75-84
474 (4.3%)	85+

3. What is your post code? This will be used to map responses only. Please use capitals and a space such as in BA14 8JN

10289 (100.0%)

4. Do you consider yourself to be disabled in any way?

Yes
1987 (18.4%)

No
8806 (81.6%)

5. Is your mobility impaired in any way?

	No	Yes due to a disability	Yes due to my age
Is your mobility impaired in any way?	7590 (71.5%)	1315 (12.4%)	1714 (16.1%)

6. Do you own or do you have access to drive any car, van or motorcycle

Yes	No
6748 (61.8%)	4174 (38.2%)

Your use of buses in Wiltshire

7. How would you describe your use of bus services in Wiltshire? Please tick the statements closest to your view.

	At least 5 days a week	2-3 times a week	Once a week	Once or twice a month	A few times a year	I never use the bus
To get to work	903 (18.8%)	587 (12.2%)	237 (4.9%)	238 (4.9%)	420 (8.7%)	2426 (50.4%)
To go shopping	861 (9.3%)	3082 (33.3%)	1675 (18.1%)	1282 (13.9%)	1275 (13.8%)	1068 (11.6%)
To visit family or friends	500 (7.8%)	1355 (21.3%)	1032 (16.2%)	882 (13.8%)	837 (13.1%)	1770 (27.8%)
To get to a doctors or medical appointments	493 (6.9%)	935 (13.1%)	562 (7.9%)	1480 (20.8%)	1798 (25.2%)	1863 (26.1%)
To get out and about	1040 (11.8%)	2328 (26.5%)	1374 (15.6%)	1388 (15.8%)	1587 (18.0%)	1081 (12.3%)

8. Do you use a concessionary bus pass? The concessionary fare scheme costs Wiltshire Council around £4.3m per year. Please note Wiltshire Council cannot introduce a small additional charge per journey for concessionary bus pass holders, or an annual administration charge for each pass as this is not allowed by Government legislation.

6864 (63.9%) Yes
3877 (36.1%) No

Bus Services

Last year Wiltshire Council spent £5.1 million on subsidising local bus services.

These are services that could not be operated without a Council subsidy, and account for around half of total bus mileage in the county. The highest proportion is spent on 'regular rural' services. These operate between two market towns, linking several villages along the route. Bus services in towns account for the next highest proportion of expenditure, followed by strategic town to town services, evening services, infrequent shoppers buses and Sunday services.

9. Bus services are currently grouped into a number of categories. Given the economic, social and environmental role that buses can play but also the Council's need to make substantial cost savings, which of the following categories do you feel it is most important for the Council to support?

	Very important	Important	Neither important nor unimportant	Unimportant	Very unimportant
Strategic network routes linking the main towns within and beyond Wiltshire	6452 (61.9%)	3020 (29.0%)	624 (6.0%)	243 (2.3%)	81 (0.8%)
Town services (running entirely within a town or city linking the main housing areas and the centre)	4862 (47.7%)	3580 (35.1%)	1194 (11.7%)	406 (4.0%)	146 (1.4%)
Evening services (those which operate after 7pm)	2030 (20.6%)	3446 (35.0%)	2832 (28.8%)	1245 (12.7%)	285 (2.9%)
Sunday and Bank holiday services	1493 (16.1%)	2939 (31.7%)	3007 (32.4%)	1439 (15.5%)	394 (4.2%)
Rural regular services (linking smaller towns and rural areas, generally with at least 4 journeys in each direction on 5 days a week)	6768 (63.9%)	2951 (27.8%)	622 (5.9%)	175 (1.7%)	83 (0.8%)
Rural infrequent services that serve rural areas generally on only certain days of the week	4312 (42.9%)	3398 (33.8%)	1535 (15.3%)	551 (5.5%)	252 (2.5%)

Options for savings

The Council has consulted with stakeholders and partners and used its own experience and that of other councils to develop a number of options to make savings. As there will be many combinations of bus service changes possible the Council has not determined what these may be and is asking for responses to the options below to guide their decisions. You can refer to the map, table and documents on the Council's website showing which routes would be affected.

Option 1 Withdraw funding for all supported evening services

Most evening buses in Wiltshire (those running after 7.00pm) are currently funded by the Council. 11 routes are supported, with 330,000 passengers journeys a year subsidised by the Council. Withdrawal of funding for these services would save around £639,000 a year.

10. Given the level of subsidy and the numbers who use this service would you support the Council looking at this area to find savings?

Yes	No
6016 (56.6%)	4609 (43.4%)

11. If the Council was to remove the subsidy for evening services which meant that they were not able to continue to operate how would this personally affect you?

5409 (50.3%)	It wouldn't affect me at all, as I rarely, if ever use such a service
3189 (29.6%)	I might be affected but could probably make alternative arrangements
1335 (12.4%)	I would be affected by this quite a lot
827 (7.7%)	This would have a big impact on me personally

Option 2 Withdraw funding for all supported Sunday and public holiday services

Most buses in Wiltshire that run on Sundays and public holidays are currently funded by the Council. 8 routes are supported, with the Council subsidising around 145,000 passenger journeys a year. Withdrawal of funding for these services would save around £165,000 a year.

12. Given the level of subsidy and the numbers who use this service would you support the Council looking at this area to find savings?

Yes	No
6725 (63.0%)	3955 (37.0%)

13. If the Council was to remove the subsidy for Sunday services which meant that they were not able to continue to operate how would this personally affect you?

5525 (51.6%)	It wouldn't affect me at all, as I rarely, if ever use such a service
3405 (31.8%)	I might be affected but could probably make alternative arrangements
1169 (10.9%)	I would be affected by this quite a lot
615 (5.7%)	This would have a big impact on me personally

Option 3 Reduce the hourly services Mon-Fri to a two hourly service on the strategic bus network

The strategic bus network links the small market towns and larger villages in Wiltshire with the nearest large town, with services operating at least every hour on Mondays to Fridays. 10 routes are part-funded, and 3 routes (Malmesbury - Swindon, Malmesbury - Chippenham and Devizes - Salisbury) are entirely funded by the Council. The Council subsidises around 460,000 passenger journeys a year. To reduce the service to a two hourly frequency during the daytime would save around £430,000 a year.

14. Given the level of subsidy and the numbers who use this service would you support the Council looking at this area to find savings?

Yes	No
5186 (48.2%)	5565 (51.8%)

15. If the Council was to remove the subsidy for these services which meant that they were not able to continue to operate how would this personally affect you?

3479 (32.2%)	It wouldn't affect me at all, as I rarely, if ever use such a service
3381 (31.3%)	I might be affected but could probably make alternative arrangements
2474 (22.9%)	I would be affected by this quite a lot
1469 (13.6%)	This would have a big impact on me personally

Rural Bus services

The Council currently spends over £2 million a year subsidising services on 57 rural routes. Half of these are regular services providing up to 4 or 5 buses a day in each direction linking the villages to their nearest town, while the remainder are infrequent services usually operating only on certain days of the week to a local market. The Council subsidises around 960,000 passenger journeys a year on rural bus services.

Option 4 Reduce rural bus services to 2-3 buses a day on regular routes and withdraw most of the infrequent services except those that are the only service to a group of villages.

As the savings would depend on using one bus and driver to operate two routes, journeys would not necessarily be conveniently timed. This option would save around £1.19 million a year

16. Given the level of subsidy and the numbers who use this service would you support the Council looking at this area to find savings?
- | | |
|--------------|--------------|
| Yes | No |
| 4006 (37.5%) | 6679 (62.5%) |
17. If the Council was to reduce the subsidy for rural bus services which meant that they were able to continue to operate but at a much reduced frequency - say only 2 to 3 journeys a day how would this personally affect you?
- | | |
|--------------|---|
| 3495 (32.5%) | It wouldn't affect me at all, as I rarely, if ever use such a service |
| 3096 (28.8%) | I might be affected but could probably make alternative arrangements |
| 2621 (24.4%) | I would be affected by this quite a lot |
| 1546 (14.4%) | This would have a big impact on me personally |

Town bus services

The Council currently spends £1.01 million a year to fund the provision of hourly bus services linking the housing estates in Bradford on Avon, Calne, Corsham, Devizes, Melksham, Trowbridge, Westbury and Warminster with the centres of those towns. It also part funds the provision of such services in Salisbury, Chippenham and Marlborough at times when the bus companies would not otherwise run them. Around 650,000 passenger journeys a year are made using these services.

Option 5 Reduce town bus services to 2-3 buses a day. Existing buses used by pupils within Warminster, Devizes, Bradford on Avon and Melksham would be retained

As the savings would depend on using one bus and driver to operate two routes, journeys would not necessarily be conveniently timed. However, buses used by pupils living within Warminster, Devizes, Bradford on Avon and Melksham to travel to/from school would be retained.

This option would save around £460,000 a year.

18. Given the level of subsidy and the numbers who use this service would you support the Council looking at this area to find savings?
- | | |
|--------------|--------------|
| Yes | No |
| 5306 (51.0%) | 5098 (49.0%) |
19. If the Council was to reduce the subsidy for town services which meant that they were able to continue to operate but at a much reduced frequency - say only 2 to 3 journeys a day how would this personally affect you?
- | | |
|--------------|---|
| 4913 (46.4%) | It wouldn't affect me at all, as I rarely, if ever use such a service |
| 2584 (24.4%) | I might be affected but could probably make alternative arrangements |
| 1977 (18.7%) | I would be affected by this quite a lot |
| 1109 (10.5%) | This would have a big impact on me personally |

Option 6 Withdraw all funding for all Council subsidised services

Around half of all bus services in Wiltshire are subsidised by the Council, and in total these subsidised services carry over 2.5 million passengers a year. Withdrawing all funding for these services would save £5.1 million a year.

20. Given the level of subsidy and the numbers who use this service would you support the Council looking at withdrawing funding to find savings if a small proportion of the savings were reallocated to community transport initiatives, health transport options, etc?

Yes
2388 (22.4%)

No
8260 (77.6%)

21. If the Council was to reduce the subsidy for all services how would this personally affect you?

- 1558 (14.5%) It wouldn't affect me at all, as I rarely, if ever use such a service
- 2717 (25.2%) I might be affected but could probably make alternative arrangements
- 3588 (33.3%) I would be affected by this quite a lot
- 2899 (26.9%) This would have a big impact on me personally

22. In order to keep as many of the existing subsidised services running as possible Wiltshire Council is investigating if other organisations, individuals and communities might be able to fund, or even operate elements of some bus routes. This might for example include paying for services in villages on routes or helping to fund extra journeys. Given this which of the following statements do you agree with?

	Agree	Neither agree nor disagree	Disagree
This is a great idea	3655 (37.8%)	3233 (33.5%)	2776 (28.7%)
If there aren't enough passengers to enable a bus service to run without subsidy then it should go.	1703 (17.8%)	2567 (26.8%)	5293 (55.3%)
I am for protecting these services even if it means I have to pay more through local taxes etc.	6012 (59.0%)	2508 (24.6%)	1674 (16.4%)
The Council and other public bodies should look to reconfigure the services they provide (social care, health, etc) so people don't have to travel.	4189 (43.3%)	3408 (35.2%)	2084 (21.5%)
It's up to local communities to see if they can raise the necessary funds themselves.	917 (9.4%)	2858 (29.4%)	5940 (61.1%)

Community and Voluntary transport schemes

In 2014/15 the Council spent £381,000 supporting community and voluntary transport schemes. There are 15 community minibus groups providing services in their area for those who are unable to use ordinary bus services and also over 40 Link schemes which covers 98% of rural households, providing transport in the volunteers' own car. Wiltshire Council works with Community First to administer such schemes is on its behalf. If you are interested in volunteering in any capacity, please contact Community First at www.communityfirst.org.uk

23. Have you ever heard of or used a community or voluntary transport scheme in Wiltshire?

Never heard of them	Heard of them but never used them	I have used a scheme
2101 (19.3%)	6872 (63.2%)	1908 (17.5%)

24. If you used a scheme what did you think of it?

I would recommend it	OK but no substitute for buses	It wasn't that good	Don't know
1067 (56.8%)	698 (37.1%)	104 (5.5%)	11 (0.6%)

Finally

25. This is a challenging review against a backdrop of severe financial constraints. Do you have any further comments or suggestions that will help us? Please use this question to provide any further details on how the options would have an impact on you personally.
6859 (100.0%)

If you need any further information about the survey, please contact Wiltshire Council's customer services team on 0300 456 0100 or email the Council's passenger transport unit at passengertransport@wiltshire.gov.uk

Thank you for taking part in this survey

If you are filling out this out by hand then please send your completed survey by post to:

Public Transport Survey
Passenger Transport Unit
Wiltshire Council
County Hall
Bythesea Road
Trowbridge
Wiltshire
BA14 8JN

Or return to your local library or main Council office

Alternatively if you have access to a computer scanner, please scan all pages of the completed form and email it to us at passengertransport@wiltshire.gov.uk

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Subsidised bus services - Final survey results

April 2016

Who is answering the consultation?

