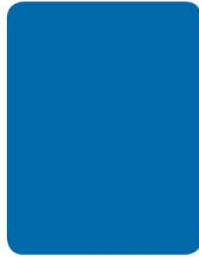
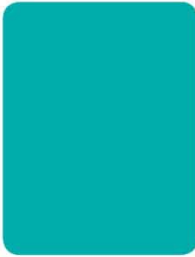


Wiltshire Council

# Financial Plan

## 2012 - 2013



## Foreword – council leader and cabinet

This publication focuses on the second year of our four year Business Plan setting out our financial plan for 2012/13. Our Business Plan 2011-2015 has not changed - it reflects the council's key priorities to continue to invest in our front line services; protect the most vulnerable in our communities; and to make the savings and efficiencies needed to do this.

Last year 2011/12 we focused on delivery and outcomes that had a positive impact on Wiltshire's communities. These included;

- Improving 32% more miles of roads than 2010/11 and filling 11% more potholes
- Protecting over 2,700 jobs
- Increasing our capacity to look after our vulnerable adults by 14% and children by 50 full time equivalent places.
- Rolling out the new waste and recycling service
- Opening three new family resource centres in Trowbridge, Devizes and Salisbury
- Opening a new library in Pewsey and keeping all our libraries, including the mobile libraries, open and with the

help of over 600 volunteers keeping some open for longer hours

- Opening new state of the art extra care homes; Florence court in Trowbridge
- Opening Wellington Academy in Tidworth

In 2012/13 our funding from central government will be reduced by a further £3.2 million.

This reduction is slightly less than we had predicted. This is due to receiving a one-off grant from government, and as a result of more homes being built in Wiltshire.

We have also seen a higher than predicted increase in our costs of £29.4 million. This is more than we originally thought and is due to growth in demand for our services, particularly those who are most vulnerable; our ageing population and children's services, as well as inflation. We propose to continue to invest money in adult and children and families services, and to allocate £9.7 million and £4.9 million, respectively into these services.

We did not take on this leadership role to cut services and, we have not been afraid to make tough decisions to do what we believe is right for the people of Wiltshire.

Our proposals to deliver a balanced budget for 2012/13 do not include stopping any front line services. We will, however, focus on removing waste and inefficiencies in all our service areas and we will continue to improve how we purchase goods and services. We know the level of public sector funding will remain tight and we will continue to explore innovative solutions to maintain low council tax and to improve the economy of Wiltshire. 2012 will see two national, once in a lifetime events that will directly impact on Wiltshire. We will use these events as an opportunity to reinvigorate our local economy and showcase our county nationally and internationally.

In the next three years (2012-15) we are proposing to invest £349.8 million in our local infrastructure and services and to help support local businesses and jobs. This will include;

- £41.3 million to build new affordable homes and improve the council's social housing
- £35.7 million to deliver three new campus models
- £56.1 million into roads and highways.

We will ensure that local suppliers are invited to tender for this work.

As a result of sound financial planning we are proposing to freeze Council Tax for 2012/13 at the same level as 2010/11 and to freeze most of our fees and charges.

We have achieved this in a time of continuing economic uncertainty. By making tough decisions and adopting a robust approach to managing our finances we have ensured that our commitment to invest and improve will help to strengthen our local communities. We fundamentally believe in doing what is best for the people of Wiltshire. At a time when other local authorities are making cuts, we are investing and improving our services and increasing our support for local communities.

### **Wiltshire Council**

### **Cabinet**

*Municipal Journal's  
Most Effective  
Political Team of the  
Year 2011*



## Contents

- 1 [Executive Summary](#)
- 2 [Progress against our Business Plan](#)
- 3 [Context & updating of our Financial Plan](#)
- 4 [2012/13 plans to reprioritise our spending](#)
- 5 [Our investment in sustaining Wiltshire – revenue & capital](#)
- 6 [2012/13 Fees and Charges](#)
- 7 [Working with our schools](#)
- 8 [Our Housing Revenue Account](#)
- 9 [Our capital programme](#)
- 10 [Ensuring Success](#)

## Appendices

- [Appendix A – Financial Plan Summary](#)
- [Appendix B – Service base budgets 2012/13](#)
- [Appendix C – Detailed saving proposals](#)
- [Appendix D – Assumptions underlying out plan](#)
- [Appendix E – 2012-15 Capital programme](#)
- [Appendix F – HRA](#)

## 1 Executive Summary

### 1.1 Delivering our Business Plan

Last year following consultation and feedback from local residents and businesses, we published a detailed four-year Business Plan to deliver transformation and improvement in Wiltshire.

