

Wiltshire Council

Cabinet

12 July 2022

Subject: Financial Year 2021/22 – Revenue Final Financial Year End Position

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

Key Decision: Non Key

Executive Summary

This report sets out the final year end outturn position for the Council as at 31 March 2022 for the financial year 2021/22.

The report provides detail of the final financial position for services and provides details of variances against budgets following the quarter three budget monitoring reported to Cabinet on 1 February 2022. The overall financial variances for the financial year can be seen in Appendix A.

The quarter three budget monitoring report presented to Cabinet in February forecast an underspend of £14.824m for the financial year. It was approved at that meeting to set aside £2m into a Pay Reserve to support the funding that was required for the 2021/22 pay award, with any remaining surplus put towards the 2022/23 pay award over and above the 2% amount budgeted for. The balance of £12.824m was to be set aside in the Budget Equalisation Reserve to help support the future years budget setting processes.

The final position for the year has again improved during the last quarter and requests are made to transfer £4.098m, of which some relate to government grants, into specific earmarked reserves to support planned activity in 2022/23 and future years. The final year end position, after taking into account those reserve movements, shows an underspend of £11.483m.

This improved position allows for a further £2.8m to be transferred to the General Fund reserve to increase the Councils financial resilience now and also removes the need for future contributions planned to increase this reserve to a risk assessed required level.

The position also allows for one off funding to be set aside to mitigate the pressure that all Councils are facing in 2022/23 due to the significant unforeseen rise in inflation. At the time the budget was set the Council estimated CPI at 4% over the course of 2022/23, CPI currently stands at 9.1% and is expected to rise to at least 10% by September 2022.

Therefore, £7m of the £11.483m underspend will be set aside to meet a range of costs and pressures because of unforeseen inflationary increases. This report has therefore prudently set out proposals to set aside these funds to ensure the financial sustainability and resilience of the Council to continue to deliver services over the medium term.

The balance of the underspend, £1.683m, will be transferred into the Councils Business Plan priority reserve, to deliver on the outcomes set out in the Councils approved Business Plan. This report contains proposals on the use of that reserve to the benefit of resident and communities in Wiltshire. Further proposals to use the remaining £0.630m balance of the Business Plan Priority reserve will be brought forward by Cabinet at a future date.

Proposal

Cabinet is asked to note:

- a) the revenue budget outturn position for the financial year 2021/22;
- b) the contributions to and from earmarked reserves as planned;

Cabinet are asked to approve:

- c) the transfer of £12.824m to the Budget Equalisation reserve as set out in the Quarter 3 budget monitoring report;
- d) the transfer in total of £4.098m to earmarked reserves as detailed in the report and Appendix B;
- e) the transfer of the balance of the £11.483m underspend as follows:
 - i. £2.8m to be transferred to the General Fund reserve;
 - ii. £7m to be set aside and transferred to a new Inflation reserve for 2022/23;
 - iii. the balance of £1.683m to the Business Plan Priority reserve.
- f) Authorise the commitment of funds from the Business Plan Priority Reserve to fund the following over the next 3 years:
 - £1m on gully emptying.
 - £0.450m on Fly Tipping enforcement.

Reason for Proposal

To inform effective decision making and ensure sound financial management as part of the Councils overall control environment.

To inform Cabinet on the final financial year end revenue outturn position for the Council for the financial year 2021/22, including delivery of approved savings.

To improve the Councils financial resilience by increasing the balance on the General Fund reserve now and setting aside funds in earmarked reserves to prudently assist in managing the Councils future pressures and budget gap.

Terence Herbert
Chief Executive

Wiltshire Council

Cabinet

12 July 2022

Subject: Financial Year 2021/22 – Revenue Final Financial Year End Position

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

Key Decision: Non-Key

Purpose of Report

1. To advise Members of the final year end financial outturn position for the financial year 2021/22 (31 March 2022) for revenue with the necessary approvals as appropriate.

FINANCIAL IMPACT OF THE COVID-19 EMERGENCY

Government Funding for the COVID-19 Emergency

2. Although the overall impact of COVID-19 was not as significant in 2021/22 as the previous financial year there was a continued need for some elements of funding from government to support on-going activity and impacts.
3. The scheme to compensate Councils for an element of lost income from services such as Car Parking continued in the early part of 2021/22 and £1.031m was received, giving a total received under this scheme of £7.118m across the 2 financial years.
4. As part of the government response to the economic impact of COVID-19 and lockdown restrictions, additional business rates mandatory reliefs continued for some business sectors. These mandatory reliefs are usually fully funded by government by way of a section 31 grant and are then paid in the following year when the deficit is realised. To ensure councils did not run into any cashflow problems as a result of the reduce Business Rates income Central Government paid an amount during the year. Due to the timing differences any loss will be recognised in the following years, with some losses being mandated to be spread across the following three financial years. The payment of the grant last year resulted in significant additional grant in excess of budget but this was set aside to fund the expected deficit this year.
5. Significant other revenue funding was received and can be seen in table 1 below. Some of this funding is where the council are simply acting as the paymaster where other funding is to fund specific service provision.

Table 1 – Funding Received from Government

Grant Description	Earmarked Reserve £m	2021/22 Received Allocation £m	Total 2021/22 £m
Covid 19 New Burden Grant	-	- 0.619	- 0.619
Vulnerable - Clinical	- 0.535	- 0.801	- 1.336
Hospital Discharge / NHS funding	-	- 21.679	- 21.679
Wellbeing for Education Return	- 0.080	- 0.072	- 0.152
Local Outbreak Management Plan	-	- 0.107	- 0.107
Winter Grant / Local Grant / Household Support Grant	-	- 4.311	- 4.311
Contain Outbreak Management Fund	- 8.041	- 2.807	- 10.848
Business Grants	- 9.212	- 4.491	- 13.703
Infection Control & Testing 2021/22	-	- 3.116	- 3.116
Test & Trace	-	- 1.189	- 1.189
Sales Fees & Charges Support	-	0.001	0.001
Catch up Schools	-	- 0.964	- 0.964
Community Testing	-	- 0.018	- 0.018
CBSSG Restart	-	- 0.774	- 0.774
Mass Test Funding Schools	-	- 0.283	- 0.283
Practical Support for Self Iso	-	- 0.197	- 0.197
Infection Cont & Testing Round 4	-	- 3.075	- 3.075
Inf Cont & Testing Round 5	-	- 4.878	- 4.878
Recovery Premium Schools	-	- 0.348	- 0.348
School Led Tutoring	-	- 0.304	- 0.304
Workforce Recruitment and Retention Fund	-	- 1.372	- 1.372
Infection Control Omicron Grant	-	- 0.456	- 0.456
Workforce Recruitment & Retention Fund 2	-	- 2.279	- 2.279
Bus Recovery Grant BRG	-	- 0.194	- 0.194
TOTAL	- 17.868	- 54.333	- 72.201

6. The council continued to submit claims to HMRC against the furlough scheme. This scheme was extended to 30 September 2021 and the council claimed £0.094m for the financial year, with the total claim over the 2 financial years is just in excess of £2.624m split between £2.350m for the council and £0.274m for Wiltshire maintained schools. The schools' element of this funding has been passed directly to those schools.

FINAL YEAR END REVENUE OUTTURN POSITION 2021/22

7. The Council approved a net budget for 2020/21 of £412.561m at its meeting on 23 February 2021. The following paragraphs focus on the outturn variances against the budget.

8. The Q3 report forecasts were the best estimates at that point in time, and the variance in the last quarter has been as a result of many different elements. The main reasons are explained in the following paragraphs, and include areas such as additional grant funding received late in the year and better than forecast fees and charges income in services such as Leisure.
9. At the end of the 2020/21 financial year £7.895m was set aside in a Latent Demand reserve to help support expected increase in demand in services such as Families and Children's Services and Living and Ageing Well that had been suppressed during the COVID-19 lockdown periods. There was a risk that this demand would outstrip the demand increases that had been built into the 2021/22 budget however this demand did not present during the year. There has therefore been no need to draw down from this reserve in the year as demand has been managed within the budget and hence this reserve remains in place to meet future demands above the level built into the budget.
10. Other aspects of changing behaviours as the country opened back up has made some areas of the council exposed to additional uncertainty, and original estimates of costs and income and on-going impacts of COVID-19 tricker to forecast however services have actively managed costs to ensure the year end position is a favourable one.
11. Overall, these factors have improved the position for the Council as at the year end, but this should be contexed that additional COVID-19 funding and support has been received from government to help support some areas of on-going activity.
12. The proposals for transfers to earmarked reserves reflect some delay to projects that were expected to be delivered during 2021/22 and also recognise the need to set aside funding for transformation across the council to reshape services so they meet on-going need effectively and to become a financial sustainable council.
13. The additional request to set funding aside for risks that are present in the 2022/23 budget in both a new Inflation Risk reserve and the additional contribution to the General Fund reserve recognises the expectation that there will be pressure on the 2022/23 budget and that the council requires time to deliver transformational changes. This is a sensible approach to protect critical services from cuts during the year and to support delivery of the priorities set out in the Business Plan.

Revenue Budget

14. The following elements of this report reflect the management responsibility in line with the approved management hierarchy. The breakdown of the provisional outturn position is set out in table 2 below.

