

Wiltshire Council

Cabinet

12 September 2023

Subject: Financial Year 2023/24 - Quarter One Revenue Budget Monitoring

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

Key Decision: Non-Key

Executive Summary

This report informs members of the first quarterly revenue budget monitoring forecast for the financial year 2023/24 based on the position at the end of June 2023. It also provides an update on the Medium Term Financial Strategy (MTFS) and budget gap for the financial year 2024/25 and beyond.

Quarter One Revenue Budget Monitoring

Quarter one budget monitoring forecasts are based on information known as at 30 June 2023. These are early forecasts and will be subject to movement during the year as more certainty arises and less estimation is required, particularly on areas such as income, service demand and inflationary pressures.

The net budget set by Full Council for 2023/24 is £465.874m. The 2023/24 budget ensures that vital services to the residents, businesses and communities of Wiltshire continue to be provided and the council deliver on the commitments set out in the Business Plan. The budget includes over £26m of savings that need to be delivered in 2023/24.

The quarter one position forecasts a small net overspend for the year of £0.311m. As we are early in the year and the forecast is small it is proposed at this stage that the variance be managed within the financial year and no proposal is made to fund it from reserves.

This position will need to be carefully monitored as there are a number of risks that the council are exposed to, including sustained higher inflation than budgeted, the 2023/24 pay award, increased demand and higher package costs in People Services, SEND transport and underachievement of income across Place services.

For quarter one it is forecast that these pressures in services can be mainly offset by activity in corporate services through finance and investment income and Levies and the overachievement of income in Leisure Services due to the earlier than forecast delivery of the saving from VAT changes confirmed by HMRC.

MTFS Update

This report also includes a high-level update and outlines to members the latest forecast position in respect to the Budget 2024/25 and the MTFS following the setting of the 2023/24 budget in February 2023.

It sets out the changes in assumptions and funding since the budget was set, including an assessment of the ongoing impact of variances identified in the quarter one budget monitoring process that cannot be contained.

The Council set a balanced MTFs for 2024/25 and 2025/26, however it is now estimated that the financial gap facing the authority over the next 2 years stands at just over £7m.

Further updates will be required as risks and forecasts become more certain, and work will be required to identify action and savings required to balance the budget.

The report also sets out the high-level timescales and key dates that will be required to set a balanced budget for the 2024/25 financial year.

Proposals

Cabinet is asked to recommend to Full Council:

- a) to move the £0.382m income budget associated with saving from increased retained share of funding from Business Rates for Council Assets from Assets to the Business Rates Retention Scheme in the Funding section; and
- b) to increase the Government Grants budget in Funding to recognise the additional Market Sustainability Improvement Fund of £2.773m and increase the net budget in Adults by the same amount.

These 2 proposals will increase the Council's Net Budget to £469.029m

Cabinet is asked to approve:

- a) the transfer of £0.772m of Ukrainian funding from the home office to be used to support pupils in Wiltshire schools until 31st March 2024;
- b) the transfer of Education and Skills reserves totalling £0.656m to reflect the estimated usage in year especially where schemes are based on the academic year including joint commissioning with the ICB; and
- c) the transfer of Families and Children's reserves totalling £0.328m to reflect the estimated usage in year, these all relate to grant funded schemes which straddle more than one financial year.

Cabinet is asked to note:

- a) the current revenue budget is forecast to overspend by £0.311m by the end of the financial year;
- b) the current forecast savings delivery performance for the year; and
- c) the updated MTFs position and revised gap of £7.344m by 2025/26.

Reason for Proposals

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

To inform Cabinet on the forecast revenue financial position of the Council for the financial year 2023/24 as at quarter one (30 June 2023), including delivery of approved savings for the year.

To inform Cabinet on the current position for the setting of the 2024/25 budget, it begins the process and focus for setting plans and resources for providing the services and support that will be essential for the continued delivery of a financially sustainable council and effective, quality public services for the residents of Wiltshire.

Terence Herbert
Chief Executive

Andy Brown
Corporate Director of Resources & Deputy Chief Executive (S.151 Officer)

Wiltshire Council

Cabinet

12 September 2023

Subject: Financial Year 2023/24 - Quarter One Revenue Budget Monitoring

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 Revenue Budget Monitoring position 2023/24 quarter one (30 June 2023) for the financial year 2023/24 with suggested actions as appropriate.
2. To inform Members of the latest assumptions for the 2024/25 budget and the updating of the Medium-Term Financial Strategy (MTFS) since the budget was set back at Full Council in February 2023.
3. To inform Members of the latest financial position leading into the setting of the 2024/25 budget and the key dates in that will ultimately lead to the proposal of a balanced budget for 2024/25.

Relevance to the Council's Business Plan

4. Budget monitoring and reporting supports effective decision making and the alignment of resources and financial performance to the Council's priorities and objectives as laid down in the Business Plan.
5. Providing updates on the MTFS and budget for future years supports effective decision making and the alignment of resources to the Council's priorities and objectives as laid down in the Business Plan.

Background

Revenue Budget Monitoring 2023/24 – Quarter One

6. The Council approved a net budget for 2023/24 of £465.874m at its meeting on 21 February 2023.
7. This is the first report for the financial year and includes a summary of the movements to the original budget since it was set by Full Council in February 2023. This summary can be seen in Appendix A.
8. The following paragraphs focus on forecast full year variances against the approved budget based on information as at 30 June 2023. They also set out the underlying pressures currently estimated within the service areas.

9. The forecasts at this stage of the year are early and subject to movement during the year as more certainty arises and less estimation is required. They are however forecasts for known items and commitments and estimates for the remainder of the financial year. The current economic position and volatility introduces additional risk that forecasts move during the year due to continued high inflation indices.
10. There have been some structure changes since the budget was presented to Cabinet in February 2023, which are summarised below. The Original Budget column has been adjusted to reflect the new structure, but the total original budget remains unchanged. Significant changes have been highlighted in the table below.

Corporate Director	Old Structure	New Structure	Explanation
Corporate Director People	Living and Ageing Well Whole Life Pathway Education & Skills Family & Children Services	Adult Services Adult Services Public Health Education & Skills Family & Children Services	Merged to Adult Services Merged to Adult Services Moved from Chief Executive Directorates
Corporate Director Resources	Finance Assets & Commercial Development Information Services Procurement & Commissioning	Finance Assets HR&OD Transformation & Business Change Information Services Commissioning	Name change Moved from Chief Executive Directorates Moved from Chief Executive Directorates Procurement moved to within Finance
Chief Executive Directorates	Public Health Legal & Governance HR&OD Transformation & Business Change Corporate Directors & Members	Legal & Governance Corporate Directors & Members	Moved to Corporate Director People Moved to Corporate Director Resources Moved to Corporate Director Resources
Corporate	Movement on Reserves Capital Financing Corporate Costs Corporate Levies	Movement on Reserves Finance & Investment Income & Expense Corporate Costs Corporate Levies	Name change

Main Considerations for the Council

Revenue Budget

11. The following elements of this report reflect the management responsibility in line with the current management structure. The breakdown of the projected year end position is set out in table 1 below.

Table 1 – Summary forecast for Quarter One 2023/24

	<i>Original Budget</i>	<i>Revised Budget</i>	<i>Forecast</i>	<i>Variance</i>
	<u>A</u> £m	<u>B</u> £m	<u>C</u> £m	D (C-B) £m
Corporate Director People				
Adult Services	178.684	177.764	179.953	2.189
Public Health	0.862	0.561	0.561	-
Education & Skills	29.269	29.268	30.817	1.549
Family & Children Services	62.723	64.284	63.884	(0.400)
TOTAL PEOPLE	271.538	271.877	275.215	3.338
Corporate Director Resources				
Finance	6.367	6.367	6.367	-
Pensions	-	-	-	-
Assets	16.799	17.221	17.603	0.382
HR&OD	3.573	3.590	3.390	(0.200)
Transformation & Business Change	0.533	0.533	0.533	-
Information Services	11.808	11.808	11.517	(0.291)
Commissioning	3.405	2.748	3.762	1.014
TOTAL RESOURCES	42.485	42.267	43.172	0.905
Corporate Director Place				
Highways & Transport	40.634	40.254	40.254	-
Economy & Regeneration	2.520	2.520	2.520	-
Planning	3.396	3.396	3.046	(0.350)
Environment	48.283	48.485	48.775	0.290
Leisure Culture & Communities	6.880	6.581	5.511	(1.070)
TOTAL PLACE	101.713	101.236	100.106	(1.130)
Chief Executive Directorates				
Legal & Governance	9.964	10.168	10.276	0.108
Corporate Directors & Members	3.147	3.147	3.207	0.060
TOTAL CEX DIRECTORATES	13.111	13.315	13.483	0.168
Corporate				
Movement on Reserves	2.457	2.457	2.457	-
Finance & Investment Income & Expense	25.043	25.195	22.749	(2.446)
Corporate Costs	4.034	4.034	4.034	-
Corporate Levies	5.493	5.493	5.351	(0.142)
TOTAL CORPORATE	37.027	37.179	34.591	(2.588)
TOTAL GENERAL FUND	465.874	465.874	466.567	0.693
Funding				
General Government Grants	(77.393)	(77.393)	(77.393)	-
Council Tax	(332.187)	(332.187)	(332.187)	-
Collection Fund Surplus	(6.850)	(6.850)	(6.850)	-
Business Rates Retention Scheme	(49.444)	(49.444)	(49.826)	(0.382)
TOTAL FUNDING	(465.874)	(465.874)	(466.256)	(0.382)
TOTAL VARIANCE	(0.000)	-	0.311	0.311

Overview of Quarter One Monitoring

12. Overall, the quarter one report forecasts a net overspend of £0.311m. This is the first report of the year 2022/23 and details of the significant variances within service areas are included below.
13. As reported as part of setting the budget in February 2023 the Pay Award for 2023/24 was budgeted for at 4.5%. Based on the increasing cost of living seen nationally it is likely that the actual pay award will be more than this. The employers first, full and final offer of £1,925 per employee and 3.88% for HAY graded employees is an average increase across all council staff of around 5.8% for 2023/24, which would be an additional pressure of £2m.
14. Nationally, unions have rejected this offer and negotiations continue. This pay award pressure has not been included within service forecasts. As part of the outturn report for 2022/23 an earmarked reserve was prudently set aside for £2m to mitigate the pressure for 2023/24 and alongside this the Extended Leadership Team have been working on saving proposals to mitigate the pay award pressure on the base budget.
15. These proposals will deliver a permanent solution for the 2023/24 pay award pressure in 2024/25 and the part year effect combined with the draw down from the pay award reserve will be used to meet the pressure in 2023/24. The actual pressure, savings proposals and drawdown from the pay award reserve will be confirmed and presented in the services in future reports.
16. Inflation is currently running circa 2% higher than the average CPI increase estimated and included in the 2023/24 budget. Services are managing these pressures through contract negotiations or where the pressure is not able to be managed, have reported the pressure in the service forecast for 2023/24 and the MTFS update.
17. In addition, the Council is seeing increasing demand and package costs in People Services largely from complex cases, pressure in SEND Transport and an underachievement of income for fees and charges across Place services. For quarter one it is forecast that these pressures in services can be offset by savings in Corporate services on Financing and Investment Income and Levies and the overachievement of income in Leisure Services due to the earlier than forecast delivery of the saving from VAT changes confirmed by HMRC.