In the last 12 months we have made a lot of progress and started to deliver this transformation. This includes;

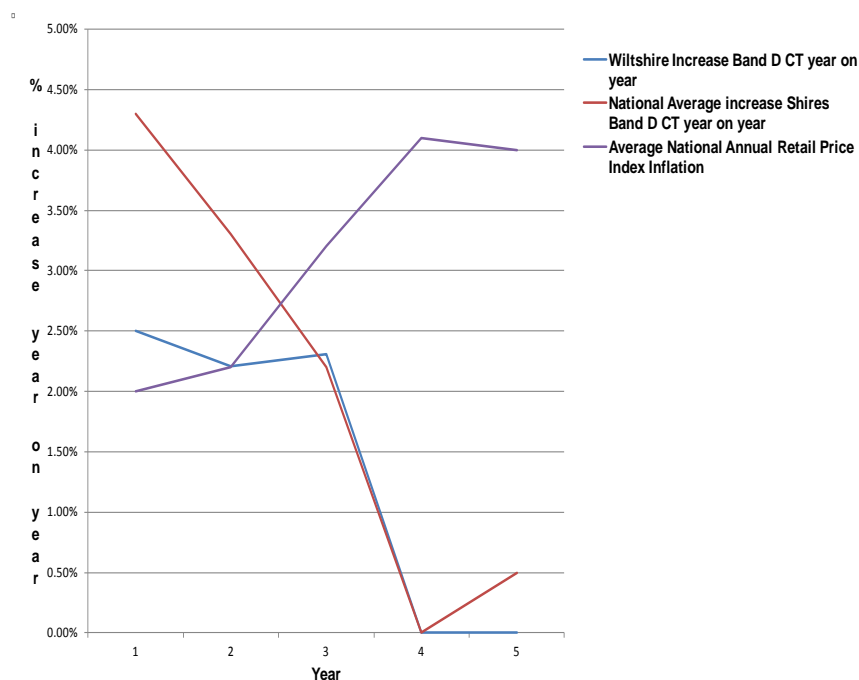
- Building, with our partners, 450 new affordable homes
- Protecting over 2,700 jobs through working with local businesses.
- 32% more miles of roads resurfaced than in 2010/11 and 11% more potholes repaired.
- GCSE results have improved by 4.5%.
- Being selected as a government pilot area for superfast broadband; allocated £4.5 million funding.

Over the last 12 months we have continued to listen to our local communities and appraise changes happening locally and nationally. As a result, we feel that our Business Plan is focused on the right priorities and outcomes and we have, therefore, not made any changes.

We recognise that our Financial Plan needs to be updated to reflect some of the changes that we are seeing as a result of the continued national economic position. In particular, our vulnerable elderly and children population continues to increase. However, we remain committed to supporting the most vulnerable in our community and prioritising these services.

To help balance the investment with the need to make savings, we have also looked at managing our cash flow. Our plans to invest in areas, where we have either secured funding, as in the case of Broadband; or where we have delivered savings or adopted an innovative approach to delivering the service, means we need to invest less in 2012/13 than we had originally forecast. An example is the investment in children's residential care.

As a result, we have updated our Financial Plan to reflect these changes, and we will deliver on our promise that for 2012/13 Council Tax will again remain the same as 2010/1. This means that in the last five years, Wiltshire residents have had one of the lowest national increases in Council Tax. The average increase is 4.5% compared to an average national inflation for the same period of nearly 14%. That is a saving of nearly £110 a year.



## 1.2 Updating our Financial Plan

Wiltshire Council’s first four year Business and Financial Plans was approved by Council in February 2011. Since then we have been delivering actions and continually challenging and reviewing the plans and proposals for later years. As a result, there have been a number of changes to some assumptions and, as a result, we have amended the Financial Plan.

This year (2011/12) we are on track to deliver a balanced budget. 98 per cent of our planned savings will be delivered and the remainder will be found from new grants or alternative proposals that have been brought forward during the year.