Table 2 – 2021/22 Summary Position

	<i>Original Budget</i>	<i>Revised Budget</i>	<i>Year End Actual position</i>	<i>Budget Equalisation Reserve</i>	<i>Requested EMR Movements</i>	<i>Outturn Variance</i>
	<i>A</i>	<i>B</i>		<i>E</i>	<i>F</i>	<i>G</i>
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
<i>Corporate Director People</i>	213.252	239.742	226.820	5.315	2.852	4.755
<i>Corporate Director Resources</i>	58.102	37.548	34.810	1.648	0.330	0.760
<i>Corporate Director Place</i>	96.414	95.539	87.307	3.877	0.891	3.464
<i>Chief Executive Directorates</i>	20.207	20.591	18.283	1.664	0.025	0.619
<i>Corporate</i>	24.586	19.141	16.369	0.319	-	2.453
TOTAL COUNCIL GENERAL FUND	412.561	412.561	383.589	12.823	4.098	12.051
<i>WC Funding</i>	(412.561)	(412.561)	(411.993)	-	-	(0.568)
COUNCIL GENERAL FUND NET OF FUNDING	(0.000)	(0.000)	(28.404)	12.823	4.098	11.483

Overview of provisional outturn position 2021/22

15. Overall, this outturn report presents an underspend of £11.483m, and the detail of this can be seen in Appendix A. £4.098m is requested to be set aside in specific earmarked reserves to help manage pressures in the following financial year and beyond and provide funding for planned activities.
16. Set out in the budget 2022/23 report the risk assessed level of General Fund Reserve required additional contributions in future years to achieve a robust level of funding and to provide capacity and resilience to support the Councils ongoing financial position. It is sensible to take advantage of the favourable year end position and set £2.8m aside earlier than planned, and this report recommends a transfer of £2.8m to the General Fund Reserve. This will provide a level of reserves commensurate with the level of risk assessed when the budget was set and a full risk assessment will be undertaken as part of the budget setting process for 2023/24 to ensure changes to risks continue to be understood and financial resources set aside as part of mitigation mechanisms.
17. Nationally inflation is seeing a significant increase with current inflation indices more than double the level on which the budget was set. Forecasts are for inflation to continue to increase, and it is recommended to set aside £7m of the underspend into a new Inflation Risk reserve to help manage the pressure that the council faces. This will provide funding for both pay and non-pay inflation pressure.
18. The balance of £1.683m is proposed to be transferred to the Business Plan Priorities reserve to provide further funding to support additional activity on delivering on the Councils approved Business Plan.
19. As expected there is a significant deficit again this year on the Collection Fund although the position for the year has seen an improvement on the previous. Section 31 grants set aside in an earmarked reserve from 2020/21 have been drawn down to offset the deficit. The remaining balances of £10.933m on the Section 31 Collection Fund Grant and the Collection Fund Volatility Reserve of £6.438m will be carried forward to fund the deficit next year. It remains unclear how long the economic impact of COVID-19 will impact on the Collection Fund and

how quickly the economy will bounce back so that income from local taxation returns to pre-COVID-19 levels.

20. Details of significant variances within service areas are included below.

CORPORATE DIRECTOR - PEOPLE

Table 3

	<i>Original Budget</i>	<i>Revised Budget</i>	<i>Year End Actual position</i>	<i>Budget Equalisation Reserve</i>	<i>Requested EMR Movements</i>	<i>Outturn Variance</i>
	<i>A</i>	<i>B</i>		<i>E</i>	<i>F</i>	<i>G</i>
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Corporate Director People						
Living and Ageing Well	52.372	70.046	68.883	(1.720)	1.008	1.875
Whole Life Pathway	78.007	80.957	74.717	3.874	1.409	0.957
Education & Skills	20.398	27.695	27.001	1.050	0.271	(0.627)
Families & Children Services	62.475	61.044	56.219	2.111	0.164	2.550
TOTAL PEOPLE	213.252	239.742	226.820	5.315	2.852	4.755

Living and Ageing Well: Budget £70.046m – £1.163m underspend

21. Living and Ageing Well budgets underspent by £1.163m. The most significant factor behind this underspend is in respect of housing offset by a small overspend in Reablement.

22. Housing was underspent by £1.436m as a result of income generated being higher than that budgeted and underspends due to reprofiling of spend as a result of the increase in demand and delays due to the pandemic. £1.008m is requested to transfer to reserves. This is to cover debt risk, transformational work, and additional resource until new structures and working practices are in place as a result in the increase in housing demand.

23. Reablement had an overspend of £0.273m at outturn. This is due to the employment of locum Occupational Therapists throughout the year and the pressures in respect of Purchased Care. There has been a discernible shift towards people being supported at home, in part due to behaviour changes as a result of Covid-19 but also due to a reduction in availability of care placements in the market.

24. The outturn position for Living and Ageing Well also includes the impact of COVID-19, specifically the Hospital Discharge programme. Since March 2020, hospital discharges have been funded for a period through the NHS. With effect from 1 September 2020 until 30 June 2021 the NHS funded the first 6 weeks, and from the 1 July to 30 September 2021 they funded the first 4 weeks this remained in place until 31 March 2022. After this initial period people transfer to their normal funding arrangements if they have eligible care needs. It was unclear to what extent these funding arrangements would fall on the Council, and how much they

would cost; it was also unclear the extent to which there would be demand, and the cost of that demand, for discharges after the funding arrangement stops, however, these costs were able to be covered in year.

Whole Life Pathway: Budget £80.957m – £6.240m underspend

25. Overall Whole Life Pathway budgets were underspent by £6.240m at outturn. There are a number of reasons that contribute to this figure as detailed below.

26. Learning Disabilities and Autism Support was underspent by £2.512m. This was due to a number of reasons. The most significant of which was an over recovery of income due to contributions from clients towards their care costs being higher than that budgeted and additional contributions from the CCG towards care costs of jointly funded clients. There also continued to be a reduction in the costs of packages. In addition, there was an £0.800m underspend on the Transformation budget due to reprofiling of spend, this is requested to be transferred to earmarked reserve for future use.

27. Community Support has not been operating fully during the financial year, there was a reduced service due to it being necessary to operate within COVID-19 restrictions. For this reason, vacancies have arisen and have not been actively recruited to whilst restrictions remained in place. This position has now changed, but the reduced costs in the early months of the financial year impacted the overall outturn position. In addition, there was an in year change to the charging policy for clients approved by cabinet. There was an underspend of £0.609m of unspent refugee funding which has been requested to be transferred in to earmarked reserves for future use. This overall underspend for this area was £1.521m.

28. Mental Health and Safeguarding had an underspend of £2.207m at the year end. This resulted from contributions from the CCG towards care costs of jointly funded clients which was in excess of that budgeted for. This is due to significant proportions of Mental Health clients known as section 117 clients, and their care is not chargeable.

Education & Skills (School Effectiveness, SEN & Inclusion): Budget £27.695 – £0.693m underspend

29. The impact of the pandemic on schools not operating as they would normally impacted on the amount of service being purchased from the local authority. The impact on reduced income is £0.195m. This has been more than mitigated by work with schools being delayed due to school closure as a result of the pandemic, holding staff vacancies and delaying expenditure to offset costs. In addition, several savings to find schemes were delayed due to the response to COVID-19 taking priority, there were however mitigations in place to replace these. It has been necessary to prioritise supporting schools to open for pupils during and after

the pandemic and as a result the school improvement monitoring and brokerage workplan has been delayed.

30. The early years providers have been largely open to children during the pandemic, even when schools were closed. As a result of this, the lockdown measures in place the early years professional development programme was not able to be rolled out – to mitigate the impact of this the DfE announced an extension to the programme in February 2022.
31. A variety of small variances across School Effectiveness, Targeted, Employment and Skills and Traded Services lead to an overall underspend of £0.214m for 2021-22.
32. A significant number of 5-16-year-old school children with an education care and health plan (EHCP) are entitled to free school transport. The budget was increased significantly in 2020-21 to keep pace with demand however that rate of increased demand has not come to fruition leading to an underspend of £0.466m– this will be largely due to the pandemic but could also be, a more general flattening of the rising trend in this area. Other variances mostly where recruitment market challenges have left unfilled vacancies led to an additional £0.295m underspend in SEND.
33. As a result, it is requested that Cabinet approve the following transfers to specific reserves.
 - a. The DfE have announced local authorities can use the School Improvement Brokerage and Monitoring grant, it is requested that the balance of £0.300m is transferred to support this work in 2022-23.
 - b. Similarly, it is requested that the early years professional development grant funding received in March £0.038m is transferred to a reserve and the virtual school extended duties grant of £0.105m also be transferred to support this work in 2022-23
 - c. A joint funded scheme with the clinical commissioning group (CCG) provides short breaks for children with SEN and disability, the applications window for families was open at year end and the number of applications is estimated at requiring funding of £0.070m. payable in the new financial year.
 - d. The success of the employment and skills team in identifying young people who are not in education employment, or training has led to increased demand, and it is requested that a reserve of £0.057m is created to support this vulnerable group moving forward.

Children & Young People with Social Care Needs: Budget £61.044m – £4.825m underspend

34. This is a volatile, demand driven area. The children in care and special educational needs and disability placement budgets had some additional budget pressure due to several factors including social distancing measures however, these were offset by the significant reduction in numbers of children in care. During the final quarter

of the financial year, commissioning budgets for the families and childrens service area were transferred from the central commissioning team to this service area which has increased the budget by £2.5m.

35. The referrals into children's social care over the past two years have reduced whilst children have not been in school due to the pandemic. The original demand modelling scenario work anticipated significant cost pressure in 2020-21 onwards and whilst we have not yet seen the increase, we are still anticipating this rise in demand. There is evidence of complexity of children's needs increasing and this is reflected in the care and support in place.
36. Families and Children service teams are seeing growth in the complexity and nature of the needs of children and young people as well as volumes increasing in some areas however, numbers of children in care are not as high as previously modelled during the pandemic which is positive. Commissioners and operational officers will continue to work with regional colleagues around sufficiency of the external marketplace across the Southwest. Where numbers of children and young people or complexity of needs puts pressure on the budget in 22-23 financial year, it will be possible to evidence a drawdown from the latent demand reserve.
37. Fostering Excellence recruitment activity for foster carers continued throughout the pandemic and during recovery with over 60 new carers being approved but when balanced against carers retiring there was a smaller than planned growth in year two. The cost avoidance schedule in the medium-term financial strategy (MTFS) will need to be updated to reflect the impact of the pandemic and other factors.
38. A number of savings to fund schemes were delayed due to the response to COVID-19 taking priority so mitigations were put in place in an attempt to reduce costs elsewhere such as the avoidance of agency social worker costs. During the last quarter of the year, the market for agency social workers became increasingly pressured and the rates rising ahead of inflation. In the event, low numbers of cases meant it was possible to hold vacant posts until they could be offered to graduates who joined join the Council last year as part of our grow your own recruitment strategy. Should case numbers rise in the future and agency workers be required, there could be negative cost implications.
39. Other reduced spend took place where vulnerable families were supported through COVID-19 grants made available for this purpose and so support budgets were not required at the same level. In the children in care service area, ongoing negotiations with strategic partners around contributions to care placements costs were successful and £0.858m more income than forecast was received. Grant income levels in respect of unaccompanied asylum-seeking children was increased for 2021-22 financial year and this provided a benefit of £0.718m to the Council.
40. As a result, it is requested that Cabinet approve the following transfers to specific reserves.

- a. The Care Leavers grant was awarded late in the year and therefore set up and activity limited in year, it is requested that the balance of £0.016m is transferred to enable on going access to this funding in 2022-23.
- b. The nature of the Supporting Families grant is that the largest element is “payment by results” Wiltshire’s progress against targets has enabled maximum drawdown of this grant however monthly claims mean this is unknown until late in the year. A transfer to the specific reserve will mean this funding can be invested in the planned 2022-23 activity.