Corporate Director – People

Table 2 – Forecast as at Quarter One 2023/24 Corporate Director People Position

		Original Budget	Revised Budget	Forecast	Variance
		A	B	C	D (C-B)
		£m	£m	£m	£m
Corporate Director People					
Adult Services	Gross	259.282	263.725	269.730	6.005
	Income	(80.598)	(85.961)	(89.777)	(3.816)
	Net Exp	178.684	177.764	179.953	2.189
Public Health	Gross	21.516	22.345	22.405	0.060
	Income	(20.654)	(21.784)	(21.844)	(0.060)
	Net Exp	0.862	0.561	0.561	-
Education & Skills	Gross	142.634	148.193	149.682	1.489
	Income	(113.365)	(118.925)	(118.865)	0.060
	Net Exp	29.269	29.268	30.817	1.549
Families & Children Services	Gross	68.239	69.800	69.400	(0.400)
	Income	(5.516)	(5.516)	(5.516)	-
	Net Exp	62.723	64.284	63.884	(0.400)
TOTAL PEOPLE	Gross	491.671	504.063	511.217	7.154
	Income	(220.133)	(232.186)	(236.002)	(3.816)
	Net Exp	271.538	271.877	275.215	3.338

Adult Services: Budget £177.764m, £2.189m overspend

18. The Adult Services forecast overspend of £2.189m includes £0.500m of unachievable savings.
19. Whole Life Pathway is forecasting an overspend of £2.040m as a result of a number of extremely high-cost packages coming through for existing and new service users. The customers that are being referred to the service are increasing in complexity with a notable increase in the people who have autism and mental health needs. Work is being done to determine the reasons for this increase in package costs and level of demand over that budgeted.
20. Living & Ageing Well is also projecting an overspend position. The overspend of £0.757m is due to increased package costs in ongoing support and as a result of unachievable savings. These savings, £0.300m Wiltshire Care Home Efficiency and £0.200m Day Services Utility, have faced delays in contract negotiations. The savings will be made in full over the 2 years, but the timing is likely to all be in 2024/25. Commissioning are looking at options for mitigating this saving in 2023/24.
21. The Reablement Service is forecasting a £0.122m underspend due to staff vacancies. The service continues to have recruitment difficulties and has had to use locums to cover long standing vacancies to maintain safe levels of staff. However, recruitment is more recently proving successful, and it is hoped it will continue to improve. The remaining underspends totalling £0.486m in Housing & Migration and Safeguarding and Prevention are also as a result of underspends on staffing budgets.

22. On 28 July 2023 the government announced the Market Sustainability and Improvement Fund – Workforce Fund. There will be a further £570 million of ringfenced funding given across 2023/24 and 2024/25 to local authorities to improve and increase adult social care provision, with a particular focus on workforce pay. This additional funding will support more workforce and capacity within the adult social care sector. Funding is expected to have the same flexibility as the Market Sustainability and Improvement Fund we already receive to meet local pressures. Wiltshire Councils allocation is £2.773m and will therefore increase our net budget by this amount which will require approval by Full Council.

Public Health: Budget £0.561m, nil variance

23. Public Health are forecasting to be on budget on the council budget funded services. In 2023/24 the Public Health Grant is £18.602m. This is being spent on activities such as the Public Health Nursing service, Drug and Alcohol Substance Use services, Sexual Health services, Domestic Abuse services for Wiltshire and a wide range of health improvement services such as health improvement coaches. In addition, an estimated draw of £1.027m from the Public Health reserve will be required to fund these activities as planned as well as an estimated draw of £0.180m from the Domestic Abuse reserve. Public Health have achieved the £0.616m of savings in the budget for 2023/24.

Education & Skills (School Effectiveness, SEND & Inclusion): Budget £29.268m, £1.549m overspend

24. The services in this area fulfil numerous statutory duties with a mixture of local authority and Dedicated Schools Grant (DSG) funding. The majority of the local authority funded services are forecast to largely be aligned with budget. The largest exceptions are outlined below.

25. Where eligible, 5–16-year-old school children with an Education, Health and Care Plan (EHCP) can take up free school transport. The forecast expenditure for school transport for learners with an EHCP is £1.608m overspent representing 9.5% of the SEND transport budget. The travel savings of £0.500m have been achieved to date following route planning and re-contracting. The budgeted numbers of pupils are not significantly different from forecast however the average unit cost has increased from a budgeted £8,743 to a forecast £9,797 per pupil. It must be stressed that this is a very early forecast including estimates of future inflation and demand prior to the September contracts and placements being finalised for all children.

26. Premature retirement costs for schools are forecast to overspend by £0.218m where restructure costs are funded for schools in deficit.

27. Recruitment difficulties that services have faced this year have resulted in projected underspends for both Targeted and SEND and Inclusion service areas (£0.343m underspend). Recruitment is ongoing.

28. MTFS savings in this service total £1.141m. The majority of these are fully achieved or on track however, central government announced increases in early years funding and local authority new sufficiency duties for 9 months to 2 year old children and extensions to the current 2 year old children funding. The DfE launched a consultation around the extension of the early years entitlements in July and it is

likely resource is required to support this programme of change. More will be known around new expectations in due course.

29. Cabinet is requested to approve the draw from reserves to fund the following estimates of activity:
- a. Ukrainian Education Funding £0.772m
 - b. Primary Mental Health Joint Commissioning £0.222m
 - c. Grants which straddle more than one financial year £0.169m
 - d. Use of reserve to manage planned savings £0.100m
 - e. Short breaks for families - £0.055m
 - f. SEND Inspection preparation activity in year £0.110m

Families & Children Services: Budget £64.284m, £0.400m underspend

30. This service protects, cares for and supports vulnerable children and families with the greatest needs, including children in care, disabled children, and those at risk of harm and a demand driven service area.
31. The budgeted number of children in care for 2023/24 financial year is 464. The actual number of children in care is 451 (June 2023) which is within the service set target range of 407-469. The proportion of children and young people in external residential placements has increased by 1% (equivalent 1 young person) while other placement types remain consistent.
32. The main factor causing budget pressure and overspend is the cost of individual residential placements, in the context of a national placement sufficiency crisis. Whilst Wiltshire has been able to keep the number of children in care stable due to its successful prevention work, other Local Authorities have not; meaning an overall increased demand for placements in a market that cannot meet the demand. This results in significant competition for placements and has led to the market increasing prices. This issue is being addressed within the government's reforms and strategy Stable Homes, Built on Love, but this is yet to see impact. The main strategy to reduce residential placement costs is the new contract that will deliver residential placements in Wiltshire, as previously approved by Cabinet. This provider is expected to commence delivery of these placements from October this year. It is likely we will need to expand this contract further.
33. There are a number of over 18 young people who are supported as care leavers (and included in the table below) and the length of time these young people remain supported and the price of their packages of care are also leading to a significant cost pressure.
34. In addition, the national social work recruitment and retention challenge continues. A specific workforce strategy is in place and remains a priority. As part of this campaign, Wiltshire is committed to "growing its own" social workers so a greater number of staff on the ASYE (Assessed and Supported Year in Employment) for newly qualified social workers are employed. The result of this approach is that these staff are at the beginning of their careers and there are reduced salary costs. Despite agency spend of £1.392m, there is a net forecast underspend across all teams of £0.856m. This reflects the challenge in recruiting high calibre agency staff to manage the permanent vacancies, rather than a lack of desire to recruit. Creative approaches, such as recruiting non social work qualified staff to support work temporarily are adopted.

Table 3 - Comparison of planned and Quarter One Childrens Placements

	Budgeted Number of Children & Young People	Current Number of children 2023/24 as at Q1
Mainstream In House Foster Carer Payment	237	279
Independent Fostering Agency (includes some over 18s)	101	78
External Residential Placements (includes some over 18s)	44	39
16 - 25 Support & Accommodation/ Leaving Care (majority over 18s)	43	42
Staying Put (All over 18s)	40	29
CiC Placements & Fostering	464	467
Special Guardianship	295	318
Residence Orders	6	4
Adoption Allowances	31	22
Total Permanence non CiC	332	344
0-17 years SEND Residential	146	113

35. Placement saving plans are on-going but are offset by significant budgetary pressures which lead to a forecast overspend of £1.117m for social care placements largely for support and accommodation costs of 16 to 25 year old young people. This is partially offset by a forecast underspend of £0.553m for SEND social care placements. 57% of our children are placed with in house foster carers, the target being 65%. The recruitment of foster carers remains a challenge, despite best efforts. This is due to a national sufficiency crisis in the placement market. This challenge applies to independent fostering agencies also, meaning that more children are being placed in residential care which have significantly increased in unit cost post pandemic. A placement sufficiency strategy action plan is in place, led and reviewed monthly by the Director to ensure tight grip on the progress and spend in this area. Wiltshire have been successful in their stage 1 bid of the Department for Education Fostering Recruitment and Retention programme, progressing to stage 2. The outcome of this will be known in mid-October 2023, and if successful should support the increase of in house foster carers, reducing the budget pressures and need to use residential placements.