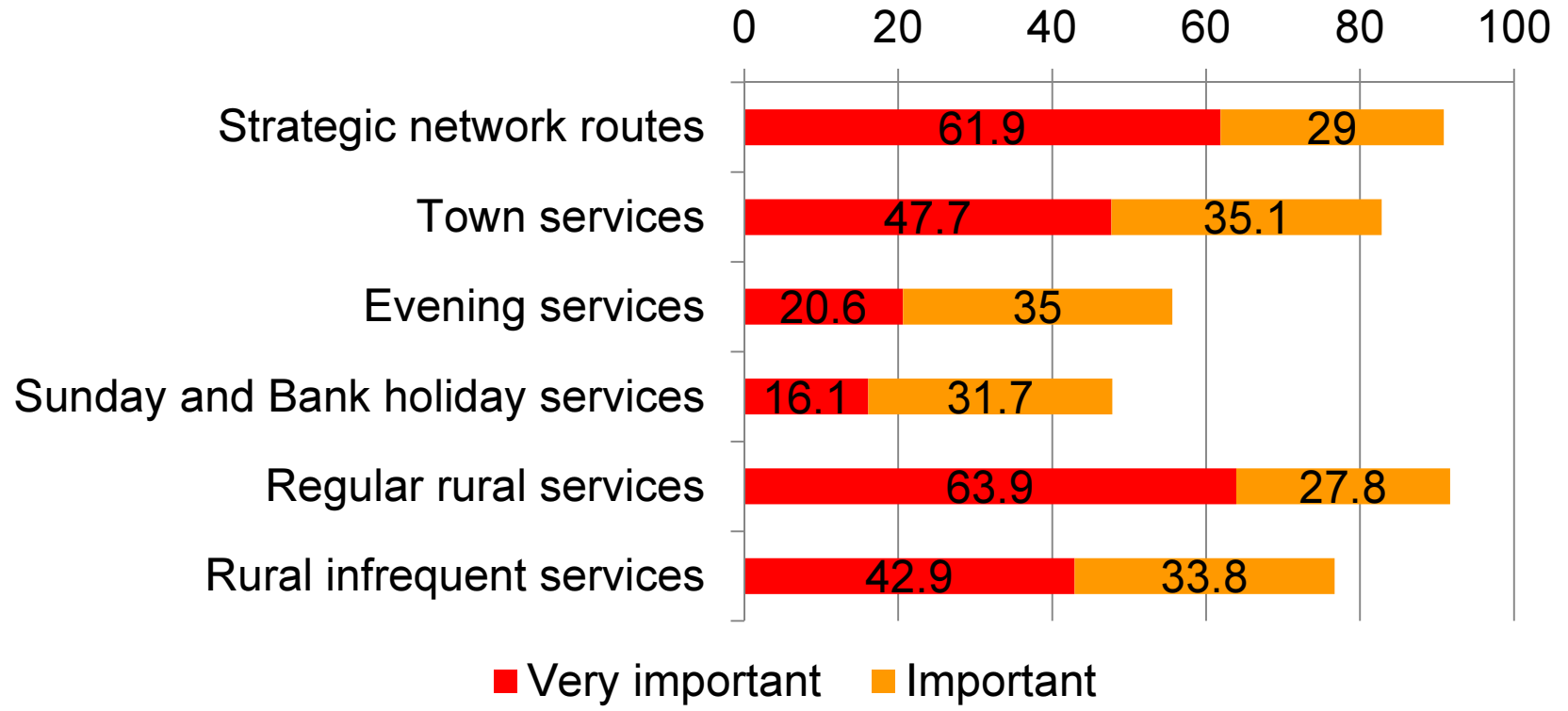
- ✓ We have over 11,000 responses
- ✓ 42% are male 57% female
- ✓ 58% of respondents are over 65 years old
- ✓ 28% of respondents say they have mobility problems
- ✓ 62% of respondents have access to a car etc but 38% do not
- ✓ 64% have a concessionary bus pass

How do the respondents use buses?

How would you describe your use of bus services in Wiltshire?

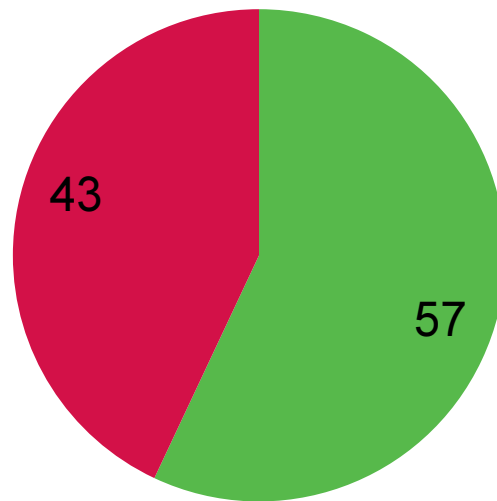
	At least once a week	I never use the bus
To get to work	35.9%	50.4%
To go shopping	60.7%	11.6%
To visit family or friends	46.3%	27.8%
To get to a doctors or medical appointments	27.9%	26.1%
To get out and about	53.9%	12.3%

What type of service are important?



Option 1 Withdraw funding for all supported evening services

Would you support?



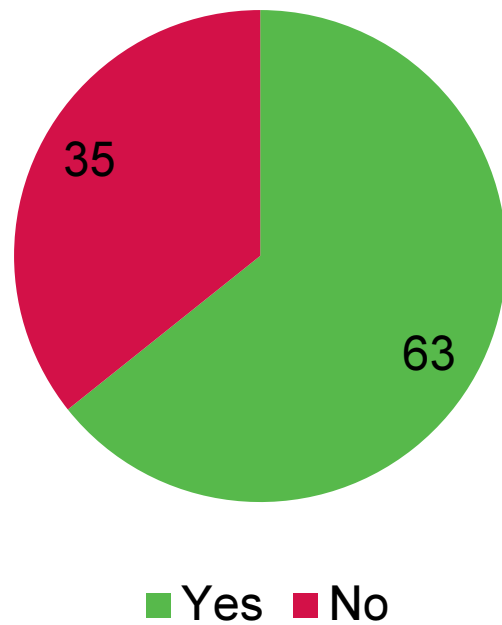
■ Yes ■ No

Would you be affected if the subsidy was removed?

- ❖ 20% yes
- ❖ 30% maybe
- ❖ 50% no not really

Option 2 Withdraw funding for all supported Sunday and public holiday services

Would you support?

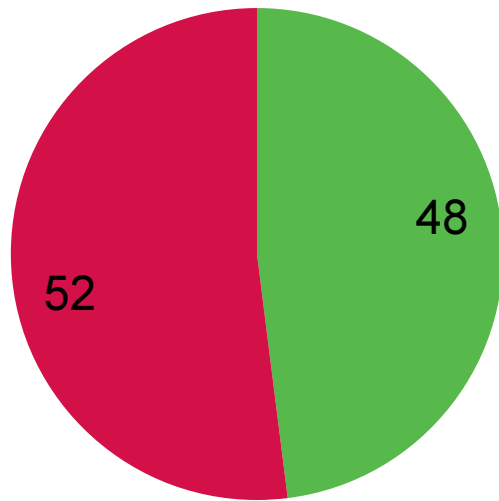


Would you be affected if the subsidy was removed?

- ❖ 17% yes
- ❖ 32% maybe
- ❖ 51% no not really

Option 3 Reduce the hourly services Mon-Fri to a two hourly service on the strategic bus network

Would you support?



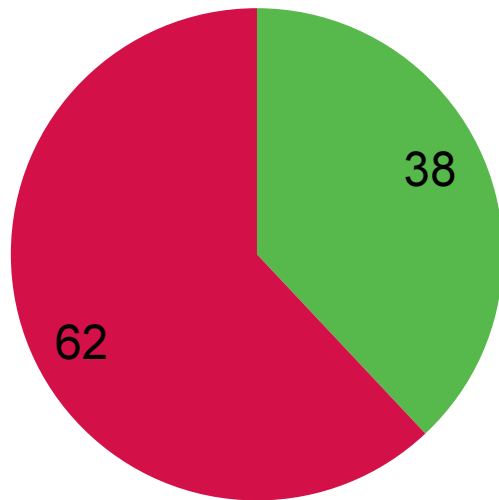
■ Yes ■ No

Would you be affected if the subsidy was removed?

- ❖ 36% yes
- ❖ 31% maybe
- ❖ 33% no not really

Option 4 Reduce rural bus services to 2-3 buses a day on regular routes and withdraw most of the infrequent services except those that are the only service to a group of villages

Would you support?



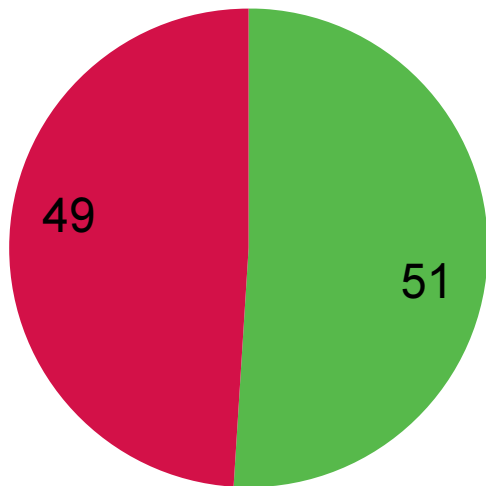
■ Yes ■ No

Would you be affected if the subsidy was removed?

- ❖ 39% yes
- ❖ 29% maybe
- ❖ 32% no not really

Option 5 Reduce town bus services to 2-3 buses a day. Existing buses used by pupils within Warminster, Devizes, Bradford on Avon and Melksham would be retained

Would you support?



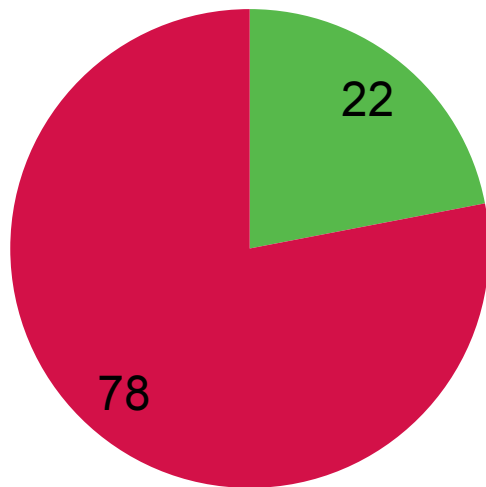
■ Yes ■ No

Would you be affected if the subsidy was removed?

- ❖ 29% yes
- ❖ 24% maybe
- ❖ 47% no not really

Option 6 Withdraw all funding for all Council subsidised services

Would you support?



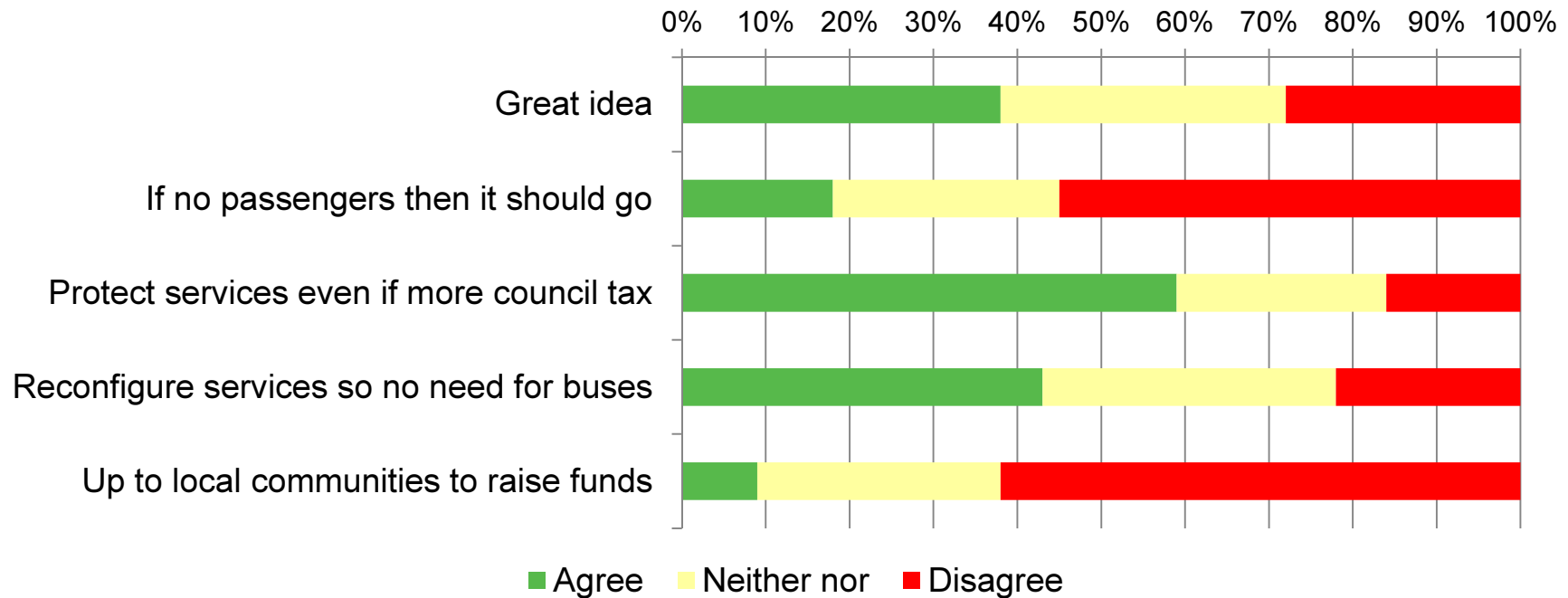
■ Yes ■ No

Would you be affected if the subsidy was removed?

- ❖ 60% yes
- ❖ 25% maybe
- ❖ 15% no not really

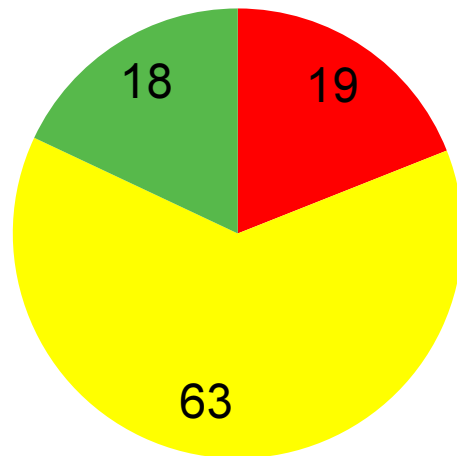
Wiltshire Council is investigating if other organisations, individuals and communities might be able to fund, or even operate elements of some bus routes.

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Community and Voluntary transport schemes

Heard of or used a community transport scheme?



- Never heard of
- Have used
- Heard but never used

If used what did you think?

- ❖ 57% would recommend it
- ❖ 37% Its Ok
- ❖ 6% wasn't good



Any Questions?