CORPORATE DIRECTOR – RESOURCES

Table 4

	<i>Original Budget</i>	<i>Revised Budget</i>	<i>Year End Actual position</i>	<i>Budget Equalisation Reserve</i>	<i>Requested EMR Movements</i>	<i>Outturn Variance</i>
	<i>A</i>	<i>B</i>		<i>E</i>	<i>F</i>	<i>G</i>
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Corporate Director Resources						
Finance	5.000	3.815	2.844	0.286	0.234	0.451
Assets & Commercial Development	15.498	13.543	12.886	0.205	0.096	0.356
ICT	11.406	11.896	11.462	0.274	-	0.160
Procurement & Commissioning	26.198	8.294	7.618	0.883	-	(0.207)
TOTAL RESOURCES	58.102	37.548	34.810	1.648	0.330	0.760

Finance: Budget £3.815m – £0.971m underspend

41. As previously reported, there is an underspend in 2021/22 on salaries across the service due to holding vacancies and one-off income in relation to VAT recovery from the Meridian Audit on duplicate payments which completed this financial year. In addition, there is an underspend against Revenues & Benefits for additional court fees recovered for £0.102m.
42. Payment of Housing Benefit for rent relief and rent allowances was £0.198m lower than budget in 2021/22; Since lockdown has ended, levels of unemployment have reduced, and people have been moved across to universal credit which has meant the number of people in receipt of Housing Benefit has steadily gone down. Furthermore, the service has recovered overpayments of Housing Benefits during the year including amounts relating to years prior to 2021/22.
43. It is recommended that £0.094m which is the administration element of Household Support grant is transferred to the Local Welfare Provision EMR to provide future support and that £0.140m refund for overpaid court fees is transferred to the Council Tax Hardship Relief EMR to be used in future for Council tax discretionary hardship relief.
44. As planned and reported in budget monitoring forecast this year £0.427m has been drawn down from the Insurance reserve to cover in year costs in excess of budget.

Assets & Commercial Budget £13.543m – £0.657m underspend

45. Significant savings and efficiencies of circa £0.9m have been achieved in 2021/22 on utility costs as a result of buildings being closed or restricted at the beginning of the year and from reduced energy consumption as a result of capital improvement works through the carbon reduction programme.
46. The service has received £1.3m one off income, in relation to mineral extraction, operating COVID-19 vaccination and testing centres on Council sites, and for backdated rents. Vacancies have been held throughout the year to deliver a saving of £0.430m on staffing and transport.
47. These combined savings have contributed to the net underspend position of £0.469m and have also been used to fund in year pressures principally, additional required property maintenance works of £0.730m, the 2021/22 Monkton Park PFI pressure of £0.520m and to create a £0.500m EMR for the phase two depot strategy feasibility which will take place in 2022/23. In addition, £0.158m salary costs for planned maintenance were not capitalised this year and instead have been funded through revenue to create future capacity in capital budgets for 2022/23.
48. Included within the savings is £0.096m as result of concluding negotiating with the MOD over loss of Leisure centre income in 2018/19 where the site was closed for an extended period due to works. It is recommended that Cabinet approve this is transferred to the Transformation earmarked reserve.
49. As planned and reported in budget monitoring forecast this year £0.109m has been drawn down from the Housing PFI EMR and £0.221m has been transferred to the Schools PFI earmarked reserve.

ICT: Budget £11.896m – £0.434m underspend

50. Overall IT services is reporting a £0.434m underspend for this financial year. There has been a significant underspend on staffing budgets of £0.559m this is from holding vacancies at the beginning of the year while the service and senior management restructure took place. Some vacancies have been removed permanently as part of the 2022/23 budget setting process and the service has struggled to recruit in the last half of the year which has increased the underspend. In light of this, a decision was taken to not capitalise staff working on the Evolve programme of £0.419m and instead to fund from revenue to create more capacity in the capital budget for 2022/23.
51. In addition the service has seen further underspends totalling £0.623m across Telephony, Networks and Microsoft Support. As a result of ICT exiting joint arrangements with Wiltshire Police, circuits have been rationalised and decommissioned. BT invoices for Wiltshire Council have also been challenged and refunds were agreed in March 2022, a large proportion of this is one off as relates to previous financial years. The service has also seen a fluctuation in call volumes where calls peaked in the pandemic but have now come down. A thorough review

of licences was undertaken which has resulted in a reduction in 2021/22 and a saving on Microsoft Enterprise and Select agreement. Costs in relation to Business Intelligence totalling £0.329m have been funded from revenue instead of using the flexible capital receipts funding mechanism.

Procurement & Commissioning: Budget £8.294m – £0.676m underspend

52. The Strategic Procurement Service is £0.353m underspent from staffing savings as a result of vacancies and from income in relation to Meridian Audit on duplicate payments which has now completed.

53. Children’s Commissioning put mitigation plans in place to delay expenditure and hold vacant posts where it was safe and practical to do throughout the year which has resulted in an underspend of £0.136m.

54. The Adults Commissioning team is £0.187m underspend from increased income of £0.670m which has been offset against Adult community grant overspend of £0.483m, this covers contracts for day care centres, housing related support.

CORPORATE DIRECTOR – PLACE

Table 5

	<i>Original Budget</i> A £m	<i>Revised Budget</i> B £m	<i>Year End Actual position</i> £m	<i>Budget Equalisation Reserve</i> E £m	<i>Requested EMR Movements</i> F £m	<i>Outturn Variance</i> G £m
Corporate Director Place						
Highways & Transport	37.734	37.065	36.653	(0.110)	0.854	(0.332)
Economy & Regeneration	2.121	2.783	2.410	0.197	-	0.176
Planning	2.493	2.632	2.263	-	-	0.369
Environment	44.340	43.696	39.500	2.193	0.020	1.983
Leisure Culture & Communities	9.726	9.363	6.481	1.597	0.017	1.268
TOTAL PLACE	96.414	95.539	87.307	3.877	0.891	3.464

Highways & Transport: Budget £37.065m – £0.412m underspend

55. The final year end variance on Highways and Transport is £0.412m underspend.

56. Car Parking has an overspend of £0.558m largely from the underachievement of Income, at the end of the financial year Income achieved 84% of Pre-Covid Budgets. Income was extremely low at the beginning of the financial year, due to lockdown & WFH guidance. Overall income was underachieved by 0.495m, this was an improvement from the Q3 forecast position of 0.239m and is largely due to an increased uptake of Season Ticket Purchases in the last quarter, as a result of more companies & staff returning to the workplace.

57. It is recommended £0.035m is transferred to a new earmarked reserve. Car parking TRO for 2022/23 as increased costs will be incurred to deliver the 2022/23 saving proposals relating to fee increases and new charges.
58. The underachievement of income on car parking is being partly offset by an overachievement on other income streams across Highways Operations, principally Developer Income for Development Control. A Grant was also received at the end of the financial year for Local Transport Authority Capacity of £0.179m this is primarily for the preparation of the new Local Transport Plan, it is recommended that cabinet approve this to be transferred to a new reserve and drawn down in 2022/23 when the costs will be incurred
59. As approved as part of the quarter two Revenue Budget monitoring report £0.709m net overachievement of Street Works income has been transferred to a new reserve for Ash Die Back to enable a full works programme to be developed and started in 2022/23.
60. A number of savings and efficiencies have been achieved across Highways and Rights of Way. A significant saving of £0.586m has been achieved on the amenity street cleansing contract with IDVERDE, as previously reported £0.190m is a recurring saving in relation to contract savings on overheads and depreciation as secured as part of the contract extension. The remainder is one off and as a result of service reductions due to labour shortages of drivers and operatives and as a result of COVID service suspensions. There is now considerable outstanding work, which will need to be reviewed in 2022/23.
61. Services for Road Safety and Safety Camera partnership has been delivered differently to generate net savings totalling £0.194m by maximising grant income and reducing staffing costs.
62. There is an underspend on the A303 Amesbury to Berwick Down project of £0.175m. The Development Consent Order for the A303 scheme promoted by National Highways is currently the subject of further consultations and has not progressed as fast as originally envisaged. The involvement of council officers consequently was less than expected.
63. In reviewing the outturn position £0.985m of salary costs were not capitalised in 2021/22 and instead have been funded by the savings and efficiencies in revenue. This will create capacity in the Capital budgets which can be used in 2022/23 to manage the increasing inflation and demand pressures.
64. Passenger Transport has an underspend of £0.640m, £0.400m of which is a forecast saving on mainstream Education transport and a small amount from holding vacant posts. The service responds each year to September intake and demand and services are set accordingly, this changes the number of buses and routes that are required. A further underspend of £0.240m was achieved on Concessionary Fares as payments were reduced due to the reduction in service levels & patronage.

65. As planned and reported in budget monitoring forecast this year £0.053m DfT Supported Bus Services grant has been drawn down to cover relevant costs.
66. It is recommended Cabinet approve the creation of a new reserve for Passenger Transport from the 2021/22 underspend of £0.640m to assist with forecast increased cost pressures on the county's bus network and to work with bus operators where routes have become commercially unviable, a number of cases have already come forward.

Economy & Regeneration: Budget £2.783m – £0.373m underspend

67. The final year end position of £0.373m underspend is largely due to staff saving from holding vacancies, these vacancies have been removed permanently to deliver the 2022/23 establishment savings presented as part of budget setting.
68. There has also been less activity than planned in the final quarter of the year on Wiltshire's Economic programme as resources were diverted onto a new grant scheme to support business in response to the Omicron variant. As recommended in the Qtr 3 Revenue Budget Monitoring report £0.723m underspend against Wiltshire Towns Recovery budget has been transferred to a reserve for future initiatives. A new reserve for COVID-19 workstreams has been created for £0.266m from the New Burdens grant funding to fund additional resource in 2022/23.
69. In line with the Porton Science Business Plan approved by Cabinet £0.042m has been transferred into Porton Science Park reserve which creates a sinking fund for future capital maintenance from the surplus the site generates in year and was included as part of the original grant conditions.

Planning: Budget £2.632m – £0.369m underspend

70. Planning services finished the year with a strong final quarter for Income, overachieving income budgets in Development Management by £0.539m and Building Control by £0.071m. Local Land Charges did not meet income targets by £0.011m.
71. The unexpected increase in income in the last quarter of the year combined with other efficiency and staffing savings has offset the overspend on managing and processing the backlog and the cost of appeals and totals £0.403m. As reported previously, Development Management has seen an increased level of appeals for Wiltshire compared to last financial year.
72. As planned and reported in budget monitoring forecast this year £0.046m Neighbourhood Planning grant has been drawn down to cover relevant costs in the Neighbourhood Planning process and £0.326m underspend on the Local Plan budget has been transferred to the Local Plan reserve in line with expectations, as the costs of delivering the Local Plan are smoothed over the period of delivery. This is in line with the programme activity and base budget saving presented as part of the 2022/23 budget setting.