Table 4 - Comparison of planned and Quarter One Childrens Placements Average Weekly Prices

	2023/24 Budgeted Weekly Price £	2023/24 Average Forecast Weekly Price £	Forecast Price Variance £
Mainstream In House Foster Carer Payment	421	479	58
Independent Fostering Agency (includes some over 18s)	896	961	65
External Residential Placements (includes some over 18s)	3,800	4,800	1,000
16 - 25 Support & Accommodation/ Leaving Care (majority over 18s)	613	1,006	393
Staying Put (All over 18s)	184	348	164
CiC Placements & Fostering			
Special Guardianship	151	159	8
Residence Orders	188	179	(9)
Adoption Allowances	202	209	7
Total Permanence non CiC			
0-17 years SEND Residential	630	602	(28)

36. Assumptions made around increases in special guardianship and adoption orders have not come to fruition presenting a forecast underspend of £0.271m in these areas. It is possible these areas could still increase as per budget planning assumptions the impact of which would be the forecast underspend reduces whilst there is a positive counter effect on the placements budget.

37. Young people can be supported as Care Experienced young people until 25 years, and we are seeing higher numbers of young people choosing to be supported for longer periods due to the current challenging economic climate, which is resulting in additional support and accommodation placement costs, leading to a forecast overspend of £0.165m. Work is on-going to ensure consistent support and for all young people. These additional burdens are not funded by central government and despite additional MTFS growth in this area, the length of time young people are supported continues to grow and push costs up. Market expansion and sufficiency in this area is being explored including more preparation for independent living placements within Wiltshire.

Table 5 - Budgeted and Current Spend forecasts of Children & Young People in Care

	2023/24 Budget £'m	2023/24 Forecast Spend as at Q1 £'m	Forecast Variance £'m
Mainstream In House Foster Carer Payment	6.614	5.880	(0.734)
Independent Fostering Agency (includes some over 18s)	4.711	4.653	(0.059)
External Residential Placements (includes some over 18s)	8.622	9.477	0.855
16 - 25 Support & Accommodation/ Leaving Care (majority over 18s)	1.355	2.521	1.167
Staying Put (All over 18s)	0.379	0.267	(0.112)
CiC Placements & Fostering	21.681	22.798	1.117
Special Guardianship	2.969	2.743	(0.225)
Residence Orders	0.053	0.038	(0.015)
Adoption Allowances	0.276	0.245	(0.031)
Total Permanence non CiC	3.298	3.027	(0.271)
0-17 years SEND Residential	4.798	4.245	(0.553)

38. The council provides placements for unaccompanied asylum-seeking children (UASC) and current numbers of these young people under 18 years of age are 40. In addition to this we have 73 unaccompanied asylum-seeking young people who are care experienced. Based on our quota of 0.1% of Wiltshire's population we should be taking 106 UASC who are under 18 years of age from the National Transfer Scheme (NTS) scheme so we can expect a further 66, although the timing of this is unclear at this point. This is in addition to any spontaneous arrivals. Grant funding is available for under 18s is a daily rate which on average, covers support and accommodation costs. Regional arrangements may change in this and the next few financial years.

39. New Home Office guidance for unaccompanied minors travelling from Ukraine, means that they will be eligible for a private fostering service up until they are 18 (the mainstream service is up to 16). We have 28 children subject to private fostering arrangements at this time. Home Office funding has been provided to contribute to the cost of supporting these children.

40. Total savings approved for 2023/24 are £1.110m for this service, and due to factors described above, delivery of these is challenging. Robust delivery plans are in place and two staff savings, within the families and childrens service, risk rated as red have mitigations proposed for 2023/24 until these savings are achieved in full in 2024/25.

41. Cabinet is requested to approve the draw from reserves to fund the following estimates of grant funded activity which will take place in this financial year.

- a. National Assessment and Accreditation System (NAAS) £0.099m
- b. Supporting Families Grant £0.210m
- c. Client Level Data Flows Support Grant £0.019m

42. A number of small other variances comprise the balance of the forecast underspend.

Corporate Director - Resources

Table 6 - Forecast as at Quarter One 2023/24 Corporate Director Resources Position

		<i>Original Budget</i>	<i>Revised Budget</i>	<i>Forecast</i>	<i>Variance</i>
		<u>A</u>	<u>B</u>	<u>C</u>	<u>D (C-B)</u>
		<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Corporate Director Resources					
Finance	Gross	80.550	80.632	80.632	-
	Income	(74.183)	(74.265)	(74.265)	-
	Net Exp	6.367	6.367	6.367	-
Assets	Gross	23.185	23.618	23.878	0.260
	Income	(6.386)	(6.397)	(6.275)	0.122
	Net Exp	16.799	17.221	17.603	0.382
HR&OD	Gross	5.706	5.706	5.506	(0.200)
	Income	(2.133)	(2.116)	(2.116)	-
	Net Exp	3.573	3.590	3.390	(0.200)
Information Services	Gross	12.229	14.656	14.365	(0.291)
	Income	(0.421)	(2.848)	(2.848)	-
	Net Exp	11.808	11.808	11.517	(0.291)
Commissioning	Gross	5.217	3.413	4.040	0.627
	Income	(1.812)	(0.665)	(0.278)	0.387
	Net Exp	3.405	2.748	3.762	1.014
Transformation & Business Change	Gross	0.539	0.539	0.539	-
	Income	(0.006)	(0.006)	(0.006)	-
	Net Exp	0.533	0.533	0.533	-
TOTAL RESOURCES					
	Gross	129.159	131.097	131.493	0.396
	Income	(86.674)	(88.830)	(88.321)	0.509
	Net Exp	42.485	42.267	43.172	0.905

Finance: Budget £6.367m, nil variance

43. Overall, Finance is forecasting a nil variance for quarter one. Accountancy has additional resources in place to support the ongoing work on managing the backlog of work associated with the Statement of Accounts and Audit, and this pressure is being offset by vacancies in other teams across Finance.
44. Revenues & Benefits have been awarded £0.676m grant for the Council Tax Support Fund in 2023/24 and the majority of this grant will be used to provide additional support for households already receiving council tax support by way of an additional discount of up to £25 per household. The remainder, estimated at £0.300m has been earmarked for the 2023/24 discretionary hardship relief scheme. This scheme supports low-income households struggling to pay their council tax, with existing debts and already in receipt of Council Tax Reduction support. It is recommended that Cabinet approve that any balance of grant in 2023/24 is transferred to the

Council Tax Hardship Relief reserve to provide support in future years. This will be formally requested in a future report.

45. The council received £2.524m grant for the Energy Bill Support Scheme (EBSS) in 2022/23 which it continues to administer on behalf of government and passport on. This scheme provides a one off £400 non repayable support payment for eligible households that were facing increased energy costs but had not received any other support payment to help with their bills between 1st October 2022 and 1st March 2023. Government extended the deadline on the scheme, and this is now expected to close in September 2023. New Burdens grant of £0.105m is due to be received in 2023/24 to cover the administration costs of the scheme.

46. Revenues and Benefits Subsidy is forecasting a small net pressure of £0.070m, above the pressure built into the budget for 2023/24 for supported living accommodation costs with non-registered providers. The Council is only able to claim the rent element from Government and must cover the cost of support direct. Supported Living is used to support vulnerable people, including those with Drug and Alcohol addictions and help them transition back into the community.

Assets: Budget £17.221m, £0.382m overspend

47. The forecast overspend is in relation to the 2023/24 increased retained share of funding from Business Rates for Council Assets. This saving is forecast to be achieved by the Council but is reported under Funding and not in the service. It is requested that Cabinet recommend to Full Council to move the additional income budget associated with this saving to the Business Rates Retention Scheme in the Funding section. This will increase the overall Net Budget of the council but is fully funded by the additional income from Business Rates.

48. Overall the rest of the service is forecasting a nil variance at quarter one, although pressures are starting to present, and mitigations are being identified to manage them should they crystallise.

49. Due to increased inflation and demand, the maintenance budget is already under pressure and early indications based on the first quarter spend is that the budget will overspend. There are multiple variables that impact the maintenance spend aside from inflation, including the availability of materials, contractor capacity, weather and condition of the buildings that have both favourable and adverse financial impacts. It is therefore extremely difficult to forecast with confidence the impact at this early stage.

50. As part of 2023/24 budget, a saving proposal in relation to income generation from letting space at County Hall was approved for £0.313m. To date there has been little demand for this and opportunities continue to be progressed but there is a risk this will not deliver as originally planned. In addition, the NHS has recently withdrawn from the ICB lease agreement which will also impact on income for 2023/24.

51. The above pressures are being mitigated and managed at present by holding vacancies, an underspend against Business Rates from revaluations and one-off unbudgeted income from across the rural and operational estate.

Human Resources & Organisational Development: Budget £3.590m, £0.200m underspend

52. An underspend of £0.200m has been forecast, largely due the redeployment of staff to support key capital and transformational programmes such as Evolve and Adult Social Care.
53. In addition, the pilot of a new training provision has reduced costly demand resulting in a current underspend. With the introduction of the new Oracle system and improved talent management it is anticipated demand will increase for future years.

Information Services: Budget £11.808m, £0.291m underspend

54. The service is carrying several vacancies, particularly in the Applications Team and has forecast staff savings from vacancies of £0.097m. This is based on assumptions around when posts are recruited and is subject to change if positions cannot be filled as seen in 2022/23 and if alternative approaches are taken for example the use of agency staff or consultants.
55. An external contractor, PGMC has been contracted by the service to ensure that the Council is benefiting from the most competitive phone tariffs that are available. At quarter one it is estimated that this will lead to an underspend against budget of approximately £0.194m, this assumes that usage remains at current levels and does not increase.
56. The service is currently working through a number of contract renegotiations for network maintenance contracts, applications and Microsoft Support, which could deliver further savings in 2023/24. It is too early to forecast at this stage with confidence, in part due to the service seeing an increase in usage and demand for additional licences which offset the savings. This is being monitored closely and will be updated when the position becomes more certain.
57. The delay with the implementation of Oracle will require Oracle and SAP systems to be dual run for 2023/24. Details are still be worked through, but the current assumption is that this can be managed within budget allocations in Information Services and Corporate where the budget was increased to cover the new operating model, which also will be delayed.