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Topic	Sub-Set	Number
Alternatives	Cut Other Services	201
	Cut Wages / Allowances	141
	Increase Taxes	231
	Other	146
	Other Bodies to Contribute	98
	Political	300
	Total	1117
Concessions	Contribution	462
	Issue Vouchers	13
	Means Test	75
	Other	75
	Pay for Passes	95
	Remove All	36
	Total	877
Education	After School Activities	32
	College / Sixth Form	139
	Other	139
	Total	341
Employment	Obtain	80
	Other	92
	Sustain	483
	Total	671
Environmental	Car Usage	477
	Compliance with Council Policies	88
	Congestion	254
	Other	27
	Pollution	230
	Total	1084
Essential Services	Medical	798
	Other	139
	Shops / Banks / Post Office	722
	Total	1673
Option 24/7	Total	158
Quality of Life	Friends / Relatives	233
	Independence	475
	Isolation	661
	Other	86
	Social Life	359
	Total	1833
Service Alterations	Better Promotion	90
	Change Routes	199
	Coordinate Competitive Services	84
	Increase Fares	58

	Increase Frequency	180
	Link to Rail	166
	Other	118
	Reduce Fares	72
	Reduce Frequency	244
	Use smaller buses	138
	Total	1351
Service Type	Hopper	64
	Link	172
	Other	15
	Park & Ride	83
	Reduce / Stop Evening	63
	Reduce / Stop Rural	68
	Reduce / Stop Strategic	49
	Reduce / Stop Town	152
	Reduce / Stop Weekend	60
	Retain / Improve Evening	393
	Retain / Improve Rural	1302
	Retain / Improve Strategic	522
	Retain / Improve Town	478
	Retain / Improve Weekend	324
	Total	3747
Subsidies	Commercial Routes Only	53
	Cut Low Usage Routes	125
	Other	75
	Total	253
Vulnerable People	Impact on Disabled	425
	Impact on Elderly	1095
	Impact on Low Income People	294
	Impact on Young	358
	Other	7
	Total	2189
TOTAL		15294

Passenger Transport Subsidised Bus Service Consultation

Written Comments Received from Public Bodies

1. Michelle Donelan MP
2. Bishopstone Parish Council
3. New Forest National Park Authority
4. Lydiard Tregoz Parish Council
5. Councillor Claire Costello (Froxfield Villagers)
6. Councillor Claire Costello (Froxfield Villagers)
7. Amesbury Town Council
8. Wingfield Parish Council
9. Westwood Parish Council
10. Council of Partners of the North Wessex Downs AONB
11. Dilton Marsh Parish Council
12. Chippenham Health & Social Care Forum
13. Trowbridge Town Council
14. Cricklade Town Council
15. Shrewton Parish Council
16. Ebbesborne Wake Parish Council
17. Devizes Community Area Partnership and Association of Devizes Passengers
18. Bishopstone Parish Council
19. Melksham Without Parish Council
20. Nettleton Parish Council
21. Box Parish Council
22. Chiseldon Parish Council
23. Wiltshire People 1st
24. Westbury Town Council
25. Atworth Parish Council
26. Chapmanslade Parish Council
27. Broughton Gifford Parish Council
28. Downton Parish Council
29. Chalke Valley Link Scheme
30. Chippenham Town Council
31. North Wessex Downs AONB Council of Partners
32. Laverstock & Ford Parish Council
33. Freshford Parish Council
34. Limpley Stoke Parish Council
35. Marlborough Town Council
36. Wiltshire Community Minibus and Wiltshire Link Schemes
37. Redlynch Parish Council
38. Devizes Community Area Partnership in association with Devizes Passengers
39. Mere Town Council
40. West Knoyle Parish Council
41. Monkton Farleigh Parish Council
42. Bus Users UK
43. Stonehenge World Heritage Site Committee
44. Devizes Passengers & Devizes Community Area Partnership (Transport Interests)
45. Southwick Parish Council
46. Edington Parish Council
47. Andrew Murrison MD MP
48. Salisbury City Council Planning and Transport Committee

Additionally, Wiltshire Council received 61 comments from individuals and one from an organisation, which have been taken into account in the analysis.

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The Future Provision of Subsidised Bus Services Easy Read Summary

Report Produced by



March 2016

Wiltshire People 1st Response to Wiltshire Council Public Transport Consultation

Wiltshire Council's stated aims for the public consultation were to find ways to spend less money on subsidised public transport.

Currently, the council says it contributes £5 million towards keeping a number of bus services and community transport schemes operating, so people can get around Wiltshire, but it now needs to look at making savings. The Council wanted to hear the people of Wiltshire's ideas on the best way to do this.

The public consultation was via an online survey. This was not accessible to people with learning difficulties so we spent time preparing a simplified easier to understand version.

Wiltshire People 1st is the user led self-advocacy organisation promoting the rights and inclusion of people with learning difficulties and other needs in the county, working to enable people to have a voice and be included in their communities.

The following is a summary of how Wiltshire People 1st consulted with its members and what we found out.

What we did



Wiltshire People First translated the council survey into easy read to find out what our members thought.



People were given support if needed to fill in the survey and to ask questions.

Summary of Findings

Who took part?



14 people with learning difficulties, autism or with other needs took part in the survey.

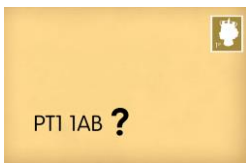


1. 7 Male 7 Female



2. Under 18 3 people 21%
 18 – 24 3 people 21%
 25 – 34 2 people 14%
 35 – 44 1 person 7%
 45 – 54 3 people 21%
 55 – 64 1 person 7%
 65 – 74 1 person 7%

3. Which postcodes?



BA12 8SA	BA14
BA14 0BD	BA14 8JN
BA14 8AG	BA12 9BW
BA14 0EW	BA14 9TA
BA14 9ER	SN13 9PZ
SN96JR	BA14



4. All 14 had Learning Difficulties 100%



5. 9 also had mobility impairments 64%



6. No-one was able to drive a car or motorcycle – all were dependent on public transport, taxis or lifts from friends and families to get around.

7. People used the bus for the following reasons:



	At least 5 times a week	2-3 times a week	Once a week	Once or twice a month	A few times a year	I never use the bus
To get to work		1				
To go shopping	3		3	1		
To visit family or friends		2		2	1	
To get to a doctors or medical appointment				2	2	
To get out and about		4	2	3		



To get to work

1



To go shopping

3

3

1



To visit family or friends

2

2

1



To get to a doctors or medical appointment

2

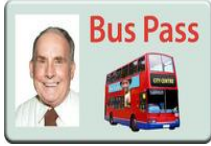
2

To get out and about

4

2

3



8. 13 People had a concessionary bus pass

Bus Services

Last year Wiltshire Council spent £5.1 million on local bus services. Most of this money was spent on services which link towns and villages. Money is also spent on bus services in towns

9. Which of the following services do you think the council should support?

Number of people who felt:

Important

Neither
important or
unimportant

Not
important



Buses which link main towns within and beyond Wiltshire?

11

3

0



Town services

12

2

0



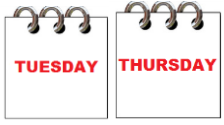


Evening services (those

5

4

4

	→	which operate after 7pm)			
		Sunday and Bank holiday services	6	4	3
		Rural services which run a few times a day	10	3	0
		Rural services which only run a few times a week	7	4	2

Options for saving

Option 1: Stop most evening services in (buses after 7pm)



Agree
7

Disagree
7

10. People who thought buses should be stopped after 7pm

11. If evening buses were stopped, how would this affect you?



7 people (50%) said they wouldn't be affected at all, as they rarely, if ever use such a service



4 people (29%) might be affected, but could probably make other arrangements



2 people (14%) would be affected by this quite a lot



1 person (7%) said this would have a big impact on them personally

Option 2: Stop Sunday and Bank Holiday Services



Yes

No

12. People who thought Sunday and Bank Holiday Services should be stopped

6 (43%)

8 (57%)

13. If buses on Sundays and Bank Holidays were stopped, how would this affect you?



8 people (57%) said it wouldn't affect them as at all, as they rarely, if ever use such a service



4 people (29%) might be affected, but could probably make other arrangements

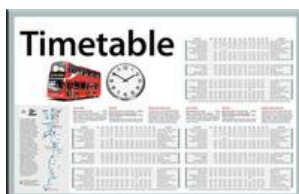


1 person (7%) would be affected by this quite a lot



1 person (7%) said this would have a big impact on them personally

Option 3: Change the hourly services which run Monday to Friday to a 2 hourly service, to save some money



Agree

Disagree

14. Do you agree with hourly services being changed to every 2 hours?

4 (29%)

10 (71%)

15. If buses ran every 2 hours instead of every hour, how would this affect you?



3 people (21%) said it wouldn't affect them as at all, as they rarely, if ever use such a service



2 people (14%) might be affected, but could probably make other arrangements



4 people (29%) would be affected by this quite a lot



5 people (36%) said this would have a big impact on them personally

Rural bus service

Option 4: Reduce rural bus services to 2-3 buses a day on regular routes and stopping most rural services.



16. Do you agree with buses between villages and towns being reduced?

5 (36%)

Disagree

9 (64%)

17. If the Council was to reduce rural services, how would this affect you?



5 people (36%) said it wouldn't affect them as at all, as they rarely, if ever use such a service



3 people (21%) might be affected, but could probably make other arrangements



3 people (21%) would be affected by this quite a lot



3 people (21%) said this would have a big impact on them personally

Town bus service

Option 5: Reduce town bus service to 2-3 buses a day. At the moment they run hourly.



Agree

Disagree

18. Do you agree with town bus services being reduced?

3 (21%)

11 (79%)

19. If the Council changed the service from running hourly to 2-3 a day, how would this affect you?



3 people (23%) said it wouldn't affect them as at all, as they rarely, if ever use such a service



1 person (8%) might be affected, but could probably make other arrangements



5 people would be affected by this quite a lot



5 people said this would have a big impact on them personally

Option 6: Stop all buses that the Council helps to pay for.

(If this happened, the Council would still spend some money on paying for community transport, a bus to get to hospital etc)



Agree

Disagree

2 (14%)

12 (86%)

20. Do you agree with the Council stopping funding for all buses?

21. If the Council was to stop all services, how would this affect you?



2 people (15%) said it wouldn't affect them at all, as they rarely, if ever use such a service



1 person (8%) might be affected, but could probably make other arrangements



3 people (23%) would be affected by this quite a lot



7 people (54%) said this would have a big impact on them personally

22. To keep some services running, the Council is thinking about whether other organisations, individuals or community groups could run some of the services. What do you think about this?



Agree

Neither agree nor disagree

Disagree



This could be a good idea

7

2

4



If a service doesn't have enough people using it, it should be stopped

5

4

3



The service should be kept even if I have to pay more

7

1

4



If communities want to keep the services, they should raise the money themselves

11

1

0

Community and voluntary transport schemes

The Council helps pay for community and voluntary transport schemes.

23. Have you ever heard of or used a community or voluntary transport scheme in Wiltshire?



8 people (57%) had heard of the services but never used them

2 people (14%) had used a scheme

4 people (29%) had never heard of a scheme



Other comments:

- I can't get to meetings if the buses are cut. When I go on days out I would like a frequent bus service to ensure my safety. I do not want less frequent buses because I will be waiting a long time for buses and wide gap in connections. I do not want the buses cut because it would restrict where I could go. It is important the buses run at peak times because that is when the majority of people want to use them.

Everybody has their own reasons to use the buses and they won't manage without them because they may not be able to drive. Some people use evening buses for college.

- I have learning difficulties so changing the bus times would affect me as I would find it difficult to learn new times and I can't read or understand the timetable without help.
- I've got a learning disability and it would affect me as I travel to Melksham to go to football training if no-one can take me to and from. As they've changed the last time of the bus to 6:03pm from 7pm onwards. I think that's a bit confusing for me as I found it difficult to understand. I think changing the times of buses is ridiculous so I would disagree with what they are doing to the bus times.
- Changes to the bus service would affect me because my family would worry about me not being able to travel.
- To use Link scheme you have to be a member. If buses were stopped I wouldn't be able to visit my wife in hospital - taxi and train are too expensive. Why doesn't the Council spend less on taxis and spend more on keeping bus services. Need to get to Salisbury, Westbury and Bath.
- Might be less reliable. People might be put off using them.
- If the buses are cancelled I will have to pay a lot of money to use a taxi service whereas with the bus I have a free bus pass. It will limit my independence.
- If the bus was late I would get anxious and cross
- If buses were changed it would affect the things I can do.
- May have difficulty travelling if some services are reduced. Could be late for certain appointment. I would worry or panic if I was late.



The easy read survey and the results of the consultation with members, was undertaken and written by Wiltshire People 1st.



If you would like more information about this report please contact admin@wiltshirepeople1st.org.uk or Call us on 01380 879100

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Wiltshire Council

Cabinet

14 June 2016

Subject: 'Help to Live at Home' service commissioning

Cabinet Member: Cllr Keith Humphries

Key Decision: Y

Executive Summary

Help to Live at Home (HTLAH) is the Wiltshire Council service that delivers care and housing support in people's homes across the county. The service has won national recognition for being in the vanguard of outcomes-based, person-centred commissioning.

There are currently eight contracts for HTLAH providers which commenced in September 2011, covering the whole of Wiltshire. These were for a term of 5 years, with the potential for 2 x 1 year extensions.

Since 2011, there have been two retendering exercises due to issues with incumbent providers. This has resulted in new contracts being awarded for the same terms.

Three of the original contract areas (currently Mihomecare and Leonard Cheshire) have been successfully tendered and the new contracts are due to commence in September 2016. Two further areas (currently Somerset Care at Home) are coming to the end of their term and we require authority to award the extension period. The remaining three contract areas are due for extension or renewal in September 2018.

Due to the extremely tight timescales for re-tendering the service and mobilisation of the new contracts by September 2016, Adult Care Commissioning and the Procurement Service have been working together to progress the retender process. The service specification for HTLAH has been refreshed and a new set of evaluation criteria has been produced. The tender for the three HTLAH contract areas, West 1, East 2 and North 1, was published on 1st April 2016.

The Adult Care Community Commissioning Team will work closely with both Leonard Cheshire and Mihomecare over the coming months to ensure a smooth transition of care to any new provider.