Environment: Budget £43.696m – £4.196m underspend

73. Waste Services has a total underspend against budget of £3.817m, largely due to the service receiving a significant increase in anticipated income throughout 2021/22. Income has increased in respect of recycling material sales, chargeable green waste collection subscriptions and bulky waste collections. As a result, overall income is £2.798m (48%) better than budget.
74. Recycling material income is notoriously volatile and has been particularly influenced through changing domestic consumer habits during the pandemic, as well as increased demand for recyclable materials from reprocessors as manufacturers and packaging producers seek cost-effective alternatives to virgin materials. Currently the increase in recyclate income is being driven by a higher price per tonne now being achieved for paper and cardboard, and plastics, coinciding with some increase in material being collected. There is an ongoing risk that recycling income could decline from current levels as experienced in previous financial years. However, industry intelligence suggests that prices continue to be strong and that material values are not expected to fall to the levels below those achieved in 2021/22. New fiscal measures such as the Plastic Packaging Tax stimulate demand, alongside the response of material markets to shortages arising from the conflict in Ukraine and increasing global oil and energy prices, hence £1.22m of these increases were factored into 2022/23 Budget setting.
75. The Mechanical Biological Treatment contract has an underspend against budget of £0.983m reflecting the impact of reduced input tonnage (55kt vs 60kt target to Nov 2021) due to unplanned closures and enforcement action continuing into January 2022. The impact of this is that more waste has had to be sent to Landfill, the overspend on Landfill is £0.212m. There has been an overspend on the Lakeside Energy from Waste landfill diversion contract of £0.098m, as we input 880 tonnes more than budgeted for.
76. The two landfill diversion contracts referred to above, combined with continuing recycling efforts, allowed 82.1% of all the waste that Wiltshire managed in 2021/22 to be diverted from landfill. Collectively these arrangements help reduce environmental pollution, and particularly avoids the generation of methane, a known “greenhouse gas”. Treating residual waste through the MBT contract costs more per tonne than current arrangements for landfilling residual waste.
77. There has been a saving of £0.147m on the treatment and disposal of residual waste contract as less tonnes were processed, this was largely due to reductions in street sweepings.
78. The table below shows the final tonnages and rates for the significant Waste contracts against the budget position.

Table 6 – Waste Contract Budget vs Actual

Service:	2021-22 BUDGET								Year End Variance
	Tonnes				£/Tonne				
	Budget setting F'cast (T)	Actual (T)	Var (T)	Var (%)	£/Tonne (Budget Setting)	£/Tonne (Actual)	Var (£)	Var (%)	
Provision and operation of Waste Transfer Stations (WTS), a Materials Recovery Facility (MRF) and two Household Recycling Centres (HRCs)	81,257	79,889	-1,368	-2%	£ 67.97	£ 66.96	-£1.01	-1%	(0.061)
Composting services	38,357	39,596	1,238	3%	£ 32.23	£ 32.39	£0.16	0%	0.058
Treatment & disposal of residual waste (inc street sweepings)	22,834	21,820	-1,014	-4%	£ 38.56	£ 35.53	-£3.03	-8%	(0.147)
Tax payable on all waste sent to landfill	34,356	35,081	725	2%	£ 96.70	£ 96.70	£0.00	0%	0.212
Energy from waste landfill diversion contract.	50,000	50,880	880	2%	£ 121.48	£ 121.33	-£0.15	0%	0.098
Mechanical biological treatment (MBT) Landfill diversion contract.	60,000	50,839	-9,161	-15%	£ 145.91	£ 152.51	£6.60	5%	(0.983)

79. Long standing negotiations involving the Lot 2 HRC contract have been finalised since Q3. Contract changes have been agreed with FCC in relation to fuel/haulage payments since the commencement of the contract, together with the finalisation of outstanding Indexation claims which have delivered a net contract saving of (£0.145m).

80. As planned and reported in budget monitoring forecast this year, £0.521m has been drawn down from the Highways & Environment reserve in the last quarter to cover relevant expenditure in the year.

81. £0.168m has been transferred into Lot1 Contract Sinking Fund earmarked reserve, which is required as part of the deed of variation to the contract to ensure funds are available at the end of the contract term for the final payment for the MRF equipment. This amount is budgeted for and will be transferred each year for the life of the contract.

82. Public Protection, Natural & Historic Environment and Carbon reduction are forecasting a combined underspend of £0.379m from a combination of savings and efficiencies, including staff savings from holding vacancies.

83. The Council received a grant at the end of the financial year for Biodiversity Net Gain (BNG) and it is requested to deposit £0.020m in a reserve. BNG is an approach to development that leaves biodiversity in a measurably better state than before, which results in protecting existing habitats and ensuring that lost or degraded habitats are compensated for by enhancing or creating habitats that are of greater value to wildlife and people.

Leisure Culture & Communities: Budget £9.363m – £2.882m underspend

84. The final year end position of £2.882m underspend reflects the Directorate's work to minimise spend and maximise income in what has been another challenging year, while also successfully insourcing ten Leisure centres that were operated by Places Leisure part way through the year and transforming the service.

85. Overall, Leisure Operations delivered £2.578m underspend after covering Leisure Insourcing transition costs of £0.717m.

86. Management action to manage the impact of COVID-19 on demand and activity and incentives to promote the centres to attract and retain members has proven

successful. Overall Leisure Centres net underspend was £2.2m, with income budgets overachieving by £0.405m. The service also received furlough grant of £0.062m. Overall Leisure Centre income was £7.910m, with Wiltshire Council operated sites achieving 73% of pre COVID-19 levels and the service finished the last quarter in a strong position.

87. Savings on Leisure Centre supplies and staffing budgets of £1.734m have been achieved, and has been through a combination of holding vacancies initially due to reduced demand from changes to operating hours and reviewing service need in line with insourcing and new operations. The service has struggled to recruit staff in the last six months, hence the increasing underspend on salaries compared to the Q3 forecast, this is being seen nationally particularly with entry level staff for example lifeguards.
88. The National Leisure Recovery Fund grant and the open book accounting arrangement with Places Leisure, which came in better than forecast has meant that the Transition costs of £0.717m can be covered by Revenue underspend instead of being funded through flexible capital receipts.
89. A further underspend of £0.280m was delivered in Sports and Physical Activity due to activities and classes like GP referrals not being back to pre-covid level and staff savings from holding vacancies in line with demand.
90. Libraries, Heritage and Arts are reporting a combined underspend of £0.303m largely in staffing budgets from holding posts vacant and not using casual staff.
91. As planned and reported in budget monitoring forecast this year, £0.014m has been drawn from the World Heritage Site Trust Transition reserve, £0.009m from the Public Art reserve and £0.005m from the Leisure reserve to cover relevant expenditure in the year.
92. It is recommended Cabinet approve a transfer to reserves of £0.017m to the existing Museum Development reserve for the net balance of partnership funding for the TNA Moulton Archive project in partnership with the Moulton Trustees.

CHIEF EXECUTIVE DIRECTORATES

Table 7

	<i>Original Budget</i>	<i>Revised Budget</i>	<i>Year End Actual position</i>	<i>Budget Equalisation Reserve</i>	<i>Requested EMR Movements</i>	<i>Outturn Variance</i>
	<i>A</i>	<i>B</i>		<i>E</i>	<i>F</i>	<i>G</i>
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Chief Executive Directorates						
Public Health	1.541	1.522	1.522	-	-	-
Legal & Governance	10.895	8.796	8.278	0.487	-	0.031
HR&OD and Transformation	4.385	6.932	5.337	0.952	0.025	0.618
Corporate Directors & Members	3.284	3.239	3.146	0.123	-	(0.030)
Commercial Savings	0.102	0.102	-	0.102	-	-
TOTAL CEX DIRECTORATES	20.207	20.591	18.283	1.664	0.025	0.619

Legal, & Governance: Budget £8.796 – £0.518m underspend

93. The final year end variance on Legal and Governance is £0.518m underspend. As previously reported the Registration Service had a significant increase in demand as COVID-19 restrictions lifted which continued throughout the year. The net position of overachievement of income after additional staff costs is £0.441m. Further underspend has been achieved by way of service efficiencies and staff savings across Democracy, Community Governance, Customer Services and Coroner which is also offsetting an underachievement of income budgets in Legal Services as income was impacted by COVID-19 restrictions and councils response.
94. As planned and reported in budget monitoring forecast this year, £0.200m has been transferred into the Elections earmarked reserve to fund future Elections costs.

Human Resources & Organisational Development Services: Budget £6.932m – £1.595m underspend

95. The underspend has been delivered as a result some revenue costs being charged to the capital budget for Organisational Development (OD) & People Change and the Evolve programme (to procure a new Enterprise Resource Planning business applications system) for those HR & OD staff involved in supporting these programmes of work. In addition, where it was operationally possible to hold vacancies or not backfill posts seconded to the above programmes this has taken place leading to a underspend on salaries of £0.914m. Demand for learning and development has slowed as a result of the additional workload of the pandemic across the Council.
96. Actual levels of traded and programme income exceeded budgeted estimates across payroll and HR support by £0.580m. Other variances across all service areas contribute the remaining variance of £0.101m.
97. As a result, it is requested that Cabinet approve the following transfers to specific reserves.
98. The fundraising income of £0.025m generated from the Business and Sports Gala Dinner held in March 2022 to be ringfenced in a specific reserve to be used to allocate as sport grants in 2022-23 financial year.

Directors and Members: Budget £3.226m – £0.093m underspend

99. A (£0.093m) saving was achieved on staffing budgets delivered through the senior management structure implemented during the year.