Commissioning Budget £2.748m, £1.014m overspend

58. In light of the 2022/23 outturn overspend position a base budget review has been undertaken. The outcome has identified pressure across the service in terms of staffing establishment not fully funded and identified income budgets that will not be delivered.
59. A priority is to maintain capacity to deliver a functional commissioning service to support People services. Income sources are mainly derived from Government grants e.g. Improved Better Care Fund, and whilst these have not been allocated, funds will be reviewed with a potential for in year allocations to be made to bridge the forecast gap.

Housing Revenue Account: £0.450m variance against budget for transfer to reserves

60. The Housing Revenue Account is a ringfenced account, and for 2023/24 the budget was set to transfer a surplus of £2.113m to the housing revenue account reserve. Due to the pressures and mitigation set out below the quarter one forecast is showing a transfer to reserves of £1.663m, which is £0.450m less than budget.
61. Rents are forecast to be lower than budget in 2023/24 due to higher numbers of void dwellings. The service has been working hard to address this issue and performance against this objective is being closely monitored by officers.
62. The service has been using external contractors as part of efforts to help clear the voids backlog, however this has driven up costs on HRA operations maintenance spend.
63. These pressures are offset in part by vacancy savings across the service and an underspend against repairs contracts as the current contracts are winding down and new contracts are not due to mobilise until October 2023. This will not impact the planned maintenance works for tenants.
64. A review of depreciation methodology is being undertaken to ensure assets are being depreciated in line with the assets' life. The outcome of the review may result in a different depreciation charge for 2023/24, and an update will be provided once the review has completed.

Corporate Director – Place

Table 7 - Forecast as at Quarter One 2023/24 Corporate Director Place Position

		Original Budget	Revised Budget	Forecast	Variance
		A	B	C	D (C-B)
		£m	£m	£m	£m
Corporate Director Place					
Highways & Transport	Gross	55.537	55.157	55.932	0.775
	Income	(14.903)	(14.903)	(15.678)	(0.775)
	Net Exp	40.634	40.254	40.254	(0.000)
Economy & Regeneration	Gross	3.749	3.749	3.749	-
	Income	(1.229)	(1.229)	(1.229)	-
	Net Exp	2.520	2.520	2.520	-
Planning	Gross	10.083	10.083	9.563	(0.520)
	Income	(6.687)	(6.687)	(6.517)	0.170
	Net Exp	3.396	3.396	3.046	(0.350)
Environment	Gross	59.562	59.804	59.014	(0.790)
	Income	(11.279)	(11.319)	(10.239)	1.080
	Net Exp	48.283	48.485	48.775	0.290
Leisure Culture & Communities	Gross	20.885	21.785	21.930	0.145
	Income	(14.005)	(15.204)	(16.419)	(1.215)
	Net Exp	6.880	6.581	5.511	(1.070)
TOTAL PLACE					
	Gross	149.816	150.578	150.188	(0.390)
	Income	(48.103)	(49.342)	(50.082)	(0.740)
	Net Exp	101.713	101.236	100.106	(1.130)

65. As shown above the £49.342m of Place & Environment revised budget is derived from income, the table below breaks this down further by department.

Table 8 – Place Income Budgets by Department

Service	Department	Fees & Charges, Other Income £'m	Grants, Contributions, Recharges £'m	Total Income Budgets £'m
Highways & Transport	Highways	4.932	0.016	4.948
	Car Parking	8.379	-	8.379
	Passenger Transport	0.452	1.124	1.576
		13.763	1.140	14.903
Economy & Regeneration	Enterprise Network	1.244	-	1.244
	Major Projects	-	(0.207)	(0.207)
	Economic Regeneration	-	0.192	0.192
		1.244	(0.015)	1.229
Planning	Building Control	1.156	-	1.156
	Development Management	4.597	-	4.597
	Local Land Charges	0.884	-	0.884
	Spatial Planning	-	0.050	0.050
	6.637	0.050	6.687	
Environment	Public Protection	0.828	0.018	0.846
	Natural & Historic Environment	0.055	0.017	0.072
	Waste	10.398	0.003	10.401
		11.281	0.038	11.319
Leisure Culture & Communities	Leisure	13.130	1.491	14.621
	Libraries & Heritage	0.350	0.233	0.583
		13.480	1.724	15.204
TOTAL PLACE		46.405	2.937	49.342

66. Fees & Charges income is difficult to forecast as it is influenced by many different factors outside of the council's control and can fluctuate in year. For quarter 1, forecasts are largely based on budget or in line with 2022/23 outturn unless the actual position over the first quarter of the year was significantly different to profile. This is the case for Leisure Centre operations, Waste Recycling, Street works and Planning which is explained in more detail below.

Highways & Transport: Budget £40.254m, nil variance

67. The Highways and Transport service is managing several emerging pressures to report a nil variance at quarter one. Due to the delay to the start of the street scene contract and the significant rainfall, additional grass cutting was undertaken to meet highways visibility standards. Alongside this the new maintenance contract has commenced and the first quarter is showing spend pressures, which are largely due to type of works currently being undertaken and is expected to even out.

68. In finalising the Trowbridge Service Devolution & Asset Transfer Package, negotiations concluded with the Down cemetery transfer delayed to 2024/25, the £0.090m saving in relation to this element will therefore not be achieved in 2023/24. Stretch income targets for Car Parking are being closely monitored, at present income is below target although use of the car parks has increased; accordingly it is too early to forecast with any accuracy. The saving proposal to advertise on bus shelters approved in 2022/23 for £0.100m will be delayed further, in line with the Public Transport review.

69. The above pressures are being managed by a forecast increased income from Street works. In addition, the service has vacancy savings for the first quarter of the year from difficulties with recruiting and retaining staff. The service is actively recruiting as this is key to delivering business priorities and capital improvement programmes.
70. The Council has been awarded a Bus Service Improvement Plan PLUS (BSIP PLUS) grant of £2.1m for 2023/24 and 2024/25. This funding is to improve, enhance and support bus services and assist contractors facing commercial failure to ensure services are maintained.
71. A key condition of the grant is that the Council cannot reduce its Public Transport budgets in this period, and delivery of the savings proposals for 2023/24 and 2024/25 will therefore be delayed until 2025/26. This will allow the Council to review its Public Transport policy and ensure a sustainable and financially viable network for 2025/26. The savings impacted for 2023/24 total £0.448m and there is a further £0.142m for 2024/25, relating to the review, repatterning and reduction of less well used bus services, out of area services and the removal of Saturdays from supported services timetable. The pressure from delaying the savings will be covered in 2023/24 and 2024/25 by the Extended Rights to Travel grant of £0.635m. These changes are also included with the MTFs update later in the report.
72. The Passenger Transport services continues to be under significant inflationary pressure when tendering contracts due to their early termination by contractors. This is affecting both school and public transport contracts. For public transport contracts it is possible to use the BSIP PLUS grant to cover the cost of the increase.

Planning: Budget £3.396m, £0.350m underspend

73. Planning is reporting a net underspend position of £0.350m largely due to an underspend on staffing. A full-service restructure is being undertaken in 2023/24 following on the outcome of the Planning Peer Review earlier this year. The restructure will address structural and capacity issues across the service and will help to resolve recruitment and retention difficulties, reducing reliance on agency staff.
74. Income achievement continues to be a pressure in 2023/24, with the first quarter showing underachievement across Development Management, Building Control and Local Land Charges. Development Management is forecast to improve in the last quarter with the expected increase in government set planning application fees.
75. In addition, ongoing pressures exist on appeals and legal costs (agency workers and counsel advice) budgets. This continues to be a risk area for the service and is being monitored closely.

Environment: Budget £48.485m, £0.290m overspend

76. Environment services is forecasting a net overspend of £0.290m, primarily relating to Waste services. A shortfall of £1.080m against income is forecast due to the national economic position and its impact on volumes and sales income from the sale of recyclable waste materials. As seen in previous financial years this income is

extremely volatile and hard to predict. The forecast is based on the actuals received for April to June and an average for the remainder of the year.

77. Due to Government changes in legislation and guidance issued in June 2023, charging for DIY waste at Household Recycling Centres (HRCs) will no longer be allowed. This impacts directly on the savings target that was agreed for 2022/23 for charging of £0.100m which was not delivered and delayed to 2023/24 and the 2024/25 savings proposals for phase two of charging for £0.600m. There may also be an indirect impact on the saving proposal in 2024/25 for the reduction to HRCs opening hours of £0.200m, as this was in part based on a reduction in demand at HRCs as a result of charging.

78. The above pressures are being mitigated by a £0.790m saving across the Waste management contracts largely due to tonnages being less than budgeted and a better rate than forecast for Landfill tax. Indexation pressure for 2023/24 is currently being managed by this reduced tonnage. The table below shows the forecast tonnages and rates for the significant Waste contracts against the budgeted position, which are the main cost drivers for the Waste service.

Table 9 – Waste contracts

Service:	Tonnes			£/Tonne *			Budget F'cast Variance due to Price/Tonnes £'m
	Budget setting F'cast (T)	Current Yr End F'cast (T)	Var (T)	£/Tonne (Budget Setting)	£/Tonne (Forecast)	Var (£)	
	Waste Transfer Stations, Materials Recovery Facility and two Household Recycling Centres	81,600	72,615	(8,985)	72.953	81.695	
Composting services	39,700	40,000	300	34.900	37.760	2.86	0.043
Treatment & disposal of residual waste (inc street sweepings)	20,300	16,247	(4,053)	112.680	142.920	30.24	(0.070)
Tax payable on all waste sent to landfill	34,300	30,166	(4,134)	104.340	102.100	(2.24)	(0.476)
Energy from waste landfill diversion contract.	50,000	50,000	0	143.423	146.947	3.52	(0.003)
Mechanical biological treatment Landfill diversion contract.	58,850	57,700	(1,150)	177.218	179.436	2.22	(0.065)

* £/T excludes income

Leisure Culture & Communities: Budget £6.581m, £1.070m underspend

79. The net underspend of £1.070m in Leisure Culture & Communities is largely due to a forecast overachievement of Leisure Centre operations income of £1.215m due to the change in VAT treatment. This brings forward the saving proposal from 2025/26 of £1.172m and is included in the MTFs update below.