Proposal(s)

It is proposed that:

1. The contracts with Somerset Care Ltd are extended for the full extension available, West 2 until September 2018 and North 2 until April 2019
2. Following the recent tender process that the contracts currently held by Mihomecare and Leonard Cheshire for HTLAH are awarded to the preferred provider(s) identified through the current tender process.
3. That authority is delegated to the Corporate Director and Associate Director for Adult Services, in consultation with the Cabinet Member for Health (including Public Health and Adult Social Care), to finalise the terms of the contracts and to agree the extension with Somerset Care Ltd.

Reason for Proposal(s)

- (a) To ensure continued service delivery by Somerset Care within the West 2 and North 2 areas.
- (b) To progress with awarding the tenders to the preferred provider(s) within the North 1, East 2 and West 1 areas

Maggie Rae
Corporate Director

Wiltshire Council

Cabinet

14 June 2016

Subject: 'Help to Live at Home' service commissioning

Cabinet Member: Cllr Keith Humphries

Key Decision: Y

Purpose of Report

1. The purpose of this paper is twofold:
 - a. To update Cabinet regarding the outcome of the recent 'Help to Live at Home' (HTLAH) tender process and request approval to award to the preferred provider(s), and,
 - b. To seek authorisation to extend two contract lots with an incumbent Provider.

Relevance to the Council's Business Plan

2. These registered services support the Council's business plan by delivering high quality support to both customers and their carers enabling customers to remain in their family home for as long as possible, and as part of their communities

Background

3. The current HTLAH contracts in place are set out below:

Provider	Contract Area	Main Towns	Contract End Date	Potential Extension End Dates
Somerset Care at Home	West 2	Bradford on Avon, Westbury, Warminster	04.09.16	04.09.17 04.09.18
Somerset Care at Home	North 2	Chippenham, Corsham, Box	15.04.17	15.4.18 15.4.19
Mihomecare	West 1	Trowbridge, Melksham	04.09.16	04.09.17 04.09.18
Mears	East 1	Devizes	29.09.18	29.9.19 29.9.20
Mears	South 1	Amesbury, Durrington	29.09.18	29.9.19 29.9.20
Mears	South 2	Salisbury, Tisbury	29.09.18	29.9.19 29.9.20
Leonard Cheshire	East 2	Marlborough,	04.09.16	04.09.17

Disability		Pewsey		04.09.18
Leonard Cheshire Disability	North 1	Wootton Bassett, Calne, Cricklade, Malmesbury	04.09.16	04.09.17 04.09.18

4. It had been the intention of Adult Care commissioning to extend all current arrangements in line with the available contact extensions to 2018 and 2020. This was on the basis that it would allow time to develop the learning gained over the four years of this innovative contract and enable us to deal with the changing relationship with the NHS, and the requirements of the Better Care Fund and the Care Act 2014.

Main Considerations for the Council

5. In January this year, Leonard Cheshire gave notice that they did not want to take up the offer of an extended contract on the terms offered by the Council. Following a period of negotiation with the Associate Director for Commissioning and Housing, Leonard Cheshire confirmed their decision not to take up the offer of extension in early March.
6. In addition, Adult Care Commissioning has recently taken the view that the Mihomecare contract should not be extended. This was following a CQC inspection published in December 2015 with a rating of "Requires Improvement", and difficulties experienced by the company in achieving contract performance, culminating in missed scheduled visits over the weekend of 18-20 March.
7. CQC inspected MiHomecare in April of this year and have given them verbal feedback that they are still falling short of the standards required. MiHomecare have voluntarily placed themselves under embargo for new packages of care until they can assure themselves, CQC and the Council that they are safe to resume taking on new packages.
8. The contracts with Somerset Care have been working well and we are currently developing the service with them. On this basis, and with a view to not tendering such a large part of the county in one go, we are requesting that we make use of the extension clauses within the current arrangements.

Overview and Scrutiny Engagement

9. The Health Select Committee have been closely involved with HTLAH and in 2014 established a task group to explore the extent to which the service was fulfilling its objectives, achieving value for money and learning any lessons from provider CQC reports. Its final report was endorsed by the Committee in November 2015 and an executive response provided in March 2016.
10. The Chair and Vice Chair of the Health Select Committee have been briefed regarding the contents of this paper.
11. In order to complete the formal award process and allow the preferred provider(s) the maximum transition period for implementation of the contract, the Chairman of Council, Councillor Richard Britton, has given his consent to

exempt the decision from call-in by Scrutiny. In make the decision, in accordance with the constitution, the Chairman considered that the proposed Cabinet decision was reasonable and was urgent.

Safeguarding Implications

12. A key part of the business of adult social care is in managing risk and in supporting others to be as independent as possible whilst managing the inherent risks as part of their vulnerability.
13. There are no specific implications in relation to safeguarding children and young people.

Public Health Implications

14. There are no direct public health implications.

Procurement Implications

15. These services have been procured in accordance with Wiltshire Council regulations.

Equalities Impact of the Proposal

16. The service is provided for all eligible customers.

Environmental and Climate Change Considerations

17. Ensure service providers fully implement the Public Health England “Heatwave Plan for England - supporting vulnerable people before and during a heatwave”. The specific advice relating to Care home managers and staff, should also be applied to people in their own home.

Risk Assessment

18. Comprehensive risk assessments are in place in Adult care.

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

19. Services will need to be provided in these areas outside of a contract in the short term while a process of framework agreements was established

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

20. Services delivered under these contracts are monitored and reviewed on a regular basis and provide quality performance data.

Financial Implications

21. These contracts are not ‘block’ and therefore we only pay for the service that we receive

Legal Implications

22. Advice from Legal has been taken and acted upon throughout the tender process

Options Considered

23. The following additional options were considered:

- a. Current HTLAH provider 'buying out' the contract areas being tendered
- b. Mini tender competition between existing providers

Conclusions

24. Having considered the options available and the requirements of our Customers, it has been determined by officers to seek an extension for the contracts that are appropriate and to award the remaining ones following the conclusion of the tender process.

James Cawley (Associate Director, Adult Care Commissioning and Housing)

Report Author: Geoff Vale, Commissioner, Community Commissioning,
geoff.vale@wiltshire.gov.uk, Tel: 01225 718074

Date of report: 22nd April 2016

**Wiltshire Council
Cabinet
14 June 2016**

Subject: Actions to recruit and retain social workers - progress update

Cabinet Member: Cllr Keith Humphries, Cllr Laura Mayes, Cllr Stuart Wheeler

Key Decision: N

Executive Summary

This report provides a further update on actions carried out during 2015/16 following the Cabinet report on the 21 April 2015 in respect of recruiting and retaining social workers.

The report also details the significant progress made from the campaign start (August 2014) until March 2016 and identifies actions (section 24 onwards) needing to be taken during 2016/2017 to sustain the improvements made

Proposal(s)

That cabinet note the progress of the recruitment campaign to recruit social workers and support the further actions being taken and planned to recruit and retain social workers.

Reason for Proposal(s)

To improve the recruitment and retention of experienced social workers and social work managers.

Dr Carlton Brand, Carolyn Godfrey and Maggie Rae, Corporate Directors.

Subject: Actions to recruit and retain social workers - progress update

Cabinet Member: Cllr Keith Humphries, Cllr Laura Mayes, Cllr Stuart Wheeler

Key Decision: No

Purpose of Report

1. The purpose of this report is to provide a further update on actions carried out during 2015/16 following the Cabinet report on the 21 April 2015 in respect of recruiting and retaining social workers. The report also details the significant progress made from the campaign start (August 2014) until March 2016 and outline the actions needed during 2016/2017 to sustain the improvements made.

Relevance to the Council's Business Plan

2. The council has a statutory responsibility to provide adult social services and children's social care, and one of the council's three priorities in the Business Plan 2013 – 2017 is to protect the most vulnerable in Wiltshire's communities. Social workers and social work managers have a key role meeting the statutory responsibilities, and in delivering that priority, which means being able to recruit and retain high calibre staff in these roles is critical to delivering the principles and actions that will ensure that we meet this priority

Main Considerations for the Council

3. A campaign to recruit to social work posts across both operational children's services and adult care operations has been taken place since August 2014 and has been delivered in three phases.
4. The campaign has been driven by recruitment difficulties nationally in respect of social workers, particularly in respect of experienced practitioners, and this position was reinforced by the number of recruitment campaigns taking place in councils across the country which meant that competition for these roles was and continues to be significant.
5. Previous reports to Cabinet have provided updates on the progress of Phase 1 and Phase 2 (Aug 14 – March 15) of the social work recruitment campaign, and an update report on Phase 2 of the campaign, which ended on 31 March 2015 was presented to Cabinet in April 2015.

Actions taken during 2015/16

6. Building on the actions taken August 2014 to March 2015 (detailed in the Cabinet report dated 21 April 2015), a third phase of the social work recruitment campaign was developed which started 1 April 2015 and ended 31 March 2016
7. Financial investment in this phase was adjusted resulting in a 50% reduction compared to 14/15 to recognise the changing nature and intensity in activity needed for the 3rd phase of the recruitment campaign.

8. This phase has been characterised by a reduction in the number of experienced social workers needing to be recruited to and a continuing reduction in numbers of agency workers on assignment, particularly in operational children's services. This has been due to a combination of factors:
- the success in recruiting to social work vacancies in previous campaign phases and the consequent reduction in number of vacancies being carried forward into Phase 3
 - the targeting of newly qualified social workers (traditionally not hard to recruit to) to support the development of ASYE¹ 'Pods' in operational children's services during Phase 3 (see section 12)
 - the introduction and successful implementation of recruitment and retention programmes under the WIHSC (Wiltshire Institute for Health and Social Care), namely 'Return to Social Work' and 'Grow our Own' and;
 - the work to integrate adult care operations with health through the development of 'clusters' as part of the Better Care Plan
9. Based on the media performance from Phase 1 and 2, a media schedule for Phase 3 was established and purchased with our recruitment and marketing agency, Penna. Due to the reduced funding, it was essential to target media which had performed well during previous phases to achieve maximum results and also develop complementary in-house marketing activity
10. The recruitment marketing activities during this phase included:
- A number of paid-for sponsored features, editorials together with 60 enhanced/targeted job listings placed across The Guardian, Community Care and Indeed.
 - 7 sponsored Facebook adverts and a number of Google Ad words (resulting in nearly 3,000 clicks) to further promote and direct potential candidates to the careers website.
 - Recruit for Spouses, a locally based company supporting partners of military personnel were commissioned for the first time to advertise and promote social work jobs as part of the council's on-going commitment and work with the armed forces. This included job-listings and other engagement activity via newsletters and social media targeting the military community.
 - More extensive in-house social media activity across LinkedIn, Twitter, Facebook and more recently Instagram (account opened January 2016) to attract and engage with as wide an audience as possible.
 - Developing the number of blogs from social work staff promoted via all social media channels and accessed through our careers website. This has included a student undertaking the council's [Step up to Social Work programme](#).
 - A paid for half-page advert in the Guardian social care supplement in March 2016 to mark World Social Work Day together with in-house promotion via social media using our own social work staff. This coverage aimed to increase the profile and reputation of the council as an employer of choice.
 - Attendance at the BFRS (British Forces Resettlement Services) Tidworth Careers Event in September 2015 by HR & OD to promote social care careers.
 - Attendance at the BASW (British Association of Social Workers) Student Conference in November 2015 by the principal social worker for adult care operations.

¹ Assessed and Supported Year of Employment: this is the social worker's first year post qualifying and completes qualified social worker status

11. WIHSC has been further developed during this phase. The purpose of the WHISC is to help attract, recruit, develop and retain health and social care professionals across the county, in order to improve outcomes for our service users. The Institute will do this by developing clear learning pathways, improving the support for newly qualified staff and creating stronger links with the local Higher Education Institutions (HEI's) and new partners:
12. A clear social work career pathway has initially been mapped out and promoted involving both principal social workers and HR & OD (Appendix 3). A number of programmes, underneath the WIHSC have now been implemented including:
- **Return to Social Work:** this is a scheme which aims to attract qualified social workers who have been out of practice for more than 2 years or who have qualified and never practiced who need to re-register with the HCPC². A successful return to social work coffee morning was held on the 1 November at County Hall where "returners" were able to find out about practicing social work in Wiltshire. A total of 36 enquiries were made and has resulted in 7 social workers of varying degrees of experience under the scheme being placed across adults (4) and children's (3) with a further 4 to be placed in operational children's services.
 - **'Grow our own' scheme:** this programme is only open to those already employed within children's or adult social care who are sponsored by the council to complete a degree or post-graduate qualification in social work to gain qualified social worker status. The intention that through a learning agreement held between the council and employee that on qualifying, the employee remains at the council for a minimum period of 2 years to complete their ASYE and become an experienced social worker within the council's social work establishment. This programme has proved highly competitive with 18 applications received for 2016/17 and only 6 spaces available in total across adults and children's social care. Due to budgetary constraints, the programme implementation date has been delayed and is hoping to start April 2017
 - **Step up to Social Work:** this is a national funded initiative by the Department for Education (DfE) that provides a 'fast-track' route to qualified social work status for those with a first degree. Wiltshire Council is one of 4 local authority partners in a regional Step Up Consortium led by Dorset County Council. 5 students have been placed with the council (3 of whom were Wiltshire Council employees) and will complete the programme June 2018.
 - **University of the West of England (UWE) social work student bursary scheme.** This bursary scheme was developed by Wiltshire Council as a way of providing a further route for social work students resident in Wiltshire into a social work career with the council. The council is currently supporting 6 bursary students, however due to financial constraints this scheme will finish in 2017.
13. A new workforce model has been introduced in operational children's services, which has seen the increase in permanent establishment and the reduction of temporary agency staff. This model centres on the creation of 'pods' within area teams consisting of 4 newly qualified social workers or ASYE to 1 aspiring manager. The aspiring manager is a new role created specifically for this workforce model and is aimed at experienced social workers looking for their first step into management; the Pods create a supervised and mentored environment by which aspiring managers can manage 4 newly qualified social workers to gain their first management experience and to support their career development. Appendix 1 gives further detail on numbers recruited into these roles and vacancies up until 31 March 2016