Commercial Savings: Budget (£0.102m) – £0.102m underspend

100. £0.302m commercial activity savings were achieved in 2021/22, £0.102m more than budget. The commercial savings are detailed in the table below

Table 8 – Commercial Savings

Service	Saving	Saving 2021-22 £'m	Saving 2022-23 £'m
Communities & Neighbourhood	Re-Procurement of Home to School, SEN and specialist transport contracts from April 2021 to April 2026	0.083	0.083
Education & Skills		0.209	0.209
Digital & Information	Civica Abris IT Software contract extension for 4 years to July 2025. 4 year saving £0.072m. 21/22 savings £0.010m	0.010	0.020
TOTAL		0.302	0.312

CORPORATE EXPENDITURE

Table 9

	Original Budget A £m	Revised Budget B £m	Year End Actual position £m	Budget Equalisation Reserve E £m	Requested EMR Movements F £m	Outturn Variance G £m
Corporate						
Movement on Reserves	(8.444)	(17.197)	(15.386)	(1.811)	-	-
Capital Financing	25.320	27.167	25.394	1.927	-	(0.154)
Corporate Costs	1.085	3.296	1.008	0.203	-	2.085
Corporate Levies	6.625	5.875	5.353	-	-	0.522
TOTAL CORPORATE	24.586	19.141	16.369	0.319	-	2.453

Movement on Reserves: Budget (£17.197m) – £1.811m overspend

101. In the previous financial year (2020/21) where specific COVID-19 grants were not fully spent they were set aside in earmarked reserves to allow activity to be funded in the new year. Following the completion of returns to government for specific COVID-19 grants it has been identified that £0.189m of spend was incurred in 2020/21 associated with the Compliance and Enforcement grant activity although the grant was shown as unspent and set aside. The earmarked reserve therefore should not continue to be set aside and was drawn down in full with no corresponding pressure of costs to fund in the year.

102. As approved by Cabinet in the quarter 3 budget monitoring report £2m of service underspend was transferred into the Pay Award reserve. The pay award increase of 1.75% (£2.144m) was subsequently drawn down to the services in March 2022 upon agreement which leaves £1.856m in the reserve to support additional pay pressure that is expected in the 2022/23 financial year.

Financing & Investment Income & Expenditure: Budget £27.167m – £1.773m underspend

103. As previously reported the final borrowing figure for 2020/21 sets the minimum revenue provision charge for year 2021/22, due to the 2020/21 year end underspend position there was a £1.926m saving in 2021/22.

104. The Council took a treasury management decision to borrow £80m in March 2022 for the capital programme to cover the planned activity with Stone Circle Housing and Development companies over the next 8 years. Overall interest payable was £0.145m lower than budget and interest receivable was £0.577m more than budget due to interest from traded companies, Wiltshire College loans and that interest rates have been increasing since Jan 2022. This underspend has been offset by the sunk costs for Boscombe £0.807m, this is a capital project that is no longer proceeding so the historical costs need to be transferred back to revenue.

Corporate Costs: Budget £3.297m – £2.289m underspend

105. The Council prudently set aside a budget of £0.5m for Salisbury Inquest costs for 2021/22 as the Government had not confirmed it would reimburse the Council. In March 2022 the Council received confirmation that Government, on an exceptional basis, would cover these costs and hence a claim was submitted resulting in a £0.600m underspend as we were also able to claim for costs incurred in 2020/21.

106. Included under Corporate is a budget for Redundancy, this is showing a £1.496m underspend for 2021/22.

107. As previously reported as part of COVID-19 response temporary morgues were set up across the county, these have now been decommissioned, the costs have been shared on a proportional split between Wiltshire and Swindon. The final costs have been incurred and are shown here at £0.144m.

108. The Council was awarded £0.353m New Burdens Grant to go towards the additional costs of delivering the Business Grants for the period August 2020 to March 2021, the costs for delivering this were included in 2020/21 this grant is therefore shown as an underspend.

109. As planned and reported in budget monitoring forecast this year, £0.045m has been drawn down from Salisbury Recovery reserve to cover costs incurred in this financial year.

Corporate Levies: Budget £5.875m – £0.522m underspend

110. The underspend is mainly due to more income being received than budget for Renewable Energy Business Rates of £0.492m. The Council is able to keep 100% of the Business Rates for renewable energy but there were revaluations in year that made it difficult to forecast what the final position would be until the revaluation was completed. In addition, there has been a £0.195m underspend on Early

Retirement Augmentation Grants, these are offsetting smaller overspends on other areas.

General Government Grants: Budget (£57.045m) – £0.568m overspend

111. There is an overspend on General Government grants of £0.568m as less grant was received than budget. The Council received £1.031m of grant for the Income Loss Scheme for Q1, which was in line with expectations.

COVID-19 Grants

112. The full balance of £9.212m has been drawn down from the COVID-19 Business Grants earmarked reserve, to fund the grants awarded in 2021/22. The Business Grants schemes closed on 31 March 2022 and the schemes have provided £184m support to business across Wiltshire over the last 2 years. £16.359m of funding received from the government is held on the council's balance sheet as not paid out to businesses and due to be paid back to government.

113. Unspent balances on COVID-19 grants received have been transferred to specific reserves in line with the approach taken at the end of the last financial year and include £0.801m for Clinically Extremely Vulnerable support funding, £0.266m for the New Burdens Grant to fund Grant Workstreams and £0.145m for Test and Trace.

114. The balance remaining on the Contain Outbreak Management Fund reserve is £4.775m and is expected to fully spent in 2022/23.

Dedicated Schools Grant – Total Grant £407.289m - £7.066m net overspend

115. The variance for dedicated schools grant (DSG) is an overall £7.066m overspend, analysed as below.

	Final Variance £M	Note
Schools Block (all schools)	(0.945)	Planned underspend to offset some HNB pressure
High Needs Block (all schools)	9.723	Demand for pupils with additional learning needs
Central Schools Services Block	0.170	Small variance on central statutory functions

Early Years Block	(1.881)	Take up of 3&4 year old entitlement lower than funded, there are DfE clawback arrangements in 22-23 where numbers significantly differ.
TOTAL	7.906	

116. The overspend on high needs block (HNB) is driven by demand from parents and schools for support for vulnerable children with SEN & disability, reflected in increased numbers of education health and care plans (EHCP) which, have risen by 6.41% in the last financial year. The rate of growth slowed during the pandemic however, numbers of requests for assessment increased dramatically in March 2021 which could be due to the pause during lockdown or an indication that learners are struggling with their return to education post pandemic.

	1st April 2021	31st March 2022	Increase in EHCPs	% Increase in growth
Children & Young People with an EHCP	4,105	4,368	263	6.41%

117. The overspend is aligned with the national picture for many other local authorities and the Government's acknowledgement of this is evident at the national level with additional funding for the 2021/22 high needs block of £843m (12%). Wiltshire's increase was £5.811m (11%).

118. The 2022-23 allocations have been published during the summer which includes a further £4.898m (8%) increase for Wiltshire plus a new supplementary grant of £2.414m. This will come some way to alleviating the pressure for future years it will not however, assist with current or previous years' overspends. Lobbying continues to request support and additional funding at national level.

119. The DSG is ringfenced and is separate to local authority budget. Any underspend or overspend is also ringfenced. At the end of the financial year, the DSG reserve balance has a deficit of £25.973m following a prior year early years adjustment. The local authority has a recovery plan centred around provision and inclusion which is being implemented in partnership with education leaders, however the deficit lies with Wiltshire Council whilst the recovery plan is delivered. Additional funding is key to meeting the needs of Wiltshire pupils.

DSG Reserve (held in the council's balance sheet) and actions

	Early Years Ringfence £m	Schools Block, HNB & Central £m	Total 21-22 financial year £m

Balance brought forward from 2020-21		18.717	18.717
Early Years previous year adjustment	0.189		0.189
Variance (all blocks) for 2021-22	(1.881)	8.948	7.066
DSG Deficit carried forward 2021-22	1.692	27.665	25.973

There is much activity in this area nationally and locally.

120. The DfE SEN green paper was published in March 2022. The local authority will be responding to the 22 consultation questions following a series of consultative meetings with school leaders. A key piece of feedback will be from the Section 151 Officer around the financial exposure and risk to the local authority. There seem to be no solutions proposed to the financial pressures however, the department is offering a series of support levels to local authorities depending on their financial risk. Wiltshire has been invited to share our recovery plan with the DfE and join the Developing Better Value (DVP) Programme with advice from SEN and finance consultants and access to financial support to enable transformation.
121. School Leaders continue to raise the profile of the funding challenges with Wiltshire's MPs who have been supportive and raised with central government.
122. Officers continue to take part in both national and southwest comparator research which when available, will show the extent of the national issue. Best practice and savings approaches are being shared with peers.
123. The f40 group who represent the 42 lowest funded authorities in the country, most of whom are shire counties like Wiltshire, continue to lobby central government and meet regularly with MPS.
124. The Society of County Treasurers published data collected from local authorities including Wiltshire and have used this as a basis to lobby central government.
125. Wiltshire is taking steps to address the demand for specialist placements; significant Council investment in the System of Excellence and new Silverwood Special School places in the north of the county, the 150-place free special school in the south, expansion of specialist places within our schools and the flexible use of capital receipts by the council to fund a series of projects to facilitate change both internally and to influence partners. These and the savings planned from them do not lead to a balanced position within the next 10-years to do this we must have investment from central government. Savings are limited by many external factors and include a parent's legal right to state parental preference and recourse to a tribunal. Our local authority position is that we cannot sustain the DSG deficit.
126. The local authority has an ever-evolving DSG Management Plan which will be shared with the DfE as part of the DBV programme. As the situation stands both locally and for most other local authorities, the pupil driven needs cannot be met without an appropriate level of funding. In addition, over a third of the high needs block funding formula is largely based on historical data from 2014 and in Wiltshire, the significant rise in the numbers of children with EHCPs since this date is driving much of this overspend.

Housing Revenue Account (HRA) – Total income £25.566m - £3.130m provisional net transfer to reserve

127. Wiltshire Council has 5,300 properties in its HRA providing Social, Affordable and Shared Ownership rental properties. For 2021/22 this generated £25.566m of rental income. This Income is ringfenced to the HRA and is used to cover the operating and full life costs of the properties including operational staff costs, financing costs, routine revenue property maintenance which includes all the health and safety measures and longer term planned capital property maintenance which includes new bathrooms, kitchens and boilers etc.
128. The HRA operates an in house Direct Labour Organisation to maintain the stock and also uses contractors for specialised works.
129. Due to the ring-fenced nature of the HRA, at the end of any financial year the balance outstanding is offset by a transfer to or from the ring-fenced HRA reserve. For 2021/22 an amount of £2.2m was budgeted to be transferred to reserves. The outturn position reported is provisional as estimated figures for depreciation and bad debt provision have been included as these figures are still being calculated, however they are not expected to change materially. The provisional outturn is a transfer of £3.130m to reserves. This improvement is mainly due to interest expense being £0.463m less than budgeted for due to changes in interest rates and an underspend on the contingency budget £0.292m.