80. The library service is forecasting an overspend of £0.145m on staffing due to difficulties meeting the corporate 6.5% vacancy factor and the use of relief staff to ensure Libraries open. The service has been through a peer challenge and is working towards a service review and restructure to address this.

Chief Executive Directorates

Table 10 - Forecast as at Quarter One 2023/24 Chief Executive Directorates Position

		<i>Original Budget</i>	<i>Revised Budget</i>	<i>Forecast</i>	<i>Variance</i>
		<u>A</u> £m	<u>B</u> £m	<u>C</u> £m	D (C-B) £m
Chief Executive Directorates					
Legal & Governance	Gross Income	12.851 (2.887)	13.015 (2.847)	13.915 (3.639)	0.900 (0.792)
	Net Exp	9.964	10.168	10.276	0.108
Corporate Directors & Members	Gross Income	3.161 (0.014)	3.161 (0.014)	3.221 (0.014)	0.060 -
	Net Exp	3.147	3.147	3.207	0.060
TOTAL CEX DIRECTORATES	Gross Income	16.012 (2.901)	16.176 (2.861)	17.136 (3.653)	0.960 (0.792)
	Net Exp	13.111	13.315	13.483	0.168

Legal & Governance: £10.168m, £0.108m overspend

81. The overspend position in Legal and Governance is a result of the continued increased use of agency staff in legal services due to recruitment issues, and increased Coroners costs as a result of price increases. However, this is offset in part by income being higher than anticipated across the service and underspends in staffing budgets. The planned saving of £0.050m in Communications, currently reported as red, is being covered in year by staff vacancies and options are being looked at for a permanent replacement saving.

Corporate Directors and Members: Budget £3.147m, £0.060m overspend

82. The forecast overspend of £0.060m is due to the non-delivery of the vacancy factor.

Corporate Expenditure

Table 11 - Forecast as at Quarter One 2023/24 Corporate Position

		<i>Original Budget</i>	<i>Revised Budget</i>	<i>Forecast</i>	<i>Variance</i>
		<u>A</u> £m	<u>B</u> £m	<u>C</u>	<u>D (C-B)</u> £m
Corporate					
Movement on Reserves	Gross Income	2.457 -	2.457 -	2.457 -	- -
	Net Exp	2.457	2.457	2.457	-
Finance & Investment Income & Expense	Gross Income	29.513 (4.470)	29.665 (4.470)	27.219 (4.470)	(2.446) -
	Net Exp	25.043	25.195	22.749	(2.446)
Corporate Costs	Gross Income	5.105 (1.071)	5.105 (1.071)	5.105 (1.071)	- -
	Net Exp	4.034	4.034	4.034	-
Corporate Levies	Gross Income	8.150 (2.657)	8.150 (2.657)	8.508 (3.157)	0.358 (0.500)
	Net Exp	5.493	5.493	5.351	(0.142)
TOTAL CORPORATE	Gross Income	45.225 (8.198)	45.377 (8.198)	43.289 (8.698)	(2.088) (0.500)
	Net Exp	37.027	37.179	34.591	(2.588)

Finance & Investment, Income & Expenditure: Budget £25.195m, £2.446m underspend

83. The final value of capital spend funded by borrowing figure for 2022/23 sets the Minimum Revenue Provision charge for year 2023/24. As a result of the slippage in the 2022/23 capital programme there is a £2.549m MRP underspend in 2023/24.
84. A treasury management decision to borrow £80m was made in March 2022 and based on the current cashflow forecast the council will not need to borrow again in 2023/24. Interest payable and interest receivable budgets were realigned as part of 2023/24 budget setting and are currently forecast on budget however it should be noted that interest rates are currently higher than forecast, which could see an overachievement on interest receivable income. The level of cash the Council holds also influences the amount of interest received, and a full cashflow review will be undertaken for the quarter two budget monitoring position to provide an update on any expected variance. Loan interest from Stone Circle and Wiltshire College are included within the current forecast. An overspend of £0.198m has been forecast for Monkton Park financing costs in line with 2022/23 final year end position due to higher-than-expected interest rates and this will need to be reviewed alongside rate changes as the year progresses.
85. An underspend is forecast on asset disposal costs for quarter one of £0.085m based on forecast activity on asset sales to the end of the financial year. A £0.010m underspend has also been forecast against the cost of asset valuations based on the number of properties to be valued.

Corporate Costs: Budget £4.034m, nil variance

86. The current forecast spend on Salisbury inquest is £0.050m for 2023/24, the budget has been forecast online as it will be recommended that any underspend against budget is transferred to the Inquest reserve at year end to cover any future liability.

Corporate Levies: Budget £5.493m, £0.142m underspend

87. An overachievement of £0.500m of income is forecast for the retained income from Renewable Energy Business rates, which is offsetting forecast pressures largely on Pension Deficit lump sum payment and the Care Leavers discretionary Council Tax support scheme.

Dedicated Schools Grant – Total Grant £452.297m, £13.743m forecast net overspend

88. The overall in year forecast for dedicated schools grant (DSG) is an overspend of £13.743m which is an improvement of £1.155m from the original anticipated deficit position associated with the High Needs element of DSG. The council will be submitting a revised DSG Management Plan and will include an update on this plan and the financial impact in the next budget monitoring report.

Table 12 – DSG Block Summary

	DSG Allocation from the DfE £m	Wiltshire Transfers £m	Current Annual Budget £m	Forecast Outturn £m	Forecast Outturn Variance £m	% Variance
Early Years Block	32.485	0.180	28.665	28.699	0.033	0.12%
Schools Block	346.293	(1.717)	344.577	344.543	(0.034)	(0.01)%
High Needs block	70.918	1.797	76.714	90.365	13.650	17.79%
Central Block	2.600	(0.260)	2.340	2.433	0.093	3.96%
Overall	452.297	0.000	452.297	466.039	13.743	3.04%
Planned transfer to DSG reserve (representing overspending placement budgets)					14.898	
Net year end forecast movement to the DSG reserve following transfer					(1.155)	

89. As shown in Table 12, the forecast total outturn results in a net £13.743m increase in the DSG deficit which will result in a forecast cumulative year end deficit of £48.992m.

Table 13 – Impact on the Dedicated schools Grant Deficit Reserve

	Total 2023/24 FY £'m
Balance Brought Forward from 2022/23	35.249
Early Years Adjustment (prior year)	
Planned drawdown from reserve	14.898
Forecast Variance 2023/24	(1.155)
Balance Cfwd 2023/24	48.992

90. A statutory override for DSG deficits is currently in place until the end of the 2025/26 financial year. The statutory override, whilst in place, protects the council from having to make good any DSG deficit from its own reserves. As it currently stands, local authorities will need to demonstrate their ability to cover DSG deficits from their available reserves from 2026/27 onwards.
91. The reason for the overall spend above grant continues to be driven by demand from parents and schools for statutory support for vulnerable children with SEND, reflected in increased numbers of education health and care plans (EHCPs.) The number of EHCPs at the end of quarter one 2022/23 was 4,456; quarter one in 2023/24 is 5,165; an increase of 709 plans (15.9%). This includes a significant amount of post pandemic processing. Additionally, increased numbers of post 16 learners (926 / 17.9%) continue to put pressure on the budget as the impact of the 2014 Act when the local authority duty to provide support to learners up to the age of 25 years was introduced.
92. The council has a long-term recovery plan centred around inclusion which is being implemented in partnership with schools however the deficit lies with Wiltshire Council whilst the recovery plan is delivered. Through the recovery plan a range of activity is taking place.
- a. the transformation board have approved a proposal to invest £1.6m into recovery to prioritise the sustainability of the high needs system and align with the work of the Delivering Better Value (DBV) programme.
 - b. Wiltshire is taking steps to address the demand for specialist placements; significant council investment in the System of Excellence and new 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 10-year recovery period. Savings are limited by many external factors and include a parent's legal right to state parental preference and recourse to a tribunal.
 - c. Officers are regularly meeting with school leaders to progress plans through the High Needs Recovery Group, reporting the position and recovery plan to Schools Forum. School Leaders have raised the profile of the funding challenges with Wiltshire's MPs who have been supportive and in turn, been asked to raise with central government at a meeting in Westminster in September 2023.
 - d. Councils nationally have an estimated £2.3bn in high needs funding deficits. The Department for Education currently has two programmes for supporting councils with DSG deficits. The Delivering Better Value in SEND (DBV) Programme is to support those councils with substantial deficits. Those authorities with more significant deficits, have been enrolled in the DfE "Safety Valve" programme.

Savings Delivery 2023/24

93. For 2023/24 a large amount of savings were required to deliver a balanced revenue budget totalling £26.099m (with £14.424m budgeted for 2024/25 and £10.697m budgeted for 2025/26). The 2023/24 savings are already reflected in the revenue budget aligned to services and must be met in full or they will result in an overspent position by the year end and will have a direct impact on the scale of savings to be delivered in future years. As such, a significant risk remains should there be a shortfall in the saving achieved. It is therefore critical to continue robust monitoring of the revenue budget and reporting the achievement of the savings required.
94. Following detailed monitoring by each manager responsible for a revenue budget saving, it is possible to quantify the amount and status of savings and the inherent risks associated with them. The deliverability of these proposals is monitored and reported directly to the Corporate Leadership Team (CLT). The assessment on the deliverability of the savings at the end of quarter one 2023/24 is shown in the tables below, and these assessments are included in the General Fund figures set out in this report.
95. For 2023/24 of the £26.099m savings targets £6.236m (23.89%) is assessed as having been fully achieved as at the end of June. £15.736m (60.29%) is forecast to be achieved by the end of the year. £2.039m (7.81%) is considered to be have some deliverability risk, being that they may be achieved this year. This leaves £2.088m (8%) which are not currently forecast to be achieved by the end of the year showing significant risk. These are included as overspends within the service forecasts. A table showing saving achievement at service level is shown in Appendix B and a table providing further detail on the proposals categorised as significant risk is shown in Appendix C.
96. The delivery of savings remains a focus for the Council and the status of the undelivered savings is considered as part of the future year financial planning processes to ensure the budget remains robust and deliverable and any undelivered saving adversely affects any budget gap in future years if not addressed or mitigated on an on-going basis.
97. Based on the review of savings and to inform the MTFS, some savings are re-profiled and £0.900m are removed to represent the pressure associated with forecast delivery assumptions. The details for this is included within the MTFS section.