## 1.3 Reprioritising where we spend

Overall our funding in 2012/13 will be reduced by £3.2 million. This is £10.1 million better than we originally forecast in February 2011. This is due to;

- A one off £5.5 million new government grant; the Council Tax freeze grant
- That we have built more homes than originally budgeted for in Wiltshire. This means that we have received

£3 million more New Homes Bonus and Affordable Homes Grant, plus more Council Tax, and;

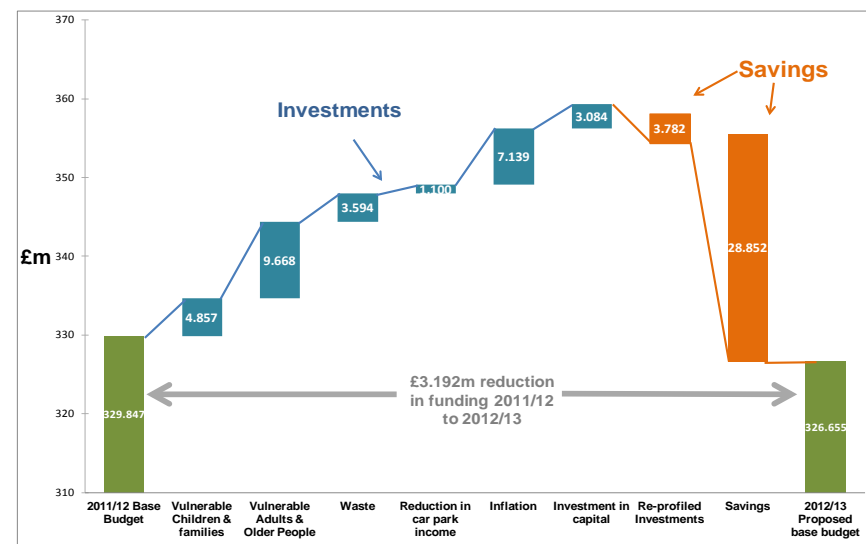
- £1.6 million Council Tax was collected above the projected figure, as levels of debt and non payment were lower than expected.

However, we now face higher costs than we forecast this time last year, in particular:

- £4.668 million more for investment in protecting vulnerable adults; and,
- £7.139 million more for the above forecast inflationary increases in the price we pay for goods and services.

At the same time we have been identifying ways to reprioritise our funding into our key services. To do this, we have needed to find £32.634 million of savings. As a result of better than forecast grants income this is £3.6 million less than we forecast in February 2011.

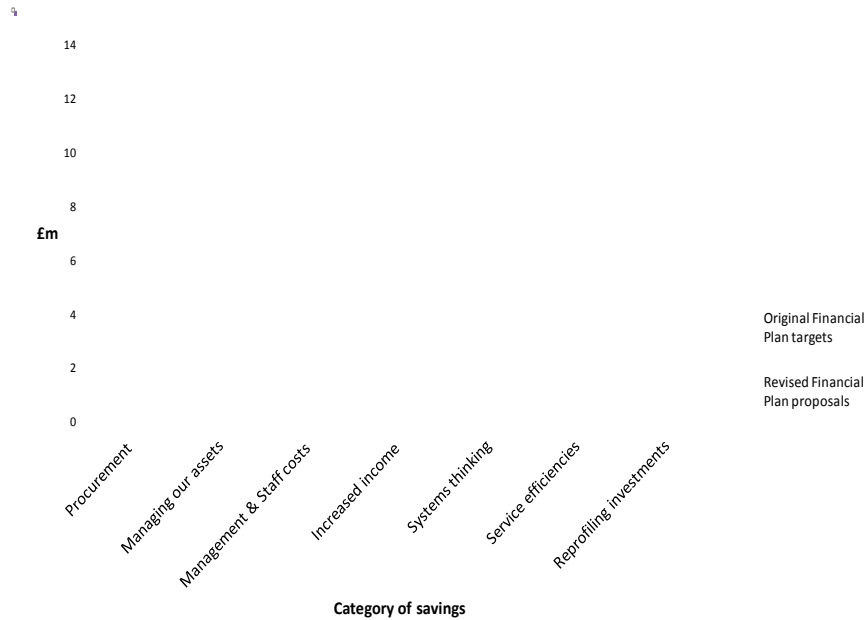
To help we have looked at our profiled cash flow for our previously proposed investments and sought to make efficiencies by changing the profile of spend for 2013/14.



£32.634 million of savings, including re-profiling of investments have come from seven main areas;

Saving / Income	£m
1. Procurement	4.757
2. Service efficiencies	11.723
3. Systems Thinking	10.494
4. Better management of our assets	0.830
5. Income and capital	0.648
6. Management	0.400
7. Re-profiling investments	3.782
<b>Total</b>	<b>32.634</b>

The detailed proposals are set out at [Section 3.2](#). These have changed slightly from our original plans but remain broadly in line with our initial targets:

