

Wiltshire Council

Full Council

21 February 2023

Subject: Budget 2023/24 and Medium Term Financial Strategy 2023/24 to 2025/26

Cabinet Member: Cllr Nick Botterill – Cabinet Member for Finance, Development Management and Strategic Planning

Key Decision: Key

Addendum Background

The Final Local Government Finance Settlement was announced on 6 February 2023. As part of this final settlement additional national funding was confirmed over and above that included in the provisional settlement, for Rural Services Delivery Grant in recognition of specific cost pressures in rural areas of £10m, new Homes Bonus of £0.630m and Services Grant of £19.1m. From these national increases the council is confirmed to receive an additional £0.409m in Rural Services Delivery Grant and £0.093m of Service Grant, with a total increase of £0.502m compared to the provisional settlement and funding included in the budget report that was approved by Cabinet at their meeting on 31 January 2023.

An update was given by the Cabinet Member for Finance, Development Management and Strategic Planning when the Budget 2023/24 was discussed at Overview and Scrutiny Management Committee on 7 February 2023, where it was set out that the increase in funding was proposed to used, as follows:

- £0.150m draw from reserves to fund the delay in the implementation of the VisitWilts saving from 2023/24 to 2024/25 financial year, reducing the draw from reserves in 2023/24.
- £0.352m contribution to the Business Plan Priority Reserve to provide additional funding to support delivery of the commitments set out in the Business Plan.

As these changes affect the funding available to the council they affect the Net Budget Requirement and increase it by £0.502m from £465.372m to £465.874m. The Budget Report 2023/24 and Medium-Term Financial Strategy 2023/24 – 2025/26 and tables and appendices within the report have not been amended to reflect this late change in grant funding from government. This addendum has the effect of amending recommendation A of the proposals included in the Budget 2023/24 report. It also has the effect of increasing the budget on Movement on Reserves, Specific Grants and Total lines in Appendix 1 Annex 1 and Annex 2 by £0.502m and the total in Appendix 1 Annex 4 Funding Changes and Technical Adjustments and impacts several tables within the report.

For transparency the recommendations are included below as amended to include the change required as a result of this addendum.

Proposals

Cabinet recommends to Council:

- a) That a net general fund budget of 2023/24 of £465.874m is approved;
- b) That the Council Tax requirement for the council be set at £332.187m for 2023/24 with a Band D charge of £1,719.90, an increase of £1.57 per week;
- c) That the Wiltshire Council element of the Council Tax be increased in 2023/24 by the following:
 - i. A 2.99% general increase;
 - ii. Plus a levy of 2% to be spent solely on Adult Social Care;
- d) That the Extended Leadership Team be required to meet the revenue budget targets for each service area as set out in Appendix 1 to this report, for the delivery of council services in 2023/24;
- e) That the Extended Leadership Team be required to deliver the revenue savings plans for each service area as set out in Appendix 1 to this report, over the three-year MTFS period 2023/24 to 2025/26;
- f) That the changes in the fees and charges as set out in the report are approved;
- g) That the Capital Programme 2023/24 to 2029/30 is approved;
- h) That the Capital Strategy set out in Appendix 2 is approved;
- i) That the Housing Revenue Account (HRA) budget for 2023/24 is set at £26.401m;
- j) That a 7% increase is set for social dwelling rents, except for rents currently over the formula rent which will be capped at formula rent as per national guidance;
- k) That all service charges related to the Housing Revenue Account (HRA) to cover costs and garage rents are increased by 5%;
- l) That the Medium Term Financial Strategy and the forecast balanced budget over the MTFS period 2023/24 to 2025/26 is endorsed.

Reason for Proposals

To ensure that the additional grant funding that the council announced as part of the Final Local Government Finance Settlement is included in the budget setting proposals to be considered by Council and to provide transparency that recommendations to Council still provide a balanced revenue budget for the financial year 2023/24 and do not impact on the Council Tax setting.

Terence Herbert – Chief Executive

Andy Brown – Corporate Director Resources & Deputy Chief Executive (S151 Officer)

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

Overview and Scrutiny Engagement

1. An update was provided to Overview & Scrutiny Management Committee on 7 February 2023 relating to this increase in funding and the planned proposed allocation and use of this additional grant funding.

Safeguarding Implications

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

Public Health Implications

3. There are no additional Public Health implications as a result of this addendum.

Procurement Implications

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

Equalities Impact of the Proposal

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

Environmental and Climate Change Considerations

6. There are no additional Environmental and Climate Change implications as a result of this addendum.

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

7. There is a statutory requirement to set a balanced budget. This report sets out the impact of the additional funding allocated to the council as part of the Local Government Final Finance Settlement published on 6 February 2023.

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

8. There are no additional risks associated with this addendum to the Budget 2034/24 and Medium-Term Financial Strategy 2023/24 – 2025/26 report.

Financial Implications – S.151 Commentary

9. The additional £0.501m funding was confirmed by government on 6 February 2023 as part of the Local Government Final Finance Settlement. The use of the funding and the implications are set out in this addendum report.

Legal Implications

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

Workforce Implications

11. There are no additional Workforce implications as a result of this addendum.

Options Considered

12. There is a statutory requirement to set a balanced budget. The additional funding allocation as part of the Local Government Final Finance Settlement could have been managed within the 2023/24 financial year as part of budget monitoring however time allows for consideration and a proposal to be presented for Council consideration.

Conclusions

13. The report supports effective decision making and allows the council to set a balanced revenue budget for 2023/24 and set Council Tax levels. It also ensures that the council has an MTFS to support long-term financial sustainability and aligns the budget to the council's Business Plan.

Andy Brown - Corporate Director of Resources & Deputy Chief Executive (S151 Officer)

Report Authors: Lizzie Watkin, Assistant Director of Finance and Deputy S151 Officer, lizzie.watkin@wiltshire.gov.uk

9 February 2023

Appendices:

None

Background Papers:

None