Table 10 – HRA

	2021-22 Revised Budget £m	2021-22 Outturn £m	2021-22 Variance £m
HRA Expenditure			
Provision for Bad Debt	0.370	0.370	-
Interest	3.799	3.335	(0.464)
Depreciation	10.162	10.162	-
Repairs and Maintenance	5.562	5.617	0.055
Supervision & Management Special	0.129	0.085	(0.044)
Supervision & Management General	3.554	2.943	(0.611)
Contribution to Reserves	2.200	3.130	0.930
Total Expenditure	25.776	25.642	(0.134)
HRA Income			
Interest	(0.140)	(0.076)	0.064
Rents	(25.636)	(25.566)	0.070
Total Income	(25.776)	(25.642)	0.134
Net	-	-	-

130. The Capital expenditure for the HRA is detailed in the Year End Capital Financial Outturn Position 201-22 report. The HRA has a Council House Build capital programme and is planned to deliver 1000 homes over the next ten years.
131. A final outturn position and update on the reserves balance will be presented to Cabinet when Depreciation and Bad Debt position has been finalised, which is dependent on the outstanding draft 2020/21 Statement of Accounts, which is expected to be alongside the Q1 budget monitoring report.

SAVINGS DELIVERY 2021/22

132. The Council had a savings requirement of £4.368m within its 2021/22 budget which was approved by Council in February 2021 consisting of £1.767m of prior year savings and £2.601m of new savings proposals. The deliverability of these proposals has been monitored during the year and has been reported direct to the Corporate Leadership Team (CLT) as part of financial performance management.
133. At this stage of the year the deliverability of the savings is either delivered (blue) or undelivered (red) and can be seen in Appendix C. This position is included in the General Fund figures set out in this report.
134. Of the £4.368m savings proposals £2.702m (61.9%) are assessed as being delivered (blue) and £1.166m (38.14%) of savings targets have been delivered through alternative savings. This is a positive position with all savings delivery met, although some through alternative activity than originally expected and provides a strong position going into the 2023/23 financial year.
135. The delivery of savings is a key risk in 2022/23 and remains an important element of financial performance management and a focus for the Council and the status of savings will be monitored robustly during the year to ensure future year financial planning processes and the budget remains robust and deliverable.

CAPITAL RECEIPTS FLEXIBILITIES 2021/22

136. The government allows Local Authorities to fund transformational activity that is designed to deliver ongoing revenue savings and/or transform service delivery to reduce costs or reduce demand for services in the future. This is known as Capital Receipts flexibilities. It is important that any Local Authority using this flexibility is transparent in reporting its plans and the individual projects that are to be funded or part funded and report the previous years' activity and whether the planned savings and/or service transformation have been or are being delivered as planned.
137. The outturn position for the financial year 2021/22 is shown in the table below. Due to the overall financial position for the year and to help preserve the one-off funding of Capital Receipts a reduction in the use of this funding for transformation can be seen. This position preserves the value of capital receipts which can be used to support the capital programme and investment within Wiltshire.

Table 11 – Capital Receipts Flexibilities

Directorate	Description	Approved Budget 2021-22	Outturn 2021/22	Variance	Benefits
		£m	£m	£m	
HR/OD	Organisational Development Transformation	1.703	0.537	- 1.166	The 10% saving was in part attributed to the change efforts supporting service redesign, changes to ways of working and the effective adoption of new technologies Skills, knowledge and capability to work effectively as the organisation changes and transforms.
Other	Business Intelligence	1.000	-	- 1.000	The benefits were improved system around data collection and reporting to enable information to be compared and analysed, thus adding value to services. This area of work was paused due to COVID response and then, recovery requiring prioritisation.
Children's & Families	Fostering Excellence Scheme	0.594	0.279	- 0.315	The savings are shown in the current and future years MTFS - expansion of the in house carer scheme leading to lower overall unit costs as well as children in care living in a family in Wiltshire
Children's & Families	FACT Transformation	0.639	0.176	- 0.463	This is a wide-ranging programme to streamline and improve the way we work by taking a whole-system, holistic approach with corporate partners, staff, children, young people and their families. We have been promoting multi-agency integration which will make us more efficient in providing our services and more effective at helping families and children achieve positive outcomes. As part of our shared vision and shared Practice Framework, professionals will be able to maximise the time spent with families, providing early support to prevent escalation and ensuring that our children thrive in their own communities.
Children's & Families	Early Help Support Hub	0.200	-	- 0.200	
Children's & Families	Contextual Safeguarding	0.170	-	- 0.170	
Children's & Families	Transport Co-Ordinator	0.070	0.034	- 0.036	
Children's & Families	Supporting the Parents of under 1s / Dads Matter Too	0.250	-	- 0.250	
Education & Skills	SEN & Inclusion Transformation	1.045	0.533	- 0.512	Taking forward an agenda of strengthening inclusion and support for young people with SEND and high needs will require a genuine partnership approach. Strong systematic partnership working within Wiltshire, strategic engagements with parents, schools and settings, and partner agencies are required to build shared ownership of the issues the system is facing, and develop a shared vision and strategy for how the local system will support young people with SEND and high needs
Housing & Commercial Development	Service Devolution & Asset Transfer	-	-	-	To support the transfer of assets successfully to other bodies to realise opportunities for more efficient delivery of public services to residents and reduce cost of deliver of those services
Community & Neighbourhood	Leisure Insourcing Transformation	0.793	-	- 0.793	The decision by Cabinet to insource the current leisure sites that are operated by an external provider will involve a complex and time bound insource and transformation. The project will fund the resources required to manage the insource successfully and ensure the leisure sites are open for users from the date of transfer. Moving forward it is anticipated that during the transition the transformation will identify opportunities and efficiencies in running the whole Leisure Service and begin to reduce the annual operating cost following the investment that has been in 2021/22.
Other	Organisational Recovery	1.200	0.312	- 0.888	The programme will deliver confident and skilled people working flexibly and utilising the tools available so that we are a resilient, efficient and inclusive organisation.
Other	Other Transformational Schemes to be considered	-	0.036	0.036	Benefits to be assessed as additional schemes come forward
TOTAL		7.664	1.907	- 5.757	

RESERVES POSITION AND FORECAST

138. Reserves are an important element of the Council's finances and a sufficient level of balances should be held, to mitigate risks within the budget and operations of the Council.

139. The level of both general fund reserves and earmarked reserves currently held by the Council remain low in comparison to other local authorities and this exposes the Council to a reduced ability to manage financial shocks. The balance and forecast balance of reserves has been reported on a quarterly basis during the year and will continue to feature in future budget monitoring reports, to continue the visibility of reserve balances, as important funding elements for the council.

140. As part of the outturn reporting for 2020/21 reserves balances were reported and the balances for General Fund Reserve stood at £16.856m and the balance for Earmarked Reserves excluding Dedicated Schools Grant Reserves was £107.056m. Including the DSG reserves and Schools Balances the Earmarked Reserves balance was £100.880m.

141. At the beginning of the year there was a planned contribution to the General Fund Reserve of £1.4m to continue the overall increase to support financial risks the council faces. The outturn position allows for an additional contribution to the General Fund Reserve of £2.8m which will increase the balance to £21.056m. This brings the level of the reserve alongside the Latent Demand and Collection Fund Volatility reserve up to the value that was set out in risk assessed level of reserves required to support the council's budget that was set out in the 2022/23 budget report. It will provide additional capacity and resilience to support the financial position in the forthcoming year, support the financial risks within the budget and allow lead in time for transformation and to reshape services to deliver on-going financial resilience and sustainability.
142. The 2021/22 budget was supported by a draw from the Budget Equalisation reserve of £4.165m as approved in the budget setting process. As set out in the Q3 Budget Monitoring report, a forecast variance of £12.824m was presented and at that stage it was set out to transfer this balance to the Budget Equalisation reserve at year end and therefore a formal recommendation is included in this report to transfer this underspend. The year end balance of this reserve will be £16.520m and will provide additional funding capacity alongside the General Fund reserve to allow lead in time for transformation and to reshape services to deliver on-going financial resilience and sustainability.
143. As included earlier in this report the Latent Demand reserve has not been required to fund demand that was expected to present during the year. This reserve balance therefore remains at £7.895m and will only be drawn down in future years when evidence is presented that shows demand exceeds the metrics on which the budget was based.
144. The Collection Fund reserve will be used over the next two years to manage the deficit from 2020/21 financial year and to cover the risks associated with this significant funding stream for the council.
145. As part of processes during the year and at year end transfers to and from existing earmarked reserves are carried out in line with previous approvals. These can be seen in detail in Appendix B with a total of net draw from earmarked reserves and decrease in value set aside of £39.005m, due mainly to the drawing from the COVID-19 specific grants from 2020/21 that were required to fund activity during 2021/22 and the section 31 grant monies set aside to support the funding of the Collection Fund deficit.
146. It is also requested to transfer £4.098m to existing and new earmarked reserves. The detail of these request can be seen in the service narrative and in Appendix B and is listed below for ease:

Table 12

Service	Name	£m
Living and Ageing Well	Transformation Reserve	0.758
Living and Ageing Well	Flexible Housing Support	0.250
Whole Life Pathway	Syrian Refugee Programme (grant funding)	0.035
Whole Life Pathway	Afghan Resettlement (grant funding)	0.112
Whole Life Pathway	Bridging Support	0.061
Whole Life Pathway	Transformation Reserve	1.200
Education & Skills	Not in Education, Employment or Training (NEET)	0.057
Education & Skills	Early Years Professional Development Programme (grant funding)	0.038
Education & Skills	Virtual Schools Head Extended Duties (grant funding)	0.105
Education & Skills	CCG Short Breaks	0.070
Families & Children	Support for Care Leavers (grant funding)	0.016
Families & Children	Supporting Families (grant funding)	0.148
Finance	Local Welfare Provision	0.094
Assets & Commercial Development	Transformation Reserve	0.096
Leisure, Culture & Communities	Museum Development	0.017
Highways & Transport	Statutory Notices	0.035
Highways & Transport	Biodiversity Net Gain (grant funding)	0.020
Highways & Transport	Local Transport Authority Capacity (grant funding)	0.179
Highways & Transport	Passenger Transport	0.640
Council Tax Hardship	Council Tax Hardship Relief	0.140
Corporate	Wiltshire Foundation Trust	0.025
	TOTAL	4.096

147. During the 2021/22 there has been a continued approach of considering opportunities when they arise to increase balances held within reserves. There has been continued transparency on reporting reserves during the year as part of the budget monitoring reporting and it is expected to continue to report on these balances moving forwards, as a critical element of the funding available to the council and overall financial health of the council. It can be seen in the below table the opening and closing balances on earmarked reserves:

Table 13 – Earmarked Reserves

Description	£m
Opening Balance Earmarked Reserves	-107.056
Opening Balance Schools	-12.542
Opening Balance DSG	18.717
Total Opening Balance - as at 01/04/2021	-100.881
In year net draw from reserves	39.005
Additional Schools Balances	-1.606
In-year DSG Deficit	7.256
Q3 Underspend	-12.824
New Reserve Requests	-4.096
Inflation Reserve	-7.000
Additional contribution to Business Plan Priorities	-1.683
Closing Balance - as at 31/03/2022	-81.829
Anticipated Use 2022/23	
- COVID-19 grants & funding	6.486
- Collection Fund (<i>estimated</i>)	15.000
- Pay Award	1.856
- Inflation (<i>estimated</i>)	7.000
- Transformation (<i>estimated</i>)	2.000
- DSG Deficit (<i>estimated</i>)	5.000
- Others (<i>estimated</i>)	3.000
Estimated Closing Balance 31/03/2023	-41.487

148. As anticipated the S31 grant set aside in 2020/21 to support the Collection Fund has been drawn down to offset the deficit this year. However, £10.933m remains in the Section 31 Collection Fund Grant and the £6.438m Collection Fund Volatility Reserve to fund a forecast deficit in 2022/23.