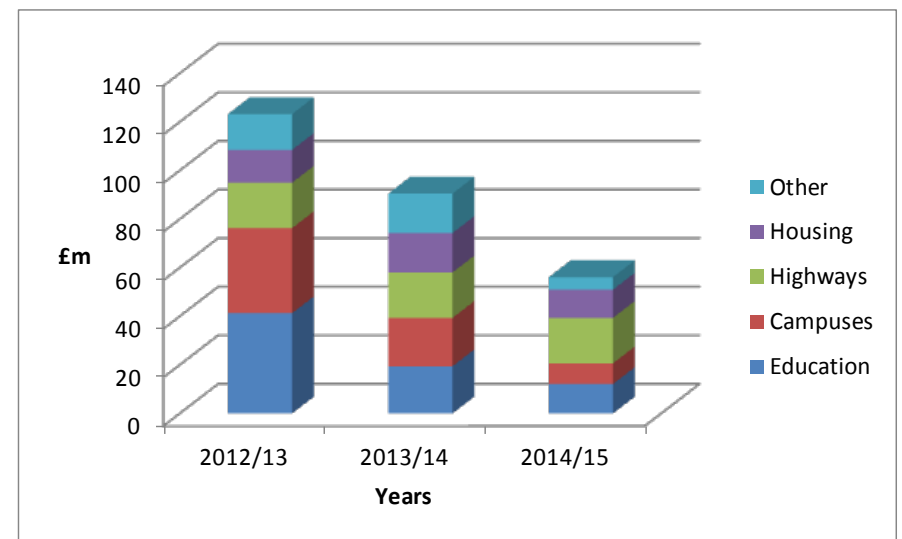


#### 1.4 Investing in Wiltshire – revenue and capital spend

Our Business and Financial Plans focus on investment in Wiltshire. In line with our Business Plan priorities we are investing in infrastructure, in particular in areas that the residents and businesses have told us were most important to

them. This includes more affordable homes and roads maintenance and repairs.

In the next 3 years we will spend over £273 million in Wiltshire. We are also working to ensure that this spend, wherever possible, is retained in Wiltshire with local businesses delivering the work, and contractors spending more in local shops. Our capital investment over the period of our Business Plan 2011-15 is shown in the following graph:



We will continue to meet our Business Plan promise to invest and redirect our resources into key services; in particular protecting the most vulnerable children and adults; plus reducing the waste collected being sent to landfill.

This was a commitment we made in our Business Plan in February 2011 but since then we have seen the demand rise for services, particularly for the vulnerable. With changes planned such as Universal Credit we anticipate that this will continue.

That is why we are investing £9.688 million more in adult social care services and £4.857 million more in vulnerable children and families services in 2012/13.

## **1.5 Fees and charges**

We know that the current economic climate is affecting people's disposable income. In response to this we are proposing to freeze the majority of our fees and charges at 2011/12 prices. It will, therefore, cost the same to swim or obtain a taxi licence in 2012/13 as it does now (2011/12).

We are subsidising the increased inflationary cost of these services by finding savings and efficiencies in these service areas. In some cases, we have reduced fees below 2011/12 prices.

## **1.6 Schools**

The funding for schools is currently allocated to the council for it to reallocate to schools through a mixture of local and national formulas. Overall Wiltshire's funding allocation remains below the national average in terms of spend per pupil. The total estimated Dedicated School Grant for 2012/13 is £293,760 million before adjustment for the impact of academies (£293,255 million in 2011/12).

We have also seen a reduction in capital monies to maintain and refurbish our schools in 2012/13. We are working with schools to request more money and a fairer deal for Wiltshire.

## 1.7 Social Housing

The changes introduced by central government to the way we fund our social housing stock means we have greater freedom to carry out more improvements in these houses.

Over the next 20 years we will be investing around £185 million, of which approximately £55 million will be spent in the next five years; that is £35 million more than we would have been able to spend.

We are consulting with tenants on how this money is best prioritised to deliver the most effective improvements.

Our ability to set the annual rent is dictated to by a long held central government formula. That has not been adjusted and as such the formula requires we increase rents by 6.4 per cent in 2012/13. However, we do have control over all the other social housing charges; such as garages. We are proposing that all other fees are frozen at 2011/12 prices.

## 1.8 Capital Programme

In 2012/13 we are planning to spend £123 million on new and existing projects to strengthen and improve Wiltshire's infrastructure. The key areas of spend are affordable housing; schools; roads and highways and campus service delivery hubs, which will bring our services together in each community.

We have approved the first three campus hubs in Corsham, Melksham and Salisbury. We will fund this programme from a mixture of grants, receipts and borrowings.

## 1.9 Ensuring success

We have strong governance, programme management and processes for challenging what we do and how we reduce waste and inefficiencies in our service delivery. We have a good track record as a result of delivering on our promises and reprioritising our funding to ensure we balance our budget.