Table 14 - Savings delivery BRAG rating by year 2023/24-2025/26

Directorate	2023/24 Budgeted Savings Target £'m	Blue £'m	Green £'m	Amber £'m	Red £'m
		<i>Fully Achieved</i>	<i>On Track</i>	<i>Some Risk</i>	<i>Significant Risk</i>
Increment Freeze	0.454	0.000	0.454	0.000	0.000
Chief Executive	1.767	1.298	0.127	0.292	0.050
Corporate	5.011	0.019	4.992	0.000	0.000
People	8.706	0.893	6.768	0.343	0.702
Place	6.730	1.817	2.608	1.347	0.958
Resources	3.431	2.209	0.787	0.057	0.378
Total £'m	26.099	6.236	15.736	2.039	2.088
% of total Budget		23.89%	60.29%	7.81%	8.00%

Directorate	2024/25 Budgeted Savings Target £'m	Blue £'m	Green £'m	Amber £'m	Red £'m
		<i>Fully Achieved</i>	<i>On Track</i>	<i>Some Risk</i>	<i>Significant Risk</i>
Chief Executive	0.205	0.000	0.155	0.050	0.000
Corporate	1.428	0.000	1.428	0.000	0.000
People	8.493	0.248	7.913	0.209	0.123
Place	3.583	0.000	2.149	0.492	0.942
Resources	0.715	0.070	0.576	0.019	0.050
Total £'m	14.424	0.318	12.221	0.770	1.115
% of total Budget		2.20%	84.72%	5.34%	7.73%

Directorate	2025/26 Budgeted Savings Target £'m	Blue £'m	Green £'m	Amber £'m	Red £'m
		<i>Fully Achieved</i>	<i>On Track</i>	<i>Some Risk</i>	<i>Significant Risk</i>
Chief Executive	0.640	0.000	0.640	0.000	0.000
Corporate	(1.400)	0.000	(1.400)	0.000	0.000
People	7.338	0.000	7.338	0.000	0.000
Place	3.504	0.000	2.374	1.090	0.040
Resources	0.615	0.000	0.365	0.000	0.250
Total £'m	10.697	0.000	9.317	1.090	0.290
% of total Budget		0.00%	87.10%	10.19%	2.71%

Capital Receipts Flexibilities 2022/23

98. 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.

99. At part of budget setting the council planned to use £1m of Capital Receipts to fund transformational activity across the council in areas of priority such as Adults Transformation, Family and Children's Transformation and Customer Experience. For this financial year this funding solution will be used to fund elements of the Transformation and Business Change team costs, supporting the transformation programmes across the council.

Reserves Position and Forecast

Table 15 - Reserves Summary

Reserve	Opening Balance 2023/24 £m	Projected Closing Balance 2023/24 £m	Projected Closing Balance 2024/25 £m	Projected Closing Balance 2025/26 £m
General Fund	28.056	28.056	28.056	28.056
Latent Demand	7.794	4.366	2.961	2.838
Collection Fund Volatility	9.470	14.792	15.147	14.572
Public Health	6.964	5.937	5.235	4.661
Homes for Ukraine	13.231	6.627	0.023	0.023
Transformation	10.962	8.462	6.462	5.762
Business Plan Priority	3.844	1.739	1.021	1.021
Pay Award	2.000	-	-	-
PFI's	5.198	5.048	4.898	4.898
Insurance	3.019	3.045	2.019	2.019
Accommodation Needs	10.000	8.000	6.000	4.000
Other Earmarked	21.772	16.267	14.324	13.633
Total Earmarked	94.254	74.283	58.089	53.427
Schools Balances	14.148	14.148	14.148	14.148
DSG	(35.249)	(48.992)	(60.065)	(70.649)
TOTAL	101.209	67.495	40.227	24.981

100. 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.
101. The level of general fund reserves and earmarked reserves (excluding DSG) held by the Council were increased as part of the final financial year end position for 2022/23 to bring the level of the reserves up to the value that was set out in risk assessed level of reserves required to support the council's budget for 2023/24 and included in the budget report in February 2023. This will provide additional capacity and resilience to support the financial position in 2023/24, 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.

102. The Transformation reserve will provide funding for transformational activity across the council. The use of this reserve is overseen by the Transformation Executive Board, who agree the prioritisation of the activity and agree the funding.
103. The significant aspects of financial risk within the budget for 2023/24 are in part mitigated by earmarked reserves set aside for both Latent Demand and Pay Award. £2m has been set aside in a specific pay award reserve to support the expected pressure in these costs for 2023/24 alongside this the Extended Leadership Team are developing permanent staff saving proposals to meet the pressure in 2024/25. The Latent Demand reserve has been available for demand that presents over and above the metrics included in the budget. £3.217m is included within the 2023/24 budget funded by the reserve, £1.527m has been planned for future years leaving a balance of £2.838m which will continue to be available should any additional demand present either during the remainder of this year or next financial year.

Medium Term Financial Strategy (MTFS) and Budget 2023/24 Update

104. The budget set by Full Council in February 2023 balanced the current 2023/24 financial year successfully with a Net Budget of £465.874m and the Medium MTFS set out funding assumptions and savings proposals to balance the budget for the following 2 years.
105. This has put the Council in a strong position for 2024/25 budget setting but it is important to formally review the assumptions within the estimates and it is important to do this early, considering the financial position and risks highlighted in the budget monitoring position reported in the above paragraphs. These mainly relate to increased demand, income achievement the ongoing cost of living and with inflation in 2023/24 being higher and staying higher for longer than originally forecast.
106. The table below provides the MTFS position that was reported to Council in February 2023 when the budget was approved. It shows the balanced budget across the MTFS period.

Table 16 - MTFS February 2023

MTFS Model	2023/24 £m	2024/25 £m	2025/26 £m
Net Service Spend	465.372	479.709	490.744
Council Tax Requirement	(290.422)	(301.098)	(312.333)
Social Care Levy	(41.765)	(48.489)	(48.489)
Rates Retention	(49.444)	(50.244)	(51.044)
Collection Fund (surplus) / deficit	(6.850)	-	-
Specific Grants	(76.891)	(79.878)	(78.878)
Total Funding	(465.372)	(479.709)	(490.744)
GAP	-	-	-

107. To balance the budget a number of savings proposals were agreed by Council and have been included in the MTFS, the table below set outs the total of savings in each.

Table 17 - MTFS Model Savings February 2023

MTFS Model	2023/24	2024/25	2025/26
	£m	£m	£m
Savings Total	26.099	14.424	10.697

108. As part of the quarterly budget monitoring process a review of the assumptions used within the medium-term financial planning model has been carried out and updates made to both the assumptions and amounts within the model. Due to the pressures presenting in 2023/24 there is now a forecast budget gap for the next financial year (2024/25) and currently estimated to be £5.541m. This is shown in the table below and an explanation of the movements is included in the below paragraphs along with detail of further risks that are not able to be quantified at this stage with confidence but may come forward.

Table 18 - MTFS High Level Review Quarter One 2023/24

MTFS SUMMARY HIGH LEVEL REVIEW QUARTER 1 2023/24	2023/24	2024/25	2025/26	Total
	£'m	£'m	£'m	£'m
Approved MTFS 2023/24 Budget Setting:				
Spending		479.709	490.744	
Funding		(479.709)	(490.744)	
Annual Gap		-	-	-
Adjustments coming through from High Level MTFS Review				
Contract Inflation				
Overall increase in inflation assumptions	2.009	1.171	0.317	3.497
Pay Award				
Increase in Pay Award 2023/25 from 4.5% to 5.8% (based on £1,925 and HAY grade 3.8%)	2.000	-	-	2.000
Demand				
Increase Demand Assumptions updated with Qtr. 1 Forecast	0.431	0.830	0.890	2.151
Increase in Additional Pressures Assumptions updated with Qtr. 1 Forecast	0.604	0.313	-	0.917
Increase Income assumptions updated with Qtr. 1 Forecast 2023/24	(0.635)	-	-	(0.635)
Reprofiling of Savings	(0.724)	0.142	0.582	-
Non Delivery of Savings	0.463	0.937	0.014	1.414
New Staff Savings to meet Pay Away 2023/24	(2.000)			(2.000)
Revision to the Bottom Line MTFS July 2022	2.148	3.393	1.803	7.344
Annual Funding Gap	2.148	3.393	1.803	7.344
Cumulative Funding Gap		5.541	7.344	

109. Inflation is currently running at about 2% higher than the 2023/24 budget setting assumption and is now forecast to stay higher for longer. The original assumptions were based on CPI at 6% for 2023/24, 2% for 2024/25 and 2% for 2025/26. The Bank of England forecast at quarter one was 8.2%, 3.4% and 1.1% respectively for those years.
110. An initial assessment has been carried out which is showing a pressure of £3.497m across the current MTFS period from additional inflation (excluding pay), which is largely in Waste and SEND Transport. The working assumption is that Public Transport contract inflation above that currently within the MTFS will be covered by the new grant BSIP Plus in 2023/24 and 2024/25. Assessments are yet to be completed for some significant areas where further detail and more certainty is required, including MBT and Lakeside waste contracts, Highways contracts, which were reprocured for 2023/24, SEND Transport for future years, Adult Services, IT and Assets. These will be updated in quarter two and are likely to increase the inflationary pressure and estimated budget gap.