Overview & Scrutiny Engagement

149. This report will be considered by Financial Planning Task Group on 8 July 2022.

Safeguarding Implications

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

Public Health Implications

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

Procurement Implications

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

Equalities and diversity impact of the proposals

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

Environmental and Climate Change Considerations

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

Risks Assessment

155. If the Council fails to take actions to address forecast shortfalls, overspends or increases in its costs it will need to draw on reserves. The level of reserves is limited and a one-off resource that cannot be used as a long term sustainable strategy for financial stability.

156. Ongoing budget monitoring and management forms part of the control environment and is a mitigating process to ensure early identification and action is taken. This control has been effective during the year and as a result the risk managed, with the effect of significant amounts being set aside in reserves to help support financial risks in future years.

Financial implications – Section 151 Officer Commentary

157. As at the quarter 3 stage the Council was forecasting a £14.8m underspend, and prudently this was set aside to deal, one off, with balancing the Councils future budget position and the uncertainty of the level of pay award.

158. The last quarter has seen a significant improvement on the Councils financial position with promising signs, specifically in the level of income receivable from services, as well not having to utilise fully the amounts set aside for redundancy given the plans that were set in the Councils budget approved in February 2022.

159. A significant proportion of the increased underspend has either been accounted for in the setting of the 2022/23 budget e.g. a reduction in the redundancy budget, or is related to Government grant funding. Either way this cannot be factored into the Councils MTFs base budget going forward.

160. However, the £11m underspend experienced in the last quarter can be put aside to deal with significant pressure that is almost certainly going to arise as a result of the cost of living crisis. During quarter 1 of the current 2022/23 financial year we will be undertaking an assessment of the impact on the Councils finances, particularly its contracts which were budgeted at 4% and pay which was budgeted at 2%.

161. The £7m put aside will help mitigate the costs that will arise during 2022/23 as a result of the increase in CPI; currently at 9.1% and forecast to rise up to 11% by September 2022.

162. In addition, the national pay claim round has begun for the pay award from April 2022. It is likely that the outcome will strip the budgeted increase of 2% on pay. The Council has prudently put aside one off amounts so that a pay claim of up to 4% can be met in 2022/23, any claim above this amount will provide for further pressure in 2022/23.

163. The amounts set aside of course will be one off, and therefore only provide for mitigation in 2022/23 only. The ongoing impact to the base budget will be felt sharply in 2023/24. The MTFs is being reviewed during the summer to reflect the positive ongoing aspects, as seen in the reported underspend, but also the increased costs as a result of the cost of living increases.

164. Despite this the Council continues to strive towards financial sustainability and improved resilience. The recommendation to increase the General Fund reserve to over £21m will see the Council meet the level of risk assessed reserves when you take into account other balances held against risk. The general fund reserve will now be 5% of the Councils net budget and puts the Councils in a much stronger position to deal with future financial shocks and one off pressures.

Legal Implications

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

Proposals

166. Cabinet is asked to note:

- a) the revenue budget outturn position for the financial year 2021/22;
- b) the contributions to and from earmarked reserves as planned;

167. Cabinet is asked to approve:

- d) the transfer of 312.824m to the Budget Equalisation Reserve as set out in the Q3 Budget Monitoring Report;
- e) the transfer in total of £4.098m to earmarked reserves as detailed in the report and Appendix B;
- f) the transfer of the balance of the £6.661m provisional underspend as follows:
 - i. £2.8m to be transferred to the General Fund reserve;
 - ii. £7m to be set aside and transferred to a new Inflation reserve for 2022/23; and
 - iii. £1.683m to the Business Plan Priority reserve.
- g) Authorise the commitment of funds from the Business Plan Priority Reserve to fund the following over the next 3 years:
 - i. £1m on gully emptying.

- ii. £0.450m on Fly Tipping enforcement.

Reasons for Proposals

168. To inform effective decision making and ensure a sound financial control environment.

Background Papers and Consultation

Wiltshire Council's Financial Plan Update 2021/22, Medium Term Financial Strategy 2025/26 and Capital Programme and Strategy –

<https://cms.wiltshire.gov.uk/ieListDocuments.aspx?CId=130&MId=13056&Ver=4>

Financial Year 2021/22 – Quarter 3 Revenue Budget Monitoring reports –

<https://cms.wiltshire.gov.uk/ieListDocuments.aspx?CId=141&MId=13780&Ver=4>

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Appendices:

Appendix A: Service Provisional Outturn Variance – Full Year

Appendix B: Earmarked Reserves

Appendix C: Savings Delivery 2021/22

APPENDIX A – SERVICE OUTTURN VARIANCE 2021/22 – FULL YEAR POSITION

	<i>Original Budget</i>	<i>Revised Budget</i>	<i>Year End Actual position</i>	<i>Budget Equalisation Reserve</i>	<i>Requested EMR Movements</i>	<i>Outturn Variance</i>
	A	B	C	D	E	F
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Corporate Director People						
Living and Ageing Well	52.372	70.046	68.883	(1.720)	1.008	1.875
Whole Life Pathway	78.007	80.957	74.717	3.874	1.409	0.957
Education & Skills	20.398	27.695	27.001	1.050	0.271	(0.627)
Family & Children Services	62.475	61.044	56.219	2.111	0.164	2.550
Corporate Director People	213.252	239.742	226.820	5.315	2.852	4.755
Corporate Director Resources						
Finance	5.000	3.815	2.844	0.286	0.234	0.451
Assets & Commercial Development	15.498	13.543	12.886	0.205	0.096	0.356
ICT	11.406	11.896	11.462	0.274	-	0.160
Procurement & Commissioning	26.198	8.294	7.618	0.883	-	(0.207)
Corporate Director Resources	58.102	37.548	34.810	1.648	0.330	0.760
Corporate Director Place						
Highways & Transport	37.734	37.065	36.653	(0.110)	0.854	(0.332)
Economy & Regeneration	2.121	2.783	2.410	0.197	-	0.176
Planning	2.493	2.632	2.263	-	-	0.369
Environment	44.340	43.696	39.500	2.193	0.020	1.983
Leisure Culture & Communities	9.726	9.363	6.481	1.597	0.017	1.268
Corporate Director Place	96.414	95.539	87.307	3.877	0.891	3.464
Chief Executive Directorates						
Public Health	1.541	1.522	1.522	-	-	-
Legal & Governance	10.895	8.796	8.278	0.487	-	0.031
HR&OD and Transformation	4.385	6.932	5.337	0.952	0.025	0.618
Corporate Directors & Members	3.284	3.239	3.146	0.123	-	(0.030)
Commercial Savings	0.102	0.102	-	0.102	-	-
Chief Executive Directorates	20.207	20.591	18.283	1.664	0.025	0.619
Corporate						
Movement on Reserves	(8.444)	(17.197)	(15.386)	(1.811)	-	-
Capital Financing	25.320	27.167	25.394	1.927	-	(0.154)
Corporate Costs	1.085	3.296	1.008	0.203	-	2.085
Corporate Levies	6.625	5.875	5.353	-	-	0.522
Corporate	24.586	19.141	16.369	0.319	-	2.453
TOTAL COUNCIL GENERAL FUND	412.561	412.561	383.589	12.823	4.098	12.051
WC Funding						
General Government Grants	(57.045)	(57.045)	(56.477)	-	-	(0.568)
Council Tax	(297.016)	(297.016)	(297.016)	-	-	-
Business Rates Retention Scheme	(58.500)	(58.500)	(58.500)	-	-	-
WC Funding	(412.561)	(412.561)	(411.993)	-	-	(0.568)
COUNCIL GENERAL FUND NET OF FUNDING	(0.000)	(0.000)	(28.404)	12.823	4.098	11.483

APPENDIX B – EARMARKED RESERVES (page 1)