We have improved the openness and transparency of our budget monitoring and we continue to strengthen our financial controls. This will continue in 2012/13 and beyond.

## 2 Progress against our Business Plan

### 2.1 What did we say we would deliver?

Last year following consultation with our residents and businesses we published a four year Business Plan (2011-15) to deliver transformation and improvement in Wiltshire. Our vision is to create stronger and more resilient communities. Our goals which underpin this vision are;

- To provide high quality, low cost customer focused services
- To prioritise local issues
- To be open and honest in all our decision making; and,
- To work with our partners to support Wiltshire's communities.

To deliver this vision, the plan includes key targets and outcomes;

- Providing, with our partners, 1,800 new affordable homes
- Help to create 6,000 more jobs in Wiltshire
- Reduce the road maintenance backlog by 10 per cent
- Provide services to 14 per cent more vulnerable adults
- Increase the level of waste recycled to 50 per cent
- 85 per cent of Wiltshire to be covered by superfast broadband.

### 2.2 What have we delivered in the last 12 months?

Since our Business Plan was approved in February 2011, we have been working hard to deliver change, improvements and targets. In the last 12 months we have delivered;

- 450 new affordable homes built with our partners, and 270 more begun to be built in January 2012 as a result of a £53 million Private Finance Initiative (PFI).
- Working with local businesses, creating over 2,700 jobs
- 32 per cent more miles of road resurfaced than in 2010/11 and 11% more pothole repairs undertaken in the same period.
- Providing an additional 349 adults with support services, in line with our 14 per cent target.
- GCSE results improved by 4.5 per cent.
- Being chosen as a government pilot area for superfast broadband, and obtaining £4.5 million of external funding to support our £16 million investment.

## 2.3 Updating the Business Plan

Over the last twelve months we have continued to talk and listen to our local communities at our eighteen area boards and local events about what the future holds and what the needs are for Wiltshire in the future. We have also considered the changes that are happening both locally and nationally.

As a result, we are confident that our Business Plan reflects the key priorities and outcomes and therefore does not need to be amended or updated.

However, we have identified that our Financial Plan needs to be updated to reflect some of the changes we are seeing as a result of the continued national and local economic position.

As a result, we have updated our Financial Plan to reflect these changes. These are set out in this plan.

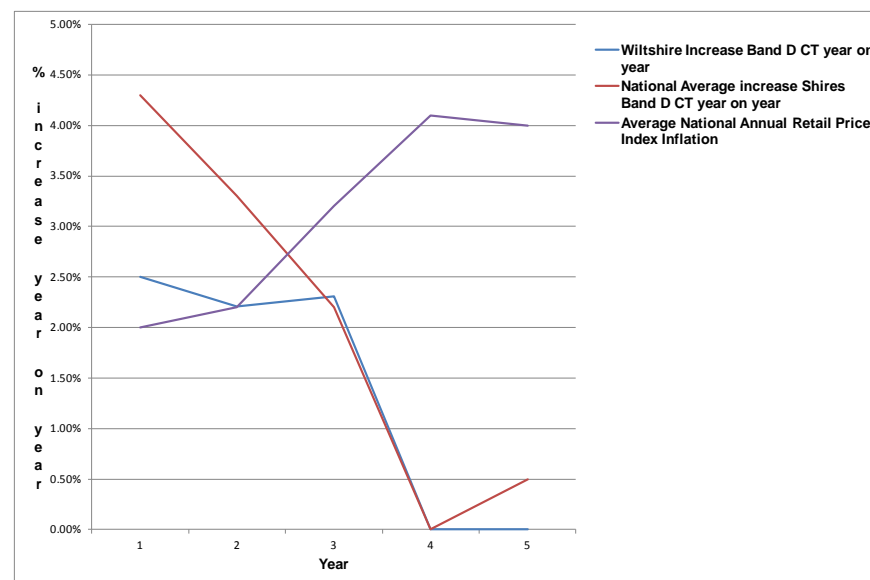
## 2.4 2012/13 Council Tax

The Financial Plan approved by Council in February 2011 set out a promise to freeze Council Tax for two years at the 2010/11 level. For Band D properties that is £1,222.43.

Whilst we have made changes to the Financial Plan our commitment to freeze Council Tax in 2012/13 will be delivered.

In the last five years Wiltshire residents have had one of the lowest national increases in Council Tax. Our level is £262 a year less than the national average for English shire areas.

Since 2008/09, to and including 2012/13, allowing for the former districts and county councils, the average increase in Council Tax for Wiltshire is 4.5 per cent. In comparison, the average national Retail Price Index (RPI) of inflation for the same period is nearly 14 per cent. The saving to the residents of Wiltshire is nearly £110 a year.