111. During the budget setting process the national pay award assumption was an increase of 4.5% for the current year's budget and 2.5% for both 2024/25 and 2025/26. The employers full and final offer for 2023/24 of £1,925 per employee and 3.8% for HAY grades has been assessed and results in an average increase of 5.84% and creates an additional pressure of approximately £2m. Although unions have rejected this offer and negotiations continue this is being used as the base increase for the quarter one update, with future pay awards in the financial assumptions remaining at 2.5% at this stage. The Extended Leadership Team have been working on saving proposals to mitigate the likely 2023/24 pay award pressure and these have been updated in the MTFS to show a balanced position overall for the 2023/24 pay award.
112. At quarter one additional demand is presenting in support for care leavers placements of £1.990m and to a lesser extent £0.161m demand for the independent visitors scheme for children in care - initial assessment is an increase of £2.151m across the MTFS period.
113. In addition to these, pressures in the contract prices of SEND transport are presenting an estimated pressure of £1.608m and inflationary uplift in children in care placements and care leavers support and accommodation of £0.938m – initial assessment is £2.538 across the MTFS period.
114. Further to these financial estimates, the following risks are being considered in the MTFS and are highlighted as pressures.
- a. the requests from schools and parents for EHCP assessments continues to grow and this demand means the statutory SEND service need to consider their structures based on new caseloads. Wherever possible demand will be consumed however, the legal duties around timeliness and quality must be considered in conjunction with the preparation for the changes from the national SEND Review and inspection preparation where additional resource may be required to implement recommendations of the SEND Peer Review such as expanded engagement of young people with SEND.
 - b. An exercise in mapping all the service plan risks and activities including preparation for inspections across People services that require engagement from the Performance and Systems and Targeted service teams is currently underway. At the end of which a clear picture of resourcing needs that will support their delivery is anticipated and this may require additional resource.
 - c. Investment from the transformation reserve for the Families and Children transformation (FACT) is currently funding pilots in Westbury and Warminster alongside other county wide early help schemes with a view to keeping numbers of children in care and the cost of care low in Wiltshire. The outcome of the pilot will have recommendations and all partners will be asked to consider sustaining the invest to save approach and benefits that early help and prevention agendas bring.
 - d. In February 2023, the government launched a consultation "Stable Homes Built on Love: Implementation Strategy and Consultation" targeted on children's social care reform, funding of £200m over 2 years has been announced at national level however, it is not yet clear how much funding

Wiltshire will receive or, the scope of the reforms. It is assumed that any pressure associated this strategy will be funded by the national funding at this stage however, the view of the ADCS is that this is insufficient.

115. The substantial changes required over the next three years to comply with the Environment Act 2021 continues to be developed, however at this stage there is still insufficient detail from Government to fully evaluate the financial implications and impact on existing and future waste contracts, including long term landfill diversion contracts. The working assumption continues to be that pressures arising from the Act will be covered by Government under New Burdens funding or via new funding streams as part of the proposed schemes.
116. National changes to the operation of the Local Enterprise Partnerships are likely to result in a TUPE transfer of staff, where the new arrangements switch significant responsibilities to Local Authorities. Government have confirmed they will provide some revenue funding to local authorities in 2024/25 to deliver the functions currently delivered by LEPs. Details of this support will be confirmed in due course, and funding beyond 2024/25 will be subject to future Spending Review decisions.
117. Government have deferred the Extended Producer Responsibility (EPR) from October 2024 until October 2025, and at this stage the financial implications are not included in MTFS. The council currently spends £8m per annum collecting and managing packaging waste and depending on the allocation basis of the funding there could be a saving for the Council in future years. The timing for consistency in recycling collections which included mandatory separate food waste collection and free of charge garden waste collection is still unconfirmed and has major implications on the service and financial planning.
118. A pressure of £0.820m has been added into the MTFS from 2024/25. This is the on-going resource requirements to support the continued delivery of the Adults Payment to Provider project, which incorporates the Net to Gross project, the roll out of the Provider Portal and Payments on Account projects as part of the Adult Social Care Transformation Programme. It is being funded during 2023/24 through the transformation reserve. These requests were approved by the Transformation Executive Board in May 2023.
119. A £0.217m pressure has been included under Families & Children services for Care Leavers statutory duty to 25 years as detailed in the service narrative above, as more Care Leavers are receiving support for longer.
120. £0.192m pressure has been added to Legal and Governance for the ongoing pressure in coroners for body removals service.
121. A net saving of £0.095m has been updated in the MTFS for Corporate Levies from the increased income for Renewable Energy Business Rates of £0.500m offset by increases for Pension deficit lump sum payment of £0.205m and the additional cost for funding for Care Leavers Discretionary Council Tax Support Fund of £0.200m.
122. The value of capital spend funded by borrowing that is set within the Capital Programme has a direct impact on revenue as it sets the minimum revenue provision (MRP) charge for the following financial year. For quarter one effort has been focused on reviewing and reprofiling the capital programme to ensure it is realistic

and deliverable. This review is on-going, and the programme finalised for quarter two will be used as a basis to calculate and update the MRP requirement for the 2024/25 budget. This updated programme will also be used to inform decisions on the cashflow forecast and borrowing requirements so that Interest Payable and Interest Receivable can be updated for quarter two. This review will include the financing requirement for Monkton Park which is presenting a pressure in 2023/2024 due to the increase in interest rates.

123. An income budget for £0.635m has been added to Passenger Transport service budget to recognise the Extended Rights to Travel grant income. Fees and charges income streams are showing underachievement at quarter one as reported within the service area variance narrative, most significantly in Waste Recycling, Planning services and Car Parking. Stretch Income budgets were applied for the 2023/24 budget. It is too early to reliably forecast income at this stage of the year, and fees and charges income budgets will therefore be reviewed and updated in quarter two. It should be recognised that this is a risk area and could create further pressure on the 2024/25 and 2025/26 budgets.
124. As part of the quarter one review all savings proposals have been reviewed and risk rated. Savings in Passenger Transport for 2023/24 and 2024/25 totalling £0.590m need to be reprofiled for delivery into 2025/26 to enable the Council to secure £4.2m of Bus Service Improvement Plan PLUS (BSIP PLUS) grant. This funding is to improve, enhance and support Bus services and assist contractors experiencing commercial failure to ensure services are maintained.
125. A key condition of the grant is that the Council cannot reduce its Public Transport budgets in this period. The savings relate to the review, repatterning and reduction of less well used bus services, out of area services and the removal of Saturdays from supported services timetable.
126. In contrast to this the Leisure Centre operations income savings for £1.172m for the change in VAT treatment of some income can be brought forward from 2025/26 to 2023/24 as HMRC have now accepted this position.
127. At quarter one five savings proposals have been highlighted as unable to proceed. A change in Government legislation and guidance means that charging for DIY waste at Household Recycling Centres (HRCs) will no longer be permitted. This impacts directly on the 2022/23 savings target for charging at HRCs phase one of £0.100m and the 2024/25 savings proposals for phase two of charging for £0.600m. There may also be an indirect impact on the saving proposal in 2024/25 for the reduction to HRCs opening hours of £0.200m, as this was in part based on a reduction in demand at HRCs as a result of introducing charging.
128. A saving proposal in Transformation to look at alternative funding options for the Business Insight Hub for £0.391m needs to be reversed as no sustainable options have been identified. For 2023/24 the team will be funded by the Transformation reserve.
129. Within Education and Skills a saving for £0.123m in relation to the second year of a staffing review will not be achieved due to the academisation proposals made in the white paper in December 2022.

130. The above paragraphs set out the progress of the MTFS and impact on the budget gap, and assumptions will continue to be updated as we progress through the budget setting process. The key date above all else is the Council Meeting on 20 February 2024, and prior to that the Cabinet meeting on 6 February 2024 which will set out the Cabinet’s final budget proposals in order to set a balanced budget. Papers will be made available early to allow consultations and scrutiny to take place during January.

Budget 2023/24 Key Timescales:

Activity / Meeting	Date
Cabinet – Draft Budget Proposals published	Early January 2024
Overview & Scrutiny Management Committee	24 January 2024
Statutory consultation with Businesses	January 2023
Cabinet – Final Budget Proposals	6 February 2024
Overview & Scrutiny Management Committee	2 February 2024
Full Council Budget & Council Tax setting	20 February 2024

Overview and Scrutiny Engagement

131. Regular reports are taken to Overview & Scrutiny relating to the Council’s financial position. This report is being considered at the meeting of Financial Planning Task Group on 8 September 2023 and Overview and Scrutiny Management Committee on 26 September 2023.

Safeguarding Implications

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

Public Health Implications

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

Procurement Implications

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

Equalities Impact of the Proposal

135. None have been identified as arising directly from this report. As the MTFS process progresses any savings and mitigations identified to address any budget gap will be supported by relevant equalities impact assessments.

Environmental and Climate Change Considerations

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

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

137. 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.

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

138. Ongoing budget monitoring and management, of which this report forms part of the control environment, is a mitigating process to ensure early identification and action is taken. Risks associated with service delivery and the level of reserves will be raised as and when proposals are brought forward as part of the budget setting process.

Financial Implications – Section 151 Officer Commentary

139. This report is the first report for the 2023/24 financial year and the forecast as at quarter one indicates a broadly balanced budget. This includes an estimate on the pay award for 2023/24, and although the negotiations continue the employers offer can once again be used as the minimum level of cost that will be experienced in the Council's budget. This will be formally reported by services in the Q2 report and is estimated will be £2m over the base budget.
140. Knowing this the council's Extended Leadership Team have acted quickly to formulate mitigation plans to ensure this additional cost is contained. This will be through a mix of staffing saving plans and a use of the reserve prudently set aside at the end of last financial year. The critical point is ensuring a £2m ongoing saving is found before April 2024 will be delivered.
141. As stated in the report the ongoing cost of living crisis has seen the levels of inflation remain stubbornly high. Although there are signs these are now falling, the report clearly demonstrates that the Council is exposed to higher price rises than budgeted, and this has a knock-on effect into later financial years.
142. The MTFs has been updated in light of the ongoing levels of inflation and reflects an increase in the financial gap the Council will have to close in order to balance its budget in future years. This is in the context that this is a relatively smaller gap than in previous years, £7m by 2025/26, and the Council yet again is demonstrating a strong delivery in savings with over 84% being delivered in this financial year and forecasts covering the next 2 financial years showing the vast majority of savings already put forward are on course.
143. There is a significant level of uncertainty and risk contained within this forecast. Whilst officers have worked hard to ensure the significant savings programme of £26m in this financial year is achieved, with % of being delivered high, there is the possibility that further savings not yet delivered fail to be delivered either at all or by their original time frame. In addition, ongoing persistent high inflation, rising service demand and falling income levels could all add further pressure to the current forecast.
144. Therefore, although there are no specific management actions proposed at this time the council's Extended Leadership Team will be ensuring close scrutiny and

challenge of the forecasts with ongoing mitigating actions to ensure the Council remain in a balanced position over the coming months.