² Health and Care Professionals Council

14. A number of changes have been made on the council's careers website (jobs.wiltshire.gov.uk). From November 2015, a 'recruitment spotlight' was developed on the homepage for social work, making it easier for viewers to be directed to specific information about working for the council and latest job vacancies on the social care microsite. In addition, contextual links³ also appear alongside adverts where there is the highest number of vacancies or are high priority in the recruitment campaign. This provides further attraction and engagement about vacancies and the employment 'offer' to social workers. Appendix 2 shows a screenshot of both these features

Progress made up until 31 March 2016

15. The campaign has been successful; up until March 31 2016, 73% of all vacancies in operational children's services and 80% of all vacancies in adult social care operations were filled. This equates to 123 appointments and 38 vacancies remaining in operational children's services with 10 of those in newly qualified social work roles within safeguarding and assessment and 53 appointments and 13 vacancies remaining in adult social care operations with the majority (11 in total) in adult care locality and CTPLD teams. These figures take account of both turnover, and the increase in establishment in operational children's services during the period of the campaign. Appendix 1 shows further breakdown by job title
16. The campaign has also resulted in a reduction in the number of agency workers (particularly in operational children's services) and the development of sustainable models of recruitment and retention through various initiatives outlined in paragraph 12.
17. There was a decrease in agency expenditure in 2015/16 across both children's and adult services as a result of the success of the recruitment campaign.
18. In operational children's services there was a reduction of £333,918 and in adult care operations there was a reduction of £158,722 in agency spend across all social worker roles for 2015/16
19. The reductions in agency expenditure on social work roles are part of an overall reduction in agency expenditure across the council which decreased by £1m during 2015/16.
20. The most significant impact has been in relation to retention. Turnover rates in operational children's services have reduced from 21.1% at the start of the campaign in August 2014 to 12.2% at the end of March 2016, and were as low as 7.2% during one quarter. There has also been a similar improvement in retention for adult social care operations with a 5% reduction in voluntary turnover in the same period (14.8% to 9.8%).
21. Whilst these figures will be subject to the normal variances that affect turnover in a 12 month period (increases usually occur in the last quarter of a year – January to March) this does provide some reassurance about the stability of the workforce in these services.
22. Added to this is the fact that improvement in retention has been particularly prolific in relation to qualified social workers, with 89.5% retention in these roles in operational children's services and 87.5% in adult care operations during 2015/16. In

³ Contextual links appear as images or text alongside a job advert and their intention is to engage applicants by providing further information about the job through career films or staff blogs for example

safeguarding and assessment, retention is even higher at 94.1% during this period and when compared with the retention rate for experienced social workers across operational children's services as a whole (91%), the figure is 3% more. This confirms the positive effect of the recruitment campaign as voluntary turnover is reducing in all cases and the retention of staff (especially experienced social workers) is high.

23. These improvements in retention and turnover means that the council is in a much more stable position, and this is despite other local authorities continuing to struggle to recruit and retain to social work posts. Appendix 1 gives further detail of the overall campaign results.

Actions identified for 16/17

24. A desktop exercise has been undertaken by the report author to understand the competition from other local authorities (local and national) and to ensure that Wiltshire stays ahead of the market to attract high performing, quality social work candidates. This review also provided the campaign with information about the employment 'offer' being made by other councils to their social work employees. The review found that we still have significant competitive advantage, particularly in the area of safeguarding and assessment with the 18 caseload promise (which reduces to 16 for ASYE) and a clear career pathway developed as part of the WIHSC.
25. However, many neighbouring local authorities that were playing 'catch up' are starting to heavily invest in children's social care (e.g. Somerset) which will have an impact on the available pool from which to recruit and potentially retention rates if the momentum made with the campaign is not sustained; it will be absolutely essential, going forward, to ensure that the expectations of candidates in terms of the employment offer (and the caseload promise in safeguarding and assessment) is met.
26. In order to confirm that this is happening, further work will be developed during 16/17 to improve the consistency in gathering exit and entry questionnaires for permanent starters and leavers to both adult care operations and operational children's services. The feedback gained will enable action to be taken where needed and to keep the campaign going forward relevant and up-to-date.
27. Whilst a funded, dedicated social work recruitment campaign has been needed over the past 20 months, the level of success in recruiting to social work vacancies means that investing at the same level and running an intense recruitment campaign in the same way would no longer give the council value for money. However it is critical that recruitment activity continues to ensure the success achieved so far is sustained.
28. The social work campaign has given the council the skills, knowledge and experience to develop a blueprint to run future recruitment campaigns and in particular to use these to develop a phase 4 recruitment campaign for social work but as part of a wider approach to resourcing across the council that supports areas where there are difficulties recruiting to business critical roles.
29. Using in-house developed skills will reduce the reliance and associated costs of using an external marketing agency, making financial efficiencies for the future. A phase 4 marketing campaign for social care is being developed in consultation with both services to ensure that there is a focus on key roles where there are outstanding vacancies to be filled, key roles which will need promoting and recruiting to and to support the development of new workforce models in children's (e.g. ASYE/Pod development) and as a result of the health and social care integration

within adult care operations.

30. A dedicated microsite for social care has been in place since 2012. As part of Phase 2 of the social work campaign, the microsite was updated in October 2014 featuring information about the services, vacancies, videos to showcase working at the council and links to social media sites branded to support the campaign. However, since the update, the council has also developed a new, branded careers website (May 2015) with the ability to develop dedicated landing pages which can host information and job listings specific to a service area. With this new functionality, the microsite will be 'switched off' from July/August (a quiet period for recruitment) and a new social care landing page with revised content based on the microsite will be developed as part of the careers website.
31. In conjunction with corporate communications, in-house press releases and other media coverage will continue to promote the council as an employer of choice for social work.
32. Career pathways will continue to be developed and added to under the WIHSC which will support attraction, recruitment and retention. The Department for Education and Department of Health have opened a new round of bidding for 2 year teaching partnership funding as part of the government's agenda to increase the number of teaching partnerships and raise standards of teaching. A DfE funded Teaching Partnership consortium has been formed, led by Wiltshire Council and involving 6 other local authorities and 4 Higher Education Institutes or HEI's and represents one of the largest Teaching Partnership consortiums in the country and intends to draw down £5M of funding into the region. This will significantly support the quality of social work students, the recruitment and retention of high performing social workers for Wiltshire Council. The aspirations of the Teaching Partnership are:
 - Installing and utilising IT so that every training and HEI course in the region is fully attended (a Virtual Campus) and led by one expert across the region (gaining social work hours and saving money).
 - That Universities and social care services will influence content and selection of undergraduates and will be responding to supply and demand accordingly – so there is clear succession planning over 3 years.
 - That the HEI's will deliver learning in social care and that it is accredited learning- also principal social workers and higher grade social workers deliver lectures to enhance the social work career pathway
33. A collaborative approach to reducing social worker agency pay and to improve the recruitment and retention of permanent social workers across the region has been developed through a southwest Memorandum of Cooperation (MoC). The MoC is primarily focussed on developing collaborative approaches in respect of children's social care because of the shortage of permanent experienced social workers and high volume of agency staff being used; there is a commitment to address adult social care at some point in the near future.
34. The aim of the MoC is to ensure:
 - The hourly pay for social work staff within children's services is capped, to prevent spiralling costs and growing competition between South West Local Authorities, and to mitigate the increasing discrepancy between an agency social worker's level of skill and experience and the rates of pay they have been able to demand
 - Agencies providing social work staff within children's services comply with agreed standards and protocols, to ensure a stable and high quality workforce is

maintained.

35. All 15 top tier local authorities in the region have initially signed up to the MoC which has been endorsed by the regional Association of Directors of Children's Services (ADCS) and is hoping to be officially launched late summer 2016.
36. A set of agency pay caps is being introduced which will limit the pay rates for children's agency social workers with immediate effect for new assignments with a phased approach for existing agency staff where the pay caps have to take effect by January 2017 if not sooner. This will stop the spiralling costs of agency pay within the region and give local authorities greater control in managing supply and demand.
37. An impact assessment carried out for Wiltshire confirms that the council's agency pay rates are very competitive and already fall below the regional maximum caps set for each social work role within operational children's services.

Background

38. As has been previously reported there have been difficulties in recruiting experienced social workers and social work managers across both adults and children's services within the council, with the most significant difficulties within operational children's services, especially in safeguarding and assessment.
39. There have been a number of strategies to recruit social workers and social work managers taking place since December 2012. As well as on-going recruitment advertising on the council's careers website throughout the period, and attendance at careers fairs, a joint targeted advertising campaign for social work recruitment with children's services and adult care operations ran from November 2013 to April 2014 with some success.
40. Proposals to pay market supplements to specific social worker roles in the safeguarding and MASH teams in children's services and the option for these supplements to be extended to other social work roles in other areas of children's services and within adult care operations where there was evidence of significant difficulties in recruiting were agreed by CLT in June 2014 and Cabinet were asked to note this decision at their meeting on 22 July 2014.
41. Despite these interventions, a high number of vacancies still remained and the services continued to be reliant on agency workers in various roles across both children's and adult services. In addition the normal turnover of staff in these roles also increased the number of vacancies and a new recruitment campaign commenced in August 2014.
42. The campaign has been delivered in 3 phases so far, and has included a number of traditional and new approaches, including a more wide scale use of social media in the advertising of the social work vacancies.
43. The new recruitment campaign has been significantly different from previous recruitment efforts and has marketed the council's employer value proposition (EVP) or brand clearly into all external facing information and advertising. The EVP enables the council to articulate its values and vision to internal and external audiences and was integrated in the redevelopment of the social care microsite and development of new social media channels in order to attract and promote vacancies and the wider employment offer to social workers.
44. Extensive paid for advertising has taken place across a range of online media channels (Guardian, Community Care, Jobsgopublic, Google, Indeed), including

enhanced and targeted job listings, promotional features, council press releases, a high volume of social media activity, attendance at career fairs and conferences and a range of internal initiatives under the recently launched Wiltshire Institute for Health and Social Care (WIHSC).

45. The new campaign also saw the development of unique selling points (USP's) to market the council as an employer of choice for social workers. This was done to improve the competitive edge had over other local authorities and provide the 'backbone' to the overall campaign (e.g. lower caseloads in operational children's services, improved technology/reduced bureaucracy and clearer career pathways launched under the Wiltshire Institute of Health and Social Care).
46. Key points of contact were identified and established within the services and HR & OD to ensure the continual 2-way communication around recruitment needs, challenges and vacancies and that the candidate journey (from application to appointment) was carried out as efficiently as possible. This also provided contacts for candidates so that recruitment or service queries could be handled quickly with minimum response times, thus increasing candidate satisfaction with the recruitment experience and increasing the chances of applications being submitted.
47. The campaign has been delivered in three phases:
 - Phase 1 of the campaign ended in September 2014 and delivered some success in the recruitment of social work manager roles but was less successful in the recruitment of experienced social workers.
 - Phase 2 of the campaign launched on 16th October 2014 and ended March 31 2015 with the aim of recruiting to social worker and social work manager roles across both children's and adult services. At that stage there were 49 social work vacancies in the safeguarding and assessment teams within operational children's services following the decision by CLT in consultation with cabinet to recruit an additional 27 social workers in these teams in November 2014. This saw an additional injection of £1m funding into the service during 14/15 on the understanding that there would be no additional funding for these posts 15/16.
 - Phase 3 of the campaign launched on the 1 April 2015 and has recently ended 31 March 2016 although there is still a run-over of paid-for advertising and features which will end May 31 2016. This phase started with 36 vacancies in operational children's services and 17 vacancies in adult social care operations. Phase 3 has been characterised by the development of more sustainable models of recruitment and retention to create a permanent establishment across adult's and children's social care (reducing agency) through the implementation of some key internal initiatives (e.g. Return to Social Work, Grow Our Own, Step up to Social Work, ASYE/Aspiring Manager 'pods'). These are explained in more detail in section 12. The end of this phase sees 38 vacancies remaining in operational children's services. Although this is a higher number of vacancies that remained at the end of Phase 2 in March 2015, this has been because of the increase in NQSW's being recruited to and the creation of 9 aspiring manager (new) roles as part of the new ASYE/'pod' model as outlined in section 12. The number of vacancies in adult care operations has reduced to 13 by 31 March 16.
48. Further detail around the actions and progress against phases 1 and 2 was provided in the Cabinet report dated 21 April 2015.

Overview and Scrutiny Engagement

49. The Safeguarding Children and Young People task group met on the 21 January 2016 with an update on the retention and recruitment of children's social workers.

Councillor Gordon King, Vice-chairman of Health Select Committee, is the appointed Overview and Scrutiny member representative on the WIHSC board

Safeguarding Implications

50. The safeguarding implications are directly related to the ability of the council to recruit sufficiently experienced social workers and managers to undertake the statutory safeguarding responsibilities of the council and reduce the risk of harm to children and young people and vulnerable adults.

Public Health Implications

51. A failure to recruit sufficient social workers poses risks to the health and wellbeing of the population and especially the vulnerable.

Procurement Implications

52. There are no procurement implications.

Equalities Impact of the Proposal

53. Due to the higher than council average percentage of social workers from a BME background within operational children's and adult social care services, further work will be done to understand whether any targeted work can be carried out by way of external promotion. The council's commitment to equality and diversity is clearly articulated through the council's career website and through all communication where relevant. The recruitment campaign provides opportunities for the council to promote equality of opportunity.