### 3 Updating the Financial Plan

#### 3.1 What is happening to Wiltshire’s funding?

As a council we receive just over two thirds of our money from Council Tax and the other third from Central Government.

We have taken the decision to freeze Council Tax at 2010/11 levels for the first two years of our plan. This means our residents saw no increase in their Council Tax bills in 2011/12 and the same will happen again in 2012/13.

We do forecast some increase due the number of new properties built in Wiltshire.

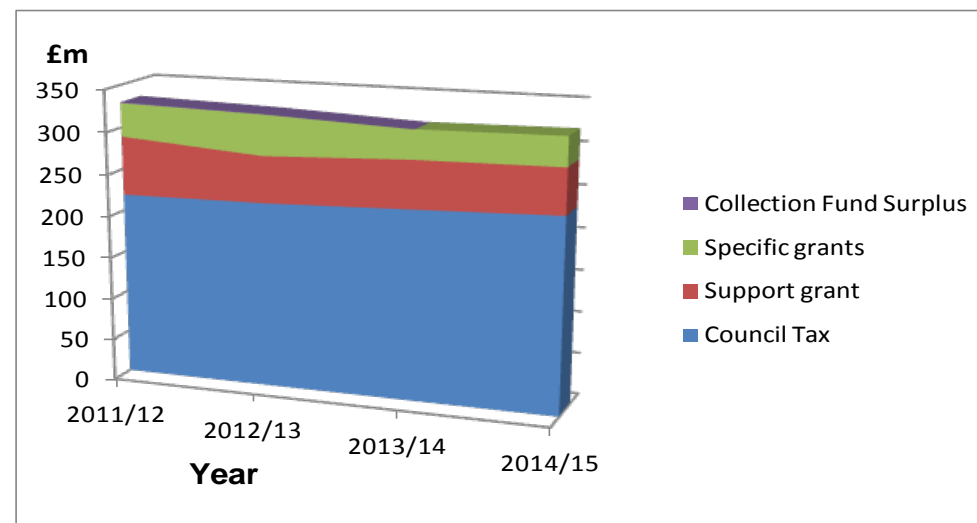
In 2013/14 and 2014/15 we are also forecasting an increase of 2.5 per cent increase in Council Tax each year. Although, we will work hard to see if this can be reduced.

Our funding from central government is being reduced, as it continues to address the level of national borrowing, by reducing funding to the public sector.

In 2010 the Chancellor announced a four year Comprehensive Spending Plan that reduced local government funding over the period by 28.4 per cent.

For Wiltshire this means our funds from government will reduce in cash terms, after including the Council Tax Freeze Grants, by £5.978 million in 2012/13 and by £23.689 million in the next three years.

This is shown as follows;



	2011/12 £m	Changes year on year			Change 2011/12 to 2014/15 £m
		2012/13 £m	2013/14 £m	2014/15 £m	
<b>Council Tax</b>	219.179	2.091	6.403	6.590	15.084
<b>Government Grant</b>	109.668	<b>-5.978</b>	-14.151	-3.560	<b>-23.689</b>
<b>Collection Fund Surplus</b>	1.000	0.695	-1.000	0.000	-0.305
<b>Overall change</b>	<b>329.847</b>	<b>-3.192</b>	<b>-8.748</b>	<b>3.030</b>	<b>-8.910</b>

In February 2011, we reported that we expected a £13.3 million decrease in government funding.

However, the actual decrease is £3.2 million, which is £10.1million better than we originally forecast. This is due to new government grants;

- A one off £5.5 million Council Tax freeze grant
- The fact we have built more homes in Wiltshire which means we have received £2.9 million more New Homes Bonus, plus Council Tax; and
- Our Council Tax Collection is high despite economic times providing another £1.7 million of Collection Fund Surplus.

### 3.2 Comparison with other local authorities

Our financial challenge is made tougher as;

- Wiltshire receives an average of £228.44 in government grant per head of population, £95.97 less than the English rural average of £324.41
- The population of the county aged 65 plus is 14 per cent higher than the national average (rising to 18 per cent by 2015) and predicted to grow faster than most other authorities
- The population of the County aged 85 plus is 16 per cent higher than the national average (rising to 20 per cent by 2015). This means there is a need to invest £7.607 million in older people and mental health services for vulnerable adults next year
- We continue to have a growing need for support for other vulnerable adults, including those with a learning disability, physical impairment or mental health needs, including care packages passed to the authority by the Ministry of Justice. Resulting in a need to invest a further £2.439 million next year

- Our level of need/support for vulnerable families and individuals has increased due to factors such as the recent economic downturn. Resulting in a need to invest a net £3.850 million more next year
- Funding for schools is £407 per head less than the national average
- We have delivered over £32 million of savings in the last 12 months
- The rate of inflation is around 5.5 per cent, resulting in unfunded price pressures
- Our predicted 10 year need for affordable social housing is over 3,800; the median house price in Wiltshire is 8.5 per cent higher than the South West median and 12.6 per cent above the national average.