145. The deficit on the DSG continues to present a significant risk to the Councils financial future resilience given the uncertainty over the Government's current override, which will end in March 2026.
146. Although the Council has sufficient reserves to cover the cumulative deficit, as forecast in table 16, the annual deficit, which is currently forecast to be circa £10m a year, is unsustainable. The cumulative deficit will have to be made good by other reserves held by the Council and the annual deficit either reduced or covered by other general fund savings to the same value. The Council is working closely with the DFE to address this issue through its Delivering Better Value (DBV) programme.

Legal Implications

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

Workforce Implications

148. If the Council fails to take actions to address in-year forecast shortfalls, overspends or increases in its costs it may need to implement further spend controls, or if the position is deemed critical unplanned service rationalisation may be required. This could impact on the workforce and may include changes to roles or redundancies. Ongoing budget monitoring and management, of which this report forms part of the control environment, is a mitigating process to ensure early identification and action is taken.
149. The pay award for 2023/24 is now expected to be agreed above the amount budgeted for. The Extended Leadership Team have been working proactively to identify permanent staff savings to address the pay award pressure. These proposals will deliver a permanent solution for the 2023/24 pay award pressure in 2024/25 and vacancies are being held where they are able to, to mitigate the pressure in 2023/24 and ensure that the impact on staff is minimised.

Options Considered

150. Budget monitoring forms part of the financial control environment and it is important to provide reporting on all aspects of financial management and performance to Cabinet and the public, including delivery to plans, variances and risks and impacts.

Conclusions

151. The report supports effective decision making, ensures a sound financial control environment and ensures members are updated on the latest position for the budget for 2023/24. This position has informed the proposed budget for 2024/25.

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1 September 2023

Appendices

Appendix A: Revenue Budget Movements
Appendix B: Savings Delivery Targets by Service
Appendix C: Savings Delivery Targets 2023/24 with Significant Risk

Background Papers

The following documents have been relied on in the preparation of this report:

Year End Revenue Financial Outturn Position 2022/23 – Cabinet, 11 July 2023
[Agenda for Cabinet on Tuesday 11 July 2023, 10.00 am | Wiltshire Council](#)

Budget 2023/24 and Medium Term Financial Strategy 2023/24 to 2025/26
[Agenda for Council on Tuesday 21 February 2023, 10.30 am | Wiltshire Council](#)

Appendix A – Revenue Budget Movements

	2023-24 Original Budget	Budget movements approved by CLT Quarter 1	Revised Budget M03
	£m	£m	£m
Corporate Director People			
Adults Services	176.866	0.898	177.764
Public Health	0.862	(0.301)	0.561
Education & Skills	29.269	0.000	29.269
Families & Children Services	64.541	(0.257)	64.284
Corporate Director Resources			
Finance	6.367	0.000	6.367
Pensions	0.000	0.000	0.000
Assets & Commercial Development	16.799	0.422	17.221
Information Services	11.808	0.000	11.808
Commissioning	3.405	(0.657)	2.748
HR&OD	3.573	0.017	3.590
Transformation & Business Change	0.533	0.000	0.533
Corporate Director Place & Environment			
Highways & Transport	40.634	(0.380)	40.254
Economy & Regeneration	2.520	0.000	2.520
Planning	3.396	0.000	3.396
Environment	48.282	0.203	48.485
Leisure Culture & Communities	6.881	(0.301)	6.580
Chief Executive Directorates			
Legal & Governance	9.964	0.204	10.168
Corporate Directors & Members	3.147	0.000	3.147
Corporate			
Movement on Reserves	2.457	0.000	2.457
Finance & Investment Income & Expense	25.043	0.152	25.195
Corporate Costs	4.034	0.000	4.034
Corporate Levies	5.493	0.000	5.493
General Fund Budget	465.874	0.000	465.874
HRA	0.000	0.000	0.000
Total	465.874	0.000	465.874
WC Funding			
General Government Grants	(77.393)	0.000	(77.393)
Council Tax	(339.037)	0.000	(339.037)
Business Rates Retention Scheme	(49.444)	0.000	(49.444)
Total Funding	(465.874)	0.000	(465.874)
Total	0.000	0.000	0.000

Appendix B – Savings Delivery Targets 2023/24 by Service

Directorate	Service	2023/24 Budgeted Savings Target £'m	Blue £'m	Green £'m	Amber £'m	Red £'m
			<i>Fully Achieved</i>	<i>On Track</i>	<i>Some Risk</i>	<i>Significant Risk</i>
Increment Freeze	Increment Freeze	0.454	0.000	0.454	0.000	0.000
Increment Freeze Total		0.454	0.000	0.454	0.000	0.000
Chief Executive	HR&OD	0.231	0.154	0.077	0.000	0.000
	Legal & Governance	0.540	0.154	0.050	0.286	0.050
	Public Health	0.616	0.616	0.000	0.000	0.000
	Transformation & Business Change	0.380	0.374	0.000	0.006	0.000
Chief Executive Total		1.767	1.298	0.127	0.292	0.050
Corporate	Corporate Costs	1.419	0.019	1.400	0.000	0.000
	Capital Financing	3.592	0.000	3.592	0.000	0.000
Corporate Total		5.011	0.019	4.992	0.000	0.000
People	Education & Skills	1.141	0.260	0.643	0.123	0.115
	Families & Children's Services	1.110	0.523	0.450	0.050	0.087
	Adults	6.455	0.110	5.675	0.170	0.500
People Total		8.706	0.893	6.768	0.343	0.702
Place	Car Parking	0.250	0.000	0.000	0.190	0.060
	Economy & Regeneration	0.255	0.000	0.255	0.000	0.000
	Environment	1.159	0.109	0.039	0.711	0.300
	Highways & Transport	3.539	1.708	0.868	0.365	0.598
	Leisure Culture & Communities	1.470	0.000	1.446	0.024	0.000
	Planning	0.057	0.000	0.000	0.057	0.000
Place Total		6.730	1.817	2.608	1.347	0.958
Resources	Assets & Commercial Development	1.886	1.205	0.246	0.057	0.378
	Finance	0.550	0.550	0.000	0.000	0.000
	Information Services	0.629	0.088	0.541	0.000	0.000
	Procurement & Commissioning	0.366	0.366	0.000	0.000	0.000
Resources Total		3.431	2.209	0.787	0.057	0.378
Grand Total		26.099	6.236	15.736	2.039	2.088

Appendix C – Savings Delivery Targets 2023/24 with Significant Risk

Directorate	Service	Head of Service	Budget Challenge - Description of Saving	23/24 Budget £'m	Significant issues £m
Resources	Assets & Commercial Development	Strategic Asset & Facilities Management	County Hall ICB/CCG - extra above budget for CCG	0.065	0.065
Resources	Assets & Commercial Development	Strategic Asset & Facilities Management	Old County Hall 2nd Floor Wing Asda end	0.099	0.099
Resources	Assets & Commercial Development	Strategic Asset & Facilities Management	County Hall AWP	0.214	0.214
Place	Environment	Waste Services	Positive income performance from recycling material sales, in excess of current forecasts - strictly a one off saving for 23/24, as market volatility remains a concern (HIGH RISK).	0.150	0.150
Place	Highways & Transport	Passenger Transport	Charge for temporary bus shelter closures -We are able to charge utilities and other companies when bus shelters are out of commission due to roadworks.	0.020	0.020
Place	Highways & Transport	Passenger Transport	Transfer monies from the government pot to home to school transport budget for Ukrainians - The figure of £180k may change dependent upon the number of Ukraine's in residence. This figure is accurate as at Oct 22	0.180	0.040
Place	Highways & Transport	Passenger Transport	To review and repattern those bus services that are less well used, following a permanent change in travel habits, post covid. WAS 'Services with a £7.00 per passenger subsidy or above - To review and repattern these services in a different way, in order to continue providing some sort of service to most - The general public will not like some of the changes and a proportion would be left with no service'	0.140	0.140
Place	Highways & Transport	Highways Operations	Trowbridge Service delegation (Streetscene, Markets, Burials) assumes in place from 1st April 23	0.364	0.090
Place	Highways & Transport	Passenger Transport	Service bus's carrying out of county / non designated / non-essential shoppers - A reduction / repatterning and in some cases cessation of services that have the least impact upon public transport users - There will be resistance to this from the public, but there will in most cases be a viable alternative. There may be an environmental impact as more cars will be driven to schools.	0.208	0.208
Place	Highways & Transport	Passenger Transport	Remove Saturdays from supported services timetables	0.100	0.100
People	Education & Skills	Helean Hughes	Staff Savings from 22-23 MTFs	0.115	0.115
People	Families & Children's Services	Kat McJanet	PAUSE Co-ordinator	0.025	0.025
People	Families & Children's Services	Tamsin Stone	1x Conference & Reviewing Officer post (CP Chair)	0.062	0.062
People	Adults	Living & Ageing Well	Day Services Utility	0.200	0.200
People	Adults	Living & Ageing Well	Wiltshire Care Home Efficiency	0.300	0.300
Chief Executive	Legal & Governance	Communications	Rationalise Communication roles	0.050	0.050
Place	Environment	Waste	Stretch Income Targets for Place Services	0.150	0.150
Place	Car Parking	Car Parking	Stretch Income Targets for Place Services	0.250	0.060
Total Significant Issues					2.088
Total 2023/24 Budgeted Savings Target					26.099
Significant Issues as a % of total 2023/24 Budgeted Savings Target					8.00%