Environmental and Climate Change Considerations

54. There are no significant environmental and climate change considerations. However, the introduction of mobile technology for children's social work teams will reduce travelling time, thus reducing the carbon footprint and as more records will be held electronically, reduction in printing and associated environmental impacts

Risk Assessment

55. Risks have significantly reduced since August 2014 with the numbers of experienced social workers recruited to, increased retention and reduction in vacancy rates especially in Safeguarding and Assessment

Financial Implications

56. Difficulties in recruiting to Social work vacancies have impacted in different ways across Adult Care and Children's Services budgets. This is illustrated in the following summary of salary expenditure across Adult Care Operations Team budgets and Children's Safeguarding & Assessment Team budgets. The analysis focusses on these teams as these are the areas most affected

Adult Care – Summary of Salary Expenditure across Operational Social Work Teams 2013-14 to 2015-16

Adult Care Operational Teams			
	Budgeted Salary Expenditure	Final Outturn Salary & Agency Expenditure	Annual Variance
2013/14	9,357,161	8,952,033	-405,128
2014/15	9,262,430	8,572,348	-690,082
2015/16	8,839,400	8,793,540	-45,860

Of which the proportionate share of total salary budget that is agency spend is as follows:

2013/14	3.8%
2014/15	3.6%
2015/16	3.1%

Children's Services – Summary of salary expenditure across Safeguarding & Assessment Teams 2013-14 to 2015-16

Safeguarding & Assessment Teams			
	Budgeted Salary Expenditure	Final Outturn Salary & Agency Expenditure	Annual Variance
2013/14	3,872,380	5,454,245	1,581,865
2014/15	5,201,950	6,267,615	1,065,665
2015/16	6,360,900	7,314,971	954,071

Of which the proportionate share of total salary budget that is agency spend is as follows:

2013/14	53%
2014/15	45%
2015/16	39%

57. Within Adult Care teams the use of agency staff has been consistently low as a proportion of social work salary spend. The financial impact of not being able to recruit has been that posts have been held vacant and salary budgets have consistently underspent. This underspend has reduced in 2015-16.

58. Within Children's Services it has been necessary to recruit agency staff to fill posts in place of permanent staff. Whilst the budget and establishment has increased over the last 3 years to support lower case loads, the impact of the recruitment of more permanent staff is to reduce the overspend against salary budgets and reduce the proportion of salary costs met through agency spend. At the height of recruitment difficulties within Children's Services turnover levels were at 25%. Assuming this

level had continued it is estimated that additional agency costs of £600,000 per annum would have been incurred if permanent staff had not been recruited.

Legal Implications

59. As this report is for information only, there are no legal risks associated with the actions being taken or planned at this stage. There are legal implications in the actual recruitment of social workers and advice in this regard is sought as appropriate

Options Considered

60. A further phase of the social work recruitment campaign is being developed for 2016/17 and is being informed by the work and learning gathered so far in conjunction with the Adult and Children's Principal Social Workers

Conclusions

61. There has been significant progress made in recruiting experienced social workers across adult care operations and operational children's services since August 2014 when a new recruitment and retention campaign was implemented

62. Turnover rates have reduced dramatically and retention rates have improved; vacancies have reduced across both areas with a total of 544 applications received

63. 73% of all vacancies have been filled in Operational Children's Services with 80% in Adult Care Operations. In the context of other local authorities struggling to recruit to social work vacancies, this makes the progress even more significant

64. The council's overall agency expenditure decreased by £1m during 2015/16. A large part of the decrease has come from operational children's services (decreased by £333,918) and has predominantly come from the reduced use of agency social worker roles (all levels) where spend reduced by £270,380

65. Given the level of success in recruiting to social work vacancies, investing at the same level and running an intense recruitment campaign in the same way would no longer give the council value for money. However, it will still be critical to maintain the momentum built over the campaign period to sustain the improvements made longer term

66. A phase 4 marketing campaign for social care is being developed in consultation with both services to ensure that there is a focus on key roles where there are outstanding vacancies to be filled, key roles which will need promoting and recruiting to and to support the development of new workforce models in children's (e.g. ASYE/Pod development) and as a result of the health and social care integration within adult care operations. The social work career pathway will be further developed through various programmes under the WIHSC and the creation of a regional Teaching Partnership which will increase collaboration, deliver efficiencies and improve standards and quality of social work practice

Barry Pirie (Associate Director, People and Business), Carolyn Hamblett (Associate Director, Adult Social Care Operations), Terence Herbert (Associate Director, Operational Children's Services)

Report Author: Jane Graham, Resourcing Manager, HR & OD.
Jane.graham@wiltshire.gov.uk,

Date of report: 26 May 2016

Appendices

Appendix 1: Performance data and numbers of applications, shortlisted, appointed and vacancies remaining for Operational Children's Services and Adult Care Operations

Appendix 2: Council careers recruitment spotlight and job advert contextual links

Appendix 3: Social work career pathway 'tree' infographic

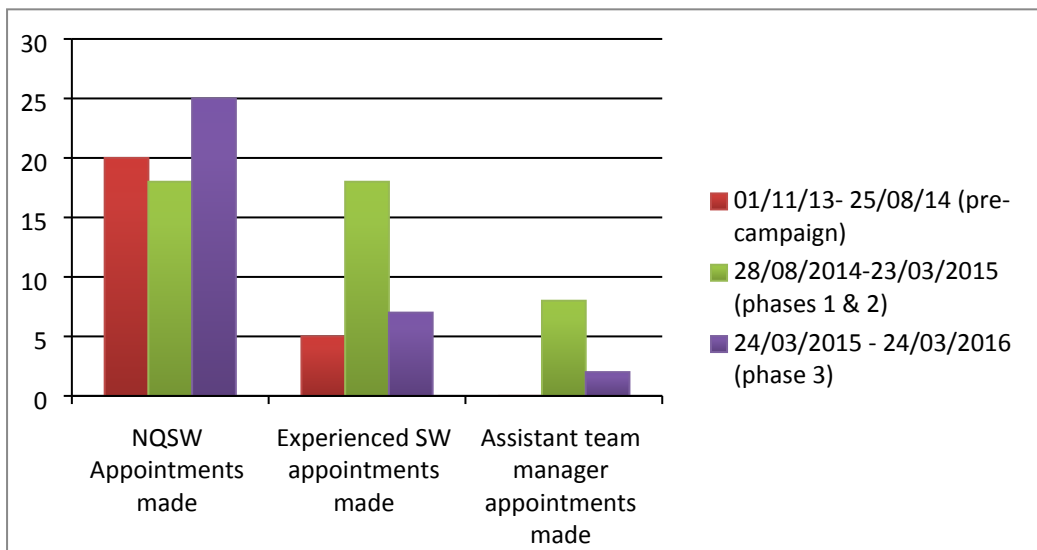
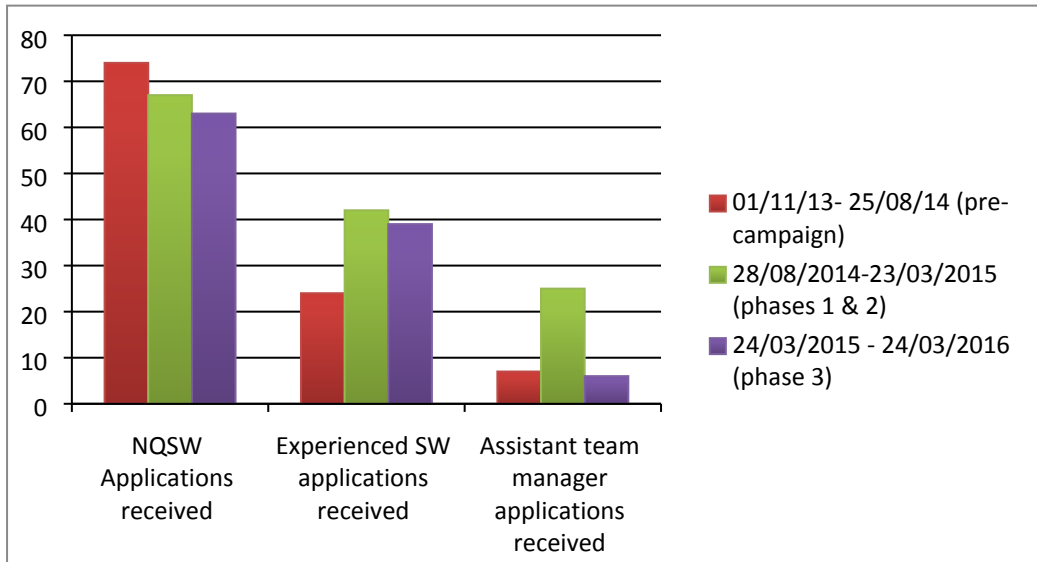
Background Papers

None

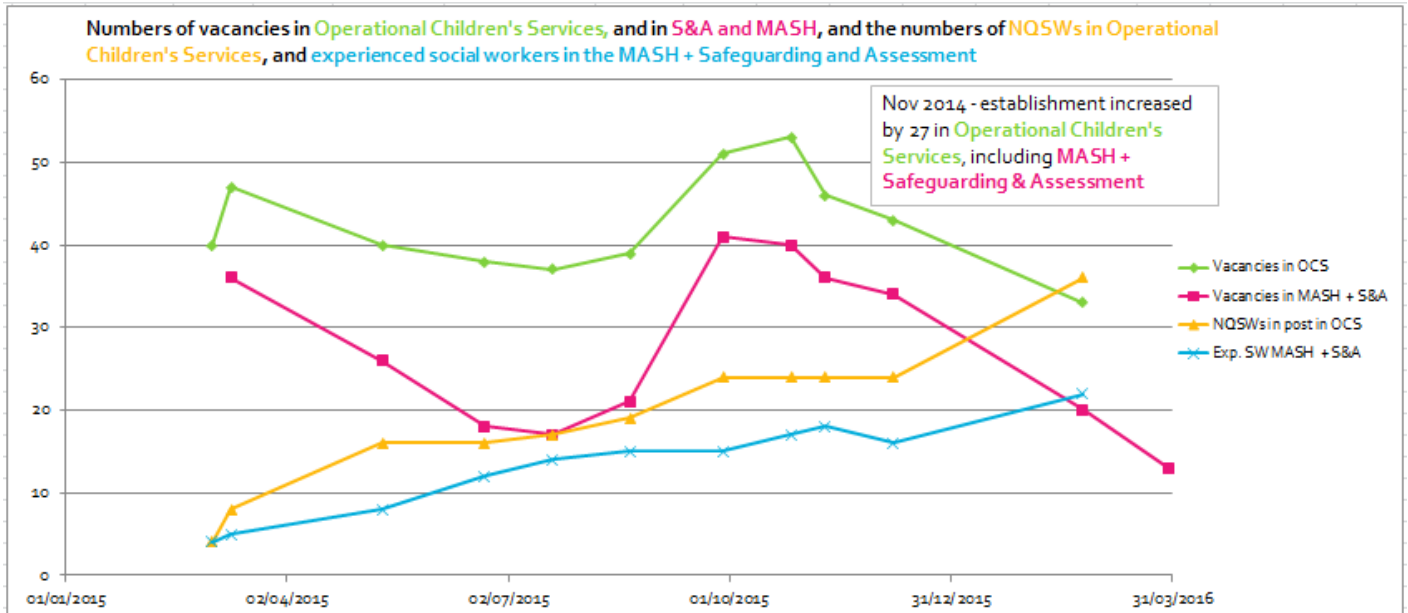
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Appendix 1

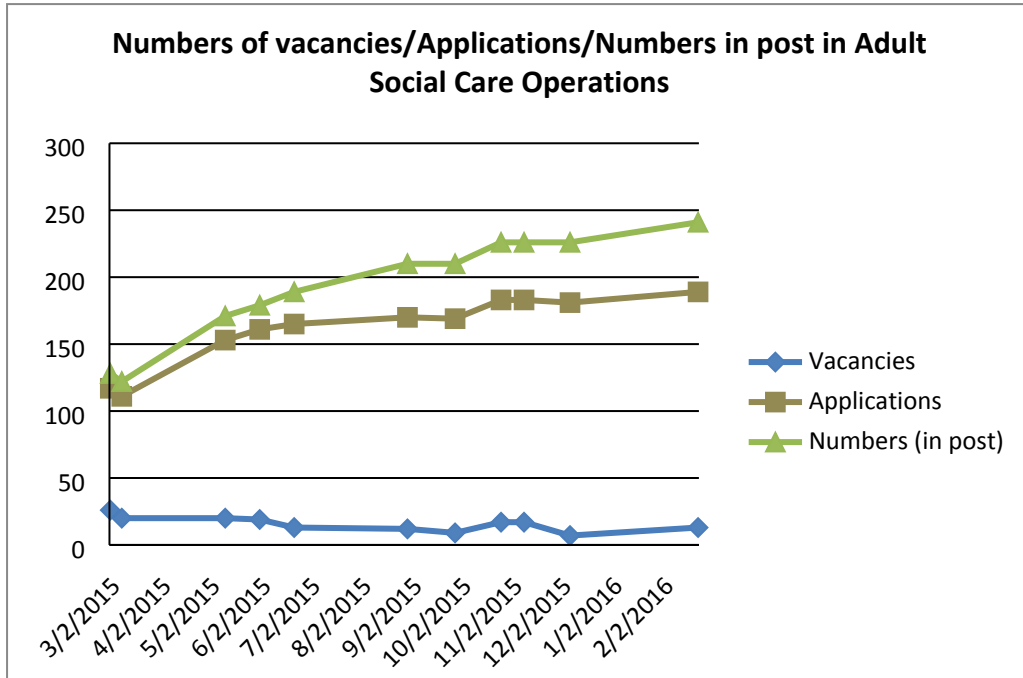
a. Charts showing applications received and appointments made comparing pre-campaign and campaign performance for Operational Children's Services



b. Line graph showing upward trend of applications and numbers appointed and the decrease in overall vacancies during phase 3 (2015/16) for Operational Children's Services and in Safeguarding and Assessment



c. Chart for Adult Care operations¹ for Phases 2 and 3 showing numbers of vacancies, applications and numbers appointed



¹ the service did not enter the campaign until October 2014 and there is no pre-campaign performance information available

d. Specific roles, applications, numbers shortlisted and appointed and vacancies remaining for Operational Children's Services and Adult Care Operations