Overall we have identified a need to invest and re-direct £29.442 million of funding in 2012/13 to ensure we meet these pressures and expectations to provide for new demand and maintain our key services.

<b>Investment</b>	<b>2012/13 £m</b>
Vulnerable Children & Children	4.857
Older People	5.541
Vulnerable Adults	4.127
Waste (inc. fleet costs)	3.594
Inflation	7.139
Car Parking income reduction	1.100
Investment in capital	3.084
<b>Total</b>	<b>29.442</b>

To help manage our costs and prevent the need to reduce services, we have taken difficult decisions around staff pay. There has been a national pay freeze and we have negotiated a local agreement to not award any incremental increase in pay. We have also harmonised the pay of staff in our leisure, we and highways services. This will deliver savings that will be recouped by 2015/16, the cost of this inflation (£0.644 million) will be realised in 2012/13.

### 3.3 Delivering the 2011/12 budget

Last February 2011 Council approved a base net revenue budget of £329.847million.

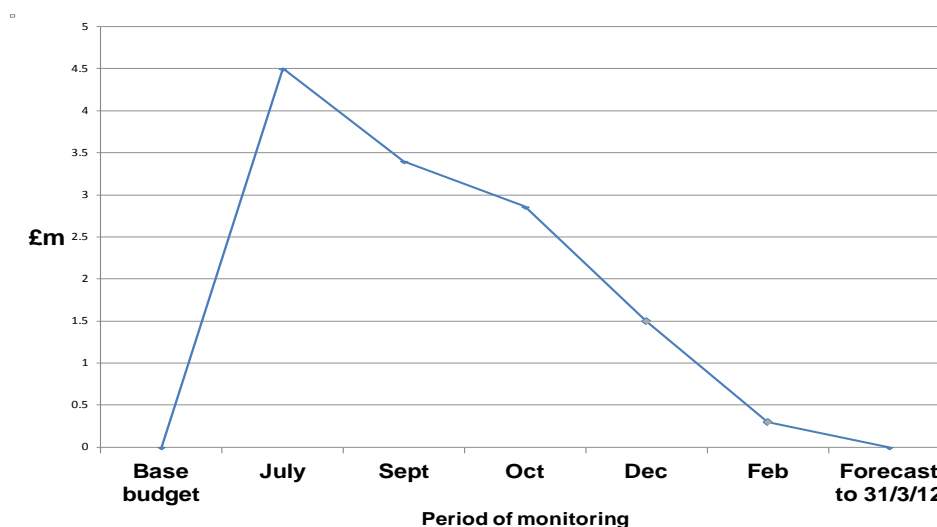
This budget has been monitored throughout the year, paying particular attention to the delivery of the £31 million of savings agreed as part of the budget.

This monitoring identified a number of areas for attention as a £4 million overspend was projected in July ([July link](#)).

The leadership team has been addressing the projected gap and we are on target to deliver 98 per cent of the savings.

Where savings have since been identified as not deliverable due to changes in circumstances, new savings have been found, and use has been made of grants. A balanced budget is forecast for the year end ([Dec Link](#)).

The movement during the year has been;



A major factor in the variation in the 2011/12 budget has been the uncertainty over income arising as a result of the economic downturn.

The most affected service was car parking and a decision was taken in November to reduce some charges and freeze these for two years. We have carried out more due diligence of our forecasts and for 2012/13, as set out later on in this report, income for many of our services has been frozen at 2011/12 prices. As such we do not anticipate income will have as big a variation on our budget forecasts in 2012/13.

Our Housing Revenue Account (HRA) is also forecast to be in line with the planned budget. Whilst work continues as planned, changes to how the HRA is funded means that we have the opportunity to carry out more work from 2012/13. This has gone some way to reducing costs in 2011/12 whilst we await the changes.

Our Capital Programme was revised in November to reflect more realistic profiling of spend on new programmes such as schools and campuses. Other factors such as delays in government grant or planning has meant that the timing for implementation of the programme was changing and we were reporting large under spends.

The latest position forecasts ([Cabinet Capital Asset Committee paper](#)) a balanced position with little slippage following improved profiling.

