

Wiltshire Council

Cabinet

4 February 2020

Questions from Colin Gale

Agenda Item 6 – Wiltshire Council’s Budget 2020/21 and Medium Term Financial Strategy 2020/21 – 2024/25

To Councillor Simon Jacobs – Cabinet Member for Finance and Procurement

Question 1

I attended the WC finance brief at Devizes on 16th January and the budget presentation identified that the total budget funding needed for 2020/21 was £332.4m. The Cabinet report identifies that this was the opening amount and the amount now needed is £344.023m?

Response

The £332.4m is the 2019/20 budget before the movements as shown below are applied to reach the 2020/21 budget of £344.0m:

MTFS Financial Model	2019-2020 Approved Financial Plan	Movement 2020-2021	2020- 2021
	£m	£m	£m
Income / Funding			
Recurring Funding			
Council Tax Requirement	(252.580)	(8.250)	(260.830)
Social Care Levy	(18.417)	(5.476)	(23.893)
Total Council Tax	(270.997)	(13.726)	(284.723)
Rates Retention	(58.500)	1.900	(56.600)
Collection Fund	(2.881)	0.181	(2.700)
Total Funding	(332.378)	(11.645)	(344.023)

Question 2

Similarly, with a council tax increase of 1.99% the Council Tax Requirement identified on 16th Jan was £252.580m. The cabinet report, Section 5, now identifies the 'Amount funded through Council Tax to be £260.830m' and yet the percentage increase has not changed. On page 46 of the report the £8.250m increase is identified as funding movement but there is no clear explanation in the report on how the funding movement is achieved. At the Devizes meeting £2.8m was identified as additional council tax from new homes but this will not in isolation explain the funding movement.

Response

The £252.580m is the 2019/20 budget before movements as shown above. The £260.830m is the 20/21 requirement. It is not simply 1.99% of the base because of the additional properties and growth in the base number of properties as well as the increased %. Thus, the breakdown of council tax growth is as follows

Overall Council Tax Base 2019/20	270.997
Base increase 1.0336%	2.801
New base 2020/21	273.798
Increase Ctax 1.99%	5.449
Increase Social Care levy 2%	5.476
Council Tax Funding 2020/21	284.723

The overall Council tax increase is the base increase of 1.036% and the Council 1.99% tax increase (2.801m + 5.449m= 8.250m)

Question 3

Again, at the Devizes meeting it was stated that there would be a 2% increase to the social care levy which would generate an additional £18.4m. The cabinet report, Section 5, identifies the amount now as £23.893m again without any percentage increase.

Response

The £18.4 m is the existing social care levy is 2019/20, to which £5.476 m growth is added to reach £23.893 m for 2020/21.

Question 4

The report, page 46, identifies a funding movement of £5.476m from the original amount but there is no clear explanation on how this is achieved. Please can you explain how these funding movements are achieved if the percentage increases stay the same?

Response

As above. The growth of 2% is on the overall council tax base of £273.798 m after including the new properties.