Operational Children's Services					
	Total number of applications received Aug 14 – Mar 16	Numbers shortlisted	Numbers appointed	People waiting to be appointed	Vacancies left
Totals	368	229	118	5	38
NQSW Safeguarding and Assessment	112	78	43	5	10
Aspiring Manager	13	7	5	0	4
HOS Care and Placement	3	3	1	0	0
Service manager Care & Placement	3	2	1	0	0
Service Manager MASH	3	2	1	0	0
Service Manager EDS	4	3	1	0	0
Team Manager Care & Placement	2	1	1	0	0
Team Manager CIC Team	1	1	1	0	0
Assistant Team manager MASH	8	4	1	0	0
Assistant team manager SEND	1	1	1	0	0
Assistant Team manager EDS	2	1	1	0	0
Social worker fostering	14	8	5	0	0
School based social worker	9	4	2	0	0
Social worker children in care team	1	1	1	0	0
SEND Social Worker	12	8	3	0	0
CIC team SW south	8	4	4	0	0
Level 2 SW Fostering	3	3	2	0	2

NQSW Social Worker CIC	18	6	2	0	0
Occupational Therapist SEND	7	4	2	0	0
Level 2 SEND SW	13	5	1	0	0
Social worker LAC team	7	5	1	0	0
Assistant team manager Fostering	4	3	1	0	0
Team Manager Safeguarding and Assessment Team	15	12	4	0	0
Assistant team manager CIC Team	1	1	1	0	0
DOFA (previously LADO)	2	2	1	0	0
Assistant Team Manager - Safeguarding	13	10	4	0	1
EDS Assistant team manager	1	1	1	0	0
MASH Social worker	24	14	7	0	1
Team Manager - Safeguarding	4	2	1	0	1
Perm Social worker EDS	1	1	0	0	2
Fostering Contract Care Social Worker	0	0	0	0	1
Fostering Team Manager	0	0	0	0	1
Assistant Team Manager	2	0	0	0	3
Social Worker Safeguarding and Assessment Team	57	32	18	0	12

Adult care operations					
	Total number of applications received Aug 14 – Mar 16	Numbers shortlisted	Numbers appointed	People waiting to be appointed	Vacancies left
Totals	176	122	52	0	13
Adult Care Locality Team Leader	5	4	2	0	3
Specialist Senior Practitioner SAMCAT	5	5	2	0	0
Senior Social Worker Reassessment team	0	0	0	0	1
Level 2 Social Worker CTPLD	2	2	1	0	0
NQSW Hospital team	16	12	2	0	0
Occupational Therapist	4	4	2	0	0
Mental Health Social worker- South	7	7	3	0	0
Hospital Team- Social Worker RUH	2	1	1	0	0
Hospital Team- Social Worker Salisbury	12	8	2	0	0
Level 2 Hosp social worker Salisbury	13	11	3	0	0
Adult Care Locality Team- Exp Social Worker	20	9	3	0	3
Mental Health Social worker- North	6	3	3	0	0
CTPLD- Exp Social Worker	17	11	3	0	0
Hospital team Social Worker RUH	2	2	1	0	0
Best interest assessor	7	3	2	0	0
Occupational Therapist	1	1	1	0	0

Level 2 Social Worker CTPLD	13	8	7	0	0
Intermediate Care Team- Social Worker	15	6	3	0	0
Adult Care Locality Team- Exp Social Worker	11	10	5	0	0
Level 2 Locality Social worker	14	13	4	0	0
Mental Health Social Worker - Temporary	1	1	1	0	0
CTPLD- Exp Social Worker	3	1	1	0	5
Special Social worker for deaf people	3	0	0	0	1

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Recruitment spotlight

Social care

Our focus is on creating stronger, more resilient communities and we need aspirational, committed social workers in adults and children's services.

Learn about our approach to social care, the benefits of working here and browse our vacancies.

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Social Worker - Safeguarding & Assessment Team – Trowbridge and Salisbury and Chippenham

Social Worker - Safeguarding & Assessment Team

Salary: £29,558 - £34,746 plus 10% Market Supplement*
Date Closes: 03/06/2016
Ref Number: CS00271
Location: Trowbridge/Salisbury/Chippenham



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Job Advert

This is a fantastic opportunity to join one of our safeguarding and assessment teams with a promise of a caseload of no more than 18 children.

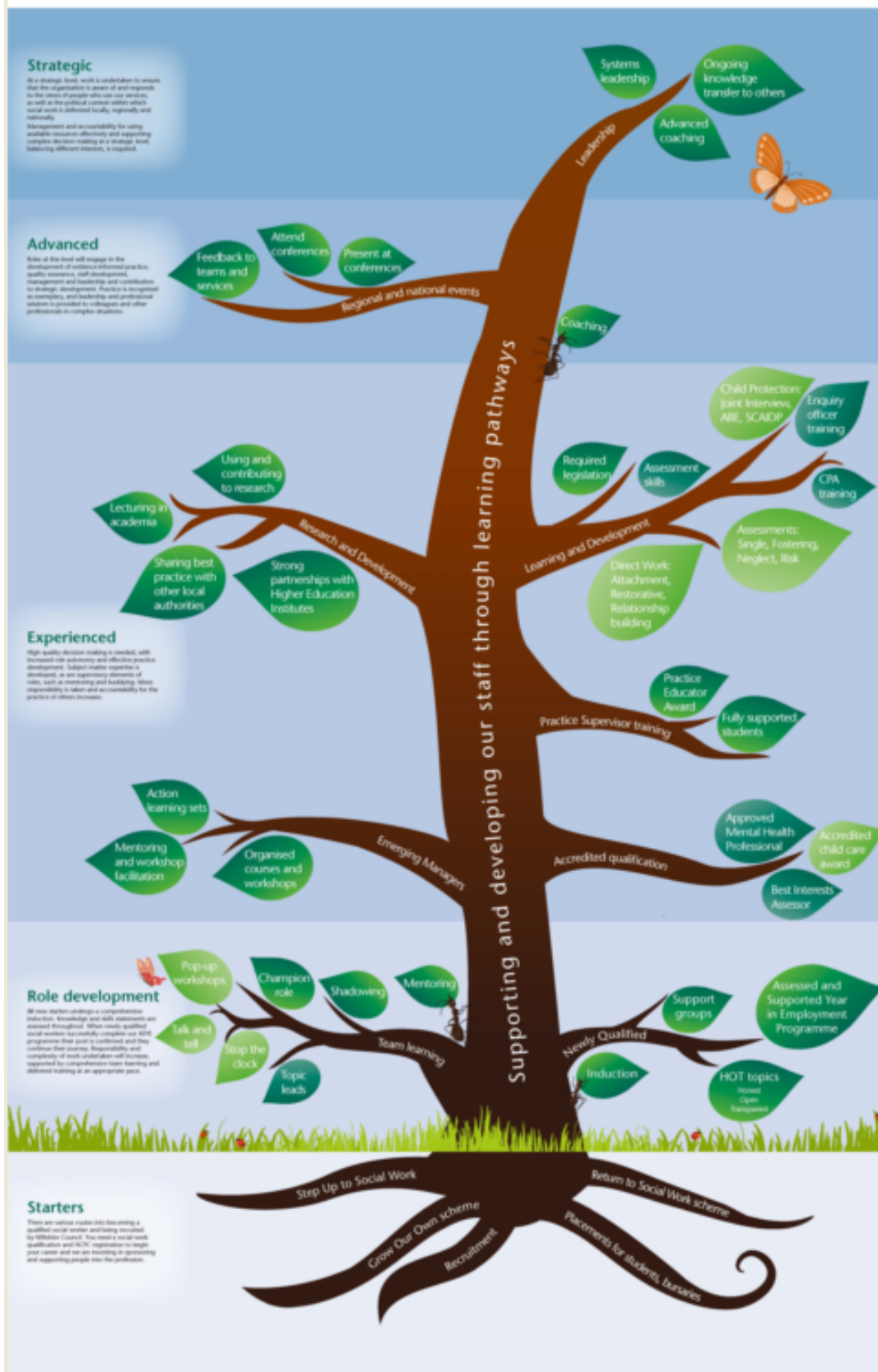
LIVE · WORK · CARE

The safeguarding and assessment service works with some of our most vulnerable children in Wiltshire, including children in need, children in need of protection, children who are the subject of family proceedings and a proportion of our looked after children. This service is helping to re-define young futures by providing a high quality, efficient and effective social work service to respond to the needs of vulnerable children, young people and their families.

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Wiltshire Learning Pathways for Social Workers

This is the council's commitment to develop and support social workers to deliver a high quality service to people in Wiltshire; valuing and keeping competent and committed staff.



Key

- Adults and children's
- Adults
- Children



Wiltshire Council
Where everybody matters

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Wiltshire Council

Cabinet

14 June 2016

Subject: Military Civilian Integration Update Report

Cabinet Member: Cllr Baroness Scott of Bybrook OBE – Leader of Council

Key Decision: No

Executive Summary

This report provides Cabinet with an update of the Military Civilian Integration (MCI) Partnership's work and seeks Cabinet's continued support for the partnership and its programme of work. This is a periodic update report, the last having been made to Cabinet in October 2013. A number of government announcements and significant progress on particular MOD projects now warrant a further update to Cabinet.

This report highlights key aspects of the ongoing work and explains how Wiltshire Council is working together with MOD (particularly SW Region Brigade, the Defence Infrastructure Organisation - DIO) and partners in bringing forward the Partnership's workstreams. The aims of the MCI Partnership, which is a key element in the Council's Business Plan and this report demonstrates how, through the partnership, the goals of the MCI Partnership are being brought forward.

Proposals

That Cabinet:

- (i) Confirms its support for the MCI Programme, and endorses the approach being taken to delivering the MCI Workstreams set out by the MCI Board.
- (ii) In particular notes:
 - a) The progress and way forward on the Army Basing Programme.
 - b) Wiltshire's Armed Forces Community Covenant (agreed in August 2011) and our success in drawing down significant grant funding to support local integration projects.
 - c) Completion of the Defence College of Technical Training at Lyneham.
 - d) The continued co-operation with the MOD in identifying and progressing the opportunities that military presence can bring to boost the economy of Wiltshire.

Reason for Proposals

The Military has a significant presence in Wiltshire, and the nature of this presence will change dramatically over the coming years. It is important that the Council recognises the impacts that military presence will have on Wiltshire, both in terms of the opportunities that this will offer for economic growth, and the preparations that the Council is required to make to ensure that the needs of everyone in Wiltshire are met. Cabinet is invited to recognise the achievements that have already been made with the support of the MCI Partnership, such as the progress on a Defence College of Technical Training at the former RAF Lyneham Site, the Army Basing programme and establishment of the Higher Futures programme, while acknowledging that there will be further challenges ahead, whose successful resolution will require the support of the Council working closely with the Ministry of Defence (MOD) and other partners.

Carolyn Godfrey
Corporate Director

Wiltshire Council

Cabinet

14 June 2016

Subject: Military Civilian Integration Update Report

Cabinet Member: Cllr Baroness Scott of Bybrook OBE – Leader of Council

Key Decision: No

Purpose of Report

1. The military has a significant presence in Wiltshire, and the nature of this presence will change dramatically over the coming years. It is important that the Council recognises the impacts that military presence will have on Wiltshire, both in terms of the opportunities that this will offer for economic growth, and the preparations that the Council is required to make to ensure that the needs of everyone in Wiltshire are met. There will be further challenges ahead, whose successful resolution will require the support of the Council working closely with the Ministry of Defence (MOD) and other partners.
2. The report also updates Cabinet on the important milestones that have been reached through partnership working and the support of the MCI Partnership since the last update report to Cabinet made in 2013. Cabinet is invited to recognise key achievements which have included progress made on the delivery of a Defence College of Technical Training at the former RAF Lyneham site, the completion of planning for the Army Basing programme and the inclusion of military populations in new programmes such as the Higher Futures (City Deal) and TEN (The Employment Network)

Relevance to the Council's Business Plan

3. The Business Plan published in 2013 states:

"In the next four years we will focus on 12 key actions to help deliver the three priorities:

7. Build on the work of the Military Civilian Integration Partnership and maximise the benefits of the Army Rebasing Plan.

Main Considerations for the Council

4. To note recent MCI progress and provide continuing Cabinet support for Wiltshire Council's involvement in the partnership.

Background

5. The 2013 report on the MCI Programme updated the Cabinet on its progress since its establishment in 2006, including aspects of:

- The development of the Salisbury Plain Super Garrison.
- The change of use of RAF Lyneham.
- Other military changes that would have consequences for local communities across Wiltshire.

6. Since that time:

- The MCI Partnership Board representation has been expanded to include the RAF and the Defence Information Services and Systems Directorate at Corsham which is at the vanguard of the emerging and important digital sector. The 1st Artillery and HQ South West Brigade has been restructured to provide a senior officer with responsibility for the SW Region. The SW Region Brigade Commander now attends the Board.
 - The Wiltshire's Armed Forces (AF) Community Covenant has been reaffirmed at the Wiltshire Assembly in December 2013. Wiltshire Council was one of the first local authorities to agree a local Covenant and our practice in this area has been recognised nationally. The aim of the Community Covenant, including the MOD's covenant grant scheme, is to encourage integration between local civilian and Armed Forces communities, to support the Service community, and nurture understanding and awareness amongst the public of issues affecting the Armed Forces Community. 36 projects, delivered by local (Wiltshire) groups and charities, have been awarded a total of £925,000 funding since September 2011 to December 2015.
 - Under central government proposals the AF Covenant has been re-branded and the separate Community, Corporate and Veterans Covenants / Charters are to be unified into a single document. This is currently being drafted with the intention that it be ratified at the next Public Service Board in July 2016.
 - Within the Employer Recognition Scheme administered by the MOD's Reserves and Cadet Force Organisation, Wiltshire Council achieved a prestigious Silver award in 2015. It plans to go further by seeking Gold status in June 2016. It enjoys the support of the MCI Partnership Board in this.
- a. The Army Basing Programme has been developed jointly with the MOD in Wiltshire and the successful consultation on the Defence Infrastructure Organisation (DIO)'s Masterplan set the context of development throughout the Salisbury Plain Training Area through a cohesive package of information to inform subsequent planning applications. It demonstrated that the proposed development had been planned in an appropriate manner, with comprehensive consultation with a wide group of stakeholders. This partnership approach enabled it to be highly commended in the Royal Town Planning Institute Awards in 2015

- b. The Defence Infrastructure Organisation (DIO) has submitted a number of planning applications, many of which have progressed to receiving consent..
- The Defence College of Technical Training at Lyneham has opened, reaching full operating capacity on 1 February 2016.
 - The Higher Futures Programme, which is being jointly implemented by Wiltshire Council and Swindon Borough Council following successful bidding under the Government's 2nd round of City Deal funding is now being implemented. Its key element is being to unlock the economic potential of the military presence in the SWLEP geography and the skills of service leavers to support business growth.
 - The Enterprise Network, managed by the Council continues to work with the military community and strives to encourage both service leavers and spouses to consider self-employment through use of the premises throughout Wiltshire and the business support service it offers to fledgling enterprises. In 2015, it ran some ten networked seminars across the military sites aimed at assisting women into business.
 - In addition, the Council and the MOD continue to work co-operatively to assist in the present programme of MOD estate disposals in Wiltshire to enable new housing and employment opportunities.
 - A number of other community integration initiatives have been launched and are ongoing.
 - The South Wiltshire University Technical College, specialising in Science and Engineering in the context of the Defence Industries for 600 14-18 year olds, based in Salisbury opened in September 2015. As well as providing schooling opportunities for relocated service families, the University Technical College utilises the skills of local employers, including 1st Artillery Brigade, to provide teaching for students.
7. Construction of the first phase of Porton Science Park, which will create modern incubation and grow on space for innovative enterprises in the Health and Life Sciences sector, is set to commence in June of this year, and open for business in summer 2017. The project is funded by Wiltshire Council, the Local Growth Fund via the Swindon and Wiltshire Local Enterprise Partnership (SWLEP), and European Regional Development Funding, and is supported by the Defence Science and Technology Laboratory (Dstl) and Public Health England. This and further investment in the Science Park is expected to deliver 2,000 high value jobs over the next ten years, with opportunities both in the life sciences and other defence technologies sectors. By close engagement in the development of the above programmes and projects, in addition to undertaking its own core programme of work, the MCI Partnership continues to positively influence a number of initiatives and developments which will benefit both our civilian and military communities.

Member and Officer Support

8. The MCI Partnership is led by its Partnership Board whose role is to provide strategic direction and guidance. The Partnership Board is chaired by the Leader of Wiltshire Council and the following representatives sit on the Board:
- Commander 1st Artillery Brigade and HQ South West
 - Cabinet Member for Economy, Skills and Transport, Wiltshire Council
 - Corporate Director, Wiltshire Council
 - Associate Director for Economic Development and Planning, Wiltshire Council
 - Defence Infrastructure Organisation
 - Commandant of the Defence School of Electro- Mechanical Engineering (DSEME)
 - RAF Boscombe Down
 - Director General of Information Systems and Services
 - Homes and Communities Agency
 - Swindon and Wiltshire Local Enterprise Partnership
 - Community First (representing the voluntary sector)
 - MCI Programme Manager, Wiltshire Council
9. Supporting the Partnership Board is a Delivery Group, to ensure the effective delivery of project is taken forward through a series of workstreams. The Delivery Group is composed of senior officers from partner organisations.
10. Progress on many of these workstreams has been touched on in the background section above. The following paragraphs focus on core work streams of the partnership.

Army Basing

11. Army Basing, is the largest workstream in the partnership. It responds to the Regular Army Basing Plan which will relocate an additional 4,000 troops to Wiltshire by 2020. In addition some 3,200 dependants will accompany them. The significance of this move and increased reliance on reserves, are all expected to have a significant impact on Wiltshire's economy. It is anticipated that there will be around £1.2 billion investment by MOD by 2020 in the Salisbury Plain area. New requirements in terms of housing, schooling, health and social care, as well as the impact on Wiltshire's communities have been assessed, based upon data provided by the MOD. Independent research suggests that the Army Basing Programme will increase the GVA of the South Wiltshire economy by a 4% rise in jobs (2,300 gross jobs) and a 5% (£143 million) rise in GVA in South Wiltshire.
12. An Army Basing Steering Group was established in 2013, which includes representatives from Wiltshire Council, 1st Artillery Brigade, the DIO and

Wiltshire Council partners (NHS, the Homes & Communities Agency and Emergency Services) to lead this work. It also oversees the work of a series of sub-groups to examine planning, education, communication and health implications. Alongside this, a Councillor Reference Group comprising Wiltshire Councillors in the areas affected by the programme and officers, continues to meet to provide communities with information and a chance to influence implementation of MOD development proposals.

13. The programme is nearing the end of the (town and country) planning phase, as all but the Upavon main camp works planning applications have been granted. This was a considerable achievement facilitated through exemplary close working by the Council, its partners and the MOD. To evidence this statement Wiltshire Council, the DIO and its consultant WYG, were highly commended by the RTPI Southwest in its Planning Excellence 2015 Awards. The LGA will shortly be assessing Wiltshire Council's management of the Army Basing Programme through a Peer Challenge Review. It is hoped this will provide confidence that it is in good shape to tackle the later phases of the programme, which will concentrate upon monitoring the build programme (both MOD's and the additional school infrastructure, totalling 1,125 additional school places that Wiltshire Council will procure) and the service delivery phase which is due to complete by 2019.

Defence College of Technical Training, Lyneham

14. The new Defence College of Technical Training at Lyneham opened in October 2015 and reached full operating capability on 1 February 2016. It is now fully functioning with up to 1,500 students on site with a footfall of 12,000 students per year. Babcock and military training posts are fully manned but there are a handful of civil service vacancies. The £121 million construction phase commenced in December 2013.
15. Plans to complete further phases, which would have brought the total capital investment to £250 million, were cancelled by the MOD in mid-2015. However, the MOD is currently addressing, through a Lyneham Optimisation Group, how it can make best use of the remainder of the site, which has outline planning consent in place for large-scale further development. This may enable further employment at the site.
16. The Lyneham Steering Group, set up to involve local communities in the development proposals and inform them about progress, regarded as a model of best practice has now been stood down, pending further development decisions by the MOD. It was one of the factors that enable this project to achieve an RTPI planning award in 2014.

MOD Estate Review

17. Under the Government's Strategic Defence and Security Review the MOD is committed to releasing 25% of its built estate by 2020 to facilitate the build of 55,000 new homes in addition to commercial development. Wiltshire Council is engaging with the DIO to assist in the identification of suitable sites in Wiltshire. It met with senior DIO staff on 23 February 2016 and will seek to influence its

Footprint Strategy, which will identify suitable sites across the United Kingdom, when it reports in summer 2016.

Communications Plan

18. The MCI Partnership and Army Basing Steering Group are fully supported by senior communications officers at Wiltshire Council and the DIO working together to ensure consistency of messaging. Separate plans for the MCI and Army Basing are being merged and there are plans to implement a new innovative MCI Website (to replace the existing web pages) in the summer of 2016. The site will feature interviews and film footage to make it more appealing, particularly to the families of units relocating to Wiltshire under the Army Basing Programme. Its content will be approved by the MCI Delivery Group.

Overview and Scrutiny Engagement

19. The Overview and Scrutiny has formed a Task & Finish Group to review how the MCI programme (with an emphasis on the Army Basing Programme) is being managed by the Council. It has raised a number of issues which have been largely addressed. The Task & Finish Group has produced a number of interim reports, but is yet to finalise its work.

Safeguarding Implications

20. The Army Basing Programme, with a net 7,200 increase in population in Wiltshire, will increase the need for robust safeguarding measures. Discussion with the MOD is underway to define expected requirements, including impacts on service provision. Senior officers involved in safeguarding sit on the MCI Partnership Board and Delivery Group and safeguarding will be an integral part of the MCI Partnership's ongoing work. Data from MOD submitted in April indicates that there are very few children subject to Child Protection plans and families subject to Children In Need plans (which is much lower than the typical position in civilian communities).

Public Health Implications

21. The increase in troop numbers and their families that will be brought about by the Army Basing programme will have significant implications for the provision of health care services and wider health and wellbeing considerations. Wiltshire Public Health, Wiltshire's Clinical Commissioning Group, the NHS England Area Team, and Army Primary Health Care have therefore set up a group to address health care commissioning needs. Additionally, a Health Impact Assessment was completed by the Council. It contained 96 recommendations, all of which have been fully addressed and the vast majority implemented.
22. Our public health team routinely works closely with the Defence Primary Health Care Service (Wessex), the Army's chain of command in Wiltshire, and the local Army Welfare Service to improve the health and wellbeing of both serving personnel and service families. This is of particular importance as we prepare for the increases in these populations arising from the draw down from Germany which will impact not only on our broader health improvement services, but also on the Council's health visitor and school nurse services.

Procurement Implications

23. There are no direct procurement implications. However, under the Army Basing Programme, the Council is required to invest in the following facilities:

- New primary schools in Ludgershall and Larkhill (including early years provision), though the latter is being met through relocation and major expansion of the existing St Michael's Primary, currently sited in Figcheldean
- Extension to Bulford Kiwi Primary
- Extensions to secondary schools - Avon Valley College (Durrington) and Wellington Academy (Tidworth)
- Additional waste collection facilities
- Additional bus stop provision - though this is still to be agreed with the local town and parish councils, but funds have been secured from the MOD through the s106 agreement to the Army's Service Family Accommodation planning applications.

The education, transport and waste teams have been fully engaged and are aware of these requirements. They are planning to undertake the necessary procurement to meet the programme.

Equalities Impact of the Proposal (detailing conclusions identified from Equality Analysis, sections 4 and 5)

24. The MCI Programme aims to enable the realignment of service provision to meet the changing needs of the military, their families and veterans. All strands of work and projects are contributing to improving quality of life and opportunities for military families, serving personnel and veterans. This is underlined in the Wiltshire Community Covenant that was instigated by the MCI Board and was ratified in December 2013. In addition, measures will be taken to ensure that this does not adversely affect existing Wiltshire communities.

Environmental and Climate Change Considerations

25. Environmental Impact Assessments are undertaken as part of planning for the infrastructure projects to ensure measures are in place to mitigate any negative impacts associated with the projects. The MOD has highly qualified environmental officers who have worked co-operatively with Wiltshire Council and statutory authorities' counterparts to resolve or mitigate potential harmful effects on the environment arising from new developments.

Risk Assessment

26. No specific risks have been identified with the proposal to support the MCI Partnership.

27. With regard to the partnership's programme of work, each workstream applies risk management principles to manage risk. These are in line with the Council's risk management strategy. A Risk and Opportunities Register is maintained for the Army Basing Programme and is regularly reviewed by the Steering Group.

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

28. Not applicable, as no commitment decision is required of Cabinet.

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

29. Not applicable, as no commitment decision is required of Cabinet.

Financial Implications

30. As stated above, the Army Basing Programme is expected to bring in £1.2 billion infrastructure investment into the local economy. There will be costs associated with the additional services required by the Army Basing Programme. It is not possible at this stage to define these costs more clearly. In addition to revenue derived from the Army Basing planning applications, which already stands in the order of £530,000 with a handful of applications still due, covering reserved matters, the Council will receive additional CILOCT (Contribution in Lieu of Council Tax) payments of c. £1.5 million per annum and is likely to benefit from a sizeable New Homes Bonus, assuming the Government does not end the scheme before the SFA is built and registered. The Council is currently incurring marginal costs which are being funded from within existing resources. These cover the employment of the MCI Programme Manager and for a limited period an Army Basing Planning Manager. This too will need to be monitored to ensure it provides good value for money.
31. Other major capital projects are currently being discussed with the DIO. These will further assist the generation of military related jobs in Wiltshire.
32. Although not formally a MOD project, the Royal Artillery Museum is seeking Heritage Lottery Funding of a multi-million pound Salisbury Plain Heritage Centre at Larkhill. Wiltshire Council is supporting this through the MCI Board, as it hopes to add considerably to the Wiltshire tourist economy by offering new opportunities in concert with the UNESCO Avebury and Stonehenge World Heritage Sites.

Legal Implications

33. There are no specific legal implications in supporting the MCI Partnership and its programme of work. The legal implications of individual projects are considered as part of the project initiation process. Lead officers within the MCI Delivery Group will consult Legal Services on an ongoing basis in relation to individual projects within each workstream, to ensure that they are structured to comply with relevant legislation and government guidance, including state aid and procurement rules.
34. Under the Armed Forces Covenant the Council has a duty to support services for military and defence personnel and their families. By supporting the MCI Partnership the Council will be helping to ensure that military families are not disadvantaged and in building resilient relationships between military and civilian communities.

Options Considered

35. The Council has a duty to provide appropriate services to people living and working in Wiltshire, including military and Defence personnel, leavers and their families. In the absence of any alternative organisation or mechanism in place to ensure that the changes in the military footprint in Wiltshire over the following years are met with preparedness and initiatives to provide effective services (education, health, infrastructure, and so on), the option of discontinuing the MCI Programme should be dismissed.

Conclusions

36. Since its establishment in 2006, the MCI Partnership and its programme of work has seen the success of a number of initiatives which have significantly benefited not only the military community comprising of military personnel, leavers and their families, but also of the civilian community whose lives are, in many ways, connected with Wiltshire's strong military heritage. This success is due to the strength of the partnership in working together to develop new initiatives and face the new challenges brought about by the Regular Army Basing Plan. By continuing to support the MCI Partnership, Wiltshire Council will benefit from the cross-cutting and co-operative approach the MCI Delivery Group embodies, so that the opportunity to unlock the economic potential of the military and provide better services to Wiltshire's communities will be enhanced.

Alistair Cunningham

Associate Director for Economic Development and Planning

Report Author:

Kevin Ladner

MCI Programme Manager

kevin.ladner@wiltshire.gov.uk

Tel: 01225 713220

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The following documents have been relied on in the preparation of this report:

- Community Covenant: An Armed Forces Community Covenant between Wiltshire Council, Representatives of the Charitable and Voluntary Sectors, the Civilian Community of Wiltshire and the Armed Forces Community in Wiltshire.
- Wiltshire's Armed Forces Veterans' Charter.

Appendices

None

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By virtue of paragraph(s) 1, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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