This re-profiling means we have had to borrow less and as a result an additional £1.5 million will be saved in our revenue spend.

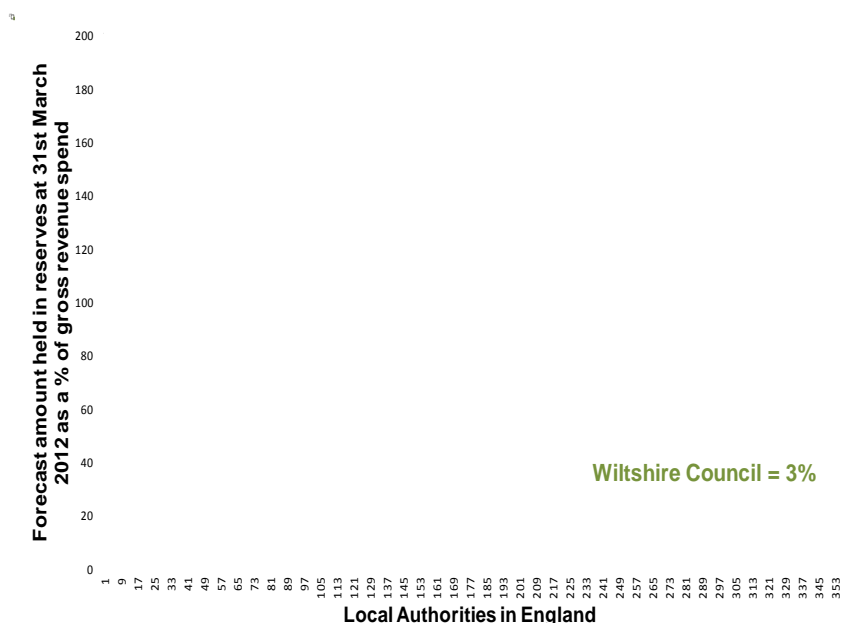
### 3.4 Reserves

The council is forecasting it will hold £11.6 million in its General Fund reserves at 31<sup>st</sup> March 2012.

That is £2.6 million better than the assumed level in the original Financial Plan. This improvement has come as a result of sound financial management as we have delivered 98 per cent of the savings planned, plus new savings delivered this year means there was no need to draw from reserves.

As a result, the level of the General Fund reserve for 2012/13 is in line with the minimum level recommended by the council's Director of Finance and there will be no further draw from this reserve.

Wiltshire has adopted a prudent yet reasonable approach to the level of reserves it maintains. Our focus is to spend your money on providing efficient services and managing that spend tightly, not building up more than is needed in reserves. A recent announcement by the coalition government reflects this approach with Wiltshire holding the second lowest level of reserves compared to our gross revenue spend.



### 3.5 Updated Financial Plan

Wiltshire Council has been working hard to manage within its means and deliver a balanced budget. Our focus has been on;

- Re-directing our funding to the areas of greatest need; we are investing more to provide for vulnerable children and adults, and to help communities do more to help themselves

- Developing saving proposals in cross cutting themes rather than silo areas, to enable the re-direction of funds to meet the reduction in our income
- Challenging all our budgets, carrying out due diligence on our assumptions and plans for the future
- Beginning to review the current and future costs of services and the drivers of those costs

Our process of updating our Financial Plan to deliver a balanced budget was based on;

- 1 Testing and confirming the priorities set out in our four year business plan. We concluded that the direction set out within that plan was sound.
- 2 We then assessed the pressures faced to deliver the Business Plan due to changes, including the increase in the number of older people and vulnerable children entering the system of care, above what we originally forecast. As well as the impact of higher than forecast inflation.

- 3 We then looked at our long term saving proposals, the cost of our services and where we could find more efficiency. These were challenged by senior management and cabinet, before the Financial Plan was agreed in this format.

3

This is set out in the diagram.

Financial Plan

### 3.6 Changes to the Financial Plan for 2012/13

As a result of new government funding and challenging the Financial Plan agreed by Council in February 2011, we have proposed the following amendments:

	Original Financial Plan £m	Proposed 2012/13 Plan £m	Difference £m
<b>2011/12 Net Base budget</b>	<b>329.847</b>	<b>329.847</b>	<b>0.000</b>
<b>Investment</b>			
Our communities & priority services	5.138	5.424	0.286
Protecting Vulnerable People	5.071	13.795	8.724
Cost pressures: inflation & redundancies	14.454	10.223	-4.231
<b>Sub Total</b>	<b>24.663</b>	<b>29.442</b>	<b>4.779</b>
<b>Savings</b>