Service Area	Reserve	Opening Balance 2021/22 £m	Actioned in year £m	Q3 Underspend £m	New request £m	New request £m	Closing Balance 2021/22 £m
PEOPLE SERVICES							
Whole Life Pathway	Syrian Refugee Programme	-0.991	0.000	0.000	-0.035	0.000	-1.026
Whole Life Pathway	Bridging Support	0.000	0.000	0.000	-0.061	0.000	-0.061
Whole Life Pathway	Afghan Resettlement	0.000	0.000	0.000	-0.112	0.000	-0.112
Families & Children	NAAS	-0.163	0.058	0.000	0.000	0.000	-0.105
Families & Children	Support for Care Leavers	-0.012	0.000	0.000	-0.016	0.000	-0.028
Families & Children	Supporting Families	0.000	0.000	0.000	-0.148	0.000	-0.148
Education & Skills	SIMB School Improvement	-0.220	0.000	0.000	0.000	0.000	-0.220
Education & Skills	Early Years Professional Development Programme	-0.062	0.000	0.000	-0.038	0.000	-0.100
Education & Skills	Building Bridges	-0.031	0.000	0.000	0.000	0.000	-0.031
Education & Skills	Covid Wellbeing for Education Return	0.000	-0.072	0.000	0.000	0.000	-0.072
Education & Skills	Not in Education, Employment or Training (NEET)	0.000	0.000	0.000	-0.057	0.000	-0.057
Education & Skills	Virtual Schools Head Extended Duties	0.000	0.000	0.000	-0.105	0.000	-0.105
Education & Skills	CCG Short Breaks	0.000	0.000	0.000	-0.070	0.000	-0.070
Commissioning - Adults	IBCF	-0.070	0.070	0.000	0.000	0.000	0.000
Commissioning - Childrens	Controlling migration fund	-0.095	0.095	0.000	0.000	0.000	0.000
Commissioning - Childrens	Mental Health Local Transformation Plan	-0.016	0.016	0.000	0.000	0.000	0.000
Commissioning - Childrens	Practitioner Training Grant	-0.010	0.010	0.000	0.000	0.000	0.000
RESOURCES							
Finance	Insurance Reserve	-2.659	-0.575	0.000	0.000	0.000	-3.234
Finance	Local Welfare Provision Grant	-0.077	0.000	0.000	-0.094	0.000	-0.171
Finance	Council Tax Hardship Relief	-0.172	0.000	0.000	-0.140	0.000	-0.312
Assets & Commercial Development	Community Housing Fund	-0.462	0.000	0.000	0.000	0.000	-0.462
Assets & Commercial Development	Flexible Housing Support Grant	-0.950	0.950	0.000	-0.250	0.000	-0.250
Assets & Commercial Development	Rough Sleeper Grant	-0.166	0.166	0.000	0.000	0.000	0.000
Assets & Commercial Development	Homelessness Reduction	-0.121	0.121	0.000	0.000	0.000	0.000
Assets & Commercial Development	Preventing Homelessness	-0.187	0.187	0.000	0.000	0.000	0.000
Assets & Commercial Development	Preventing Repossessions Grant	-0.095	0.095	0.000	0.000	0.000	0.000
Assets & Commercial Development	Homelessness Case Level Info Grant	-0.005	0.005	0.000	0.000	0.000	0.000
Digital & Information	CMS Single View of the Customer	-0.341	0.341	0.000	0.000	0.000	0.000
PLACE SERVICES							
Leisure, Culture & Communities	Sports Development	-0.058	0.000	0.000	0.000	0.000	-0.058
Leisure, Culture & Communities	World Heritage Site Trust Transition	-0.028	0.014	0.000	0.000	0.000	-0.014
Leisure, Culture & Communities	Museum Development	-0.024	0.000	0.000	-0.017	0.000	-0.041
Leisure, Culture & Communities	Leisure - Disability Sport Programme	-0.010	0.000	0.000	0.000	0.000	-0.010
Leisure, Culture & Communities	Public Art Grant	-0.009	0.009	0.000	0.000	0.000	0.000
Leisure, Culture & Communities	Heritage Lottery Fund - Windrush	-0.007	0.000	0.000	0.000	0.000	-0.007
Leisure, Culture & Communities	Leisure - Free Gym Referral Programme	-0.007	0.000	0.000	0.000	0.000	-0.007
Leisure, Culture & Communities	Woolmore Farm Rights of Way - Slow Worms	-0.006	0.000	0.000	0.000	0.000	-0.006
Leisure, Culture & Communities	English Heritage Monument Funding	-0.005	0.000	0.000	0.000	0.000	-0.005
Leisure, Culture & Communities	Street games	-0.001	0.000	0.000	0.000	0.000	-0.001
Leisure, Culture & Communities	Lord Methuen Charitable Trust	-0.001	0.000	0.000	0.000	0.000	-0.001
Leisure, Culture & Communities	Passenger Transport Reserve	-1.876	0.053	0.000	0.000	0.000	-1.823
Leisure, Culture & Communities	Leisure	-0.013	0.005	0.000	0.000	0.000	-0.008
Leisure, Culture & Communities	Area Board Reserve	-0.070	0.000	0.000	0.000	0.000	-0.070
Economy & Regeneration	Local Plan	-0.323	-0.326	0.000	0.000	0.000	-0.649
Economy & Regeneration	One Public Estate	-0.465	0.083	0.000	0.000	0.000	-0.382
Economy & Regeneration	Porton Science Park	-0.274	-0.042	0.000	0.000	0.000	-0.316
Economy & Regeneration	Neighbourhood Planning	-0.164	0.046	0.000	0.000	0.000	-0.118
Economy & Regeneration	Future High Street Fund	-0.105	0.000	0.000	0.000	0.000	-0.105
Economy & Regeneration	Wiltshire Towns fund (WTF)	0.000	-0.723	0.000	0.000	0.000	-0.723
Highways & Transport	Play Area Asset Transfers	-0.059	0.059	0.000	0.000	0.000	0.000
Highways & Transport	Waste LOT	-0.168	-0.168	0.000	0.000	0.000	-0.336
Highways & Transport	Highways & Environment Reserve	-3.007	0.512	0.000	0.000	0.000	-2.495
Highways & Transport	Car Parking Machines	-0.034	0.000	0.000	0.000	0.000	-0.034
Highways & Transport	Statutory Notices	0.000	0.000	0.000	-0.035	0.000	-0.035
Highways & Transport	Biodiversity Net Gain	0.000	0.000	0.000	-0.020	0.000	-0.020
Highways & Transport	Local Transport Authority Capacity	0.000	0.000	0.000	-0.179	0.000	-0.179
Highways & Transport	Passenger Transport Reserve	0.000	0.000	0.000	-0.640	0.000	-0.640
Highways & Transport	Ash Die Back	0.000	-0.709	0.000	0.000	0.000	-0.709

APPENDIX B – EARMARKED RESERVES (page 2)

Service Area	Reserve	Opening Balance 2021/22 £m	Actioned in year £m	Q3 Underspend £m	New request £m	New request £m	Closing Balance 2021/22 £m
CHIEF EXECUTIVE DIRECTORS							
Legal & Governance	Elections Reserve	-0.200	-0.200	0.000	0.000	0.000	-0.400
Human Resources & OD	Skills for Care Grant	-0.018	0.000	0.000	0.000	0.000	-0.018
Public Health	Public Health	-3.366	-3.262	0.000	0.000	0.000	-6.628
CORPORATE							
Corporate	Budget Equalisation	-7.861	4.165	-12.824	0.000	0.000	-16.520
Corporate	Inflation	0.000	0.000	0.000	0.000	-7.000	-7.000
Corporate	Latent Demand	-7.895	0.000	0.000	0.000	0.000	-7.895
Corporate	Pay Award Reserve	-2.000	0.144	0.000	0.000	0.000	-1.856
Corporate	Gain Share Income	-2.675	2.675	0.000	0.000	0.000	0.000
Corporate	Transformation	0.000	-3.301	0.000	0.000	0.000	-3.301
Whole Life Pathway	Transformation	0.000	0.000	0.000	-1.200	0.000	-1.200
Living & Aging Well	Transformation	0.000	0.000	0.000	-0.758	0.000	-0.758
Assets & Commercial Development	Transformation	0.000	0.000	0.000	-0.096	0.000	-0.096
Corporate	Business Plan Priorities	0.000	-0.397	0.000	0.000	-1.683	-2.080
Corporate	Wiltshire Foundation Trust	-0.052	0.000	0.000	-0.025	0.000	-0.077
Corporate	Enabling Fund	-0.140	0.140	0.000	0.000	0.000	0.000
Corporate	Depot Phase Two Feasibility	0.000	-0.500	0.000	0.000	0.000	-0.500
Corporate	Salisbury Recovery	-0.272	0.214	0.000	0.000	0.000	-0.058
Corporate	Schools PFI Reserve	-3.152	-0.221	0.000	0.000	0.000	-3.373
Corporate	PFI Housing EMR	-2.553	0.109	0.000	0.000	0.000	-2.444
Corporate	COVID 19 Business Grants	-9.212	9.212	0.000	0.000	0.000	0.000
Corporate	COMF	-8.041	3.266	0.000	0.000	0.000	-4.775
Corporate	Covid 19 Grant Workstreams	0.000	-0.266	0.000	0.000	0.000	-0.266
Corporate	Covid 19 Test and Trace	0.000	-0.146	0.000	0.000	0.000	-0.146
Corporate	Covid Wellbeing for Education Return	-0.080	0.000	0.000	0.000	0.000	-0.080
Corporate	Covid Vulnerable	-0.346	-0.801	0.000	0.000	0.000	-1.147
Corporate	Covid Compliance	-0.189	0.189	0.000	0.000	0.000	0.000
General Government Grants	Business Rates Equilisation Fund	-0.309	0.000	0.000	0.000	0.000	-0.309
General Government Grants	Collection Fund S31 Grant	-34.254	23.321	0.000	0.000	0.000	-10.933
General Government Grants	Collection Fund Volatility Reserve	-10.717	4.279	0.000	0.000	0.000	-6.438
General Government Grants	LA EU Exit Preparation Grant	-0.105	0.105	0.000	0.000	0.000	0.000
GENERAL FUND EARMARKED RESERVES		-107.056	39.005	-12.824	-4.096	-8.683	-93.654
Education & Skills	Locally Managed Schools Balances	-12.542	-1.606	0.000	0.000	0.000	-14.148
Education & Skills	DSG Reserve	18.717	7.256	0.000	0.000	0.000	25.973
TOTAL EARMARKED RESERVES		-100.881	44.655	-12.824	-4.096	-8.683	-81.829

APPENDIX C - SAVINGS DELIVERY 2021/22

Service Area		Total Saving (£m)	Delivered (£m)	Red (£m)	Alternative Savings (£m)
Corporate Director People					
Family & Childrens	2021/22	- 0.153	- 0.153	-	-
Learning Disabilities & Mental Health	Prior Years	- 0.700	- 0.100	-	- 0.600
Access & Reablement	Prior Years	- 0.700	- 0.300	-	- 0.400
	2021/22	- 0.130	- 0.130	-	-
Commissioning - Adults	Prior Years	- 0.367	- 0.200	-	- 0.167
	TOTAL	- 2.050	- 0.883	-	- 1.167
Corporate Director Resources					
Housing & Commercial Development	2021/22	- 0.050	- 0.050	-	-
	TOTAL	- 0.050	- 0.050	-	-
Chief Executive Directorates					
Human Resources & Org Development	2021/22	- 0.068	- 0.068	-	-
	TOTAL	- 0.068	- 0.068	-	-
Corporate / Cross Cutting					
	2021/22	- 2.200	- 1.701	-	- 0.499
	Total	- 2.200	- 1.701	-	- 0.499
GRAND TOTAL					
	Prior Years	- 1.767	- 0.600	-	- 1.167
	2021/22	- 2.601	- 2.102	-	- 0.499
	Total	- 4.368	- 2.702	-	- 1.666
	Prior Year %		34.0%	0.0%	66.04%
	2021/22 %		80.8%	0.0%	19.18%
	Total %		61.9%	0.0%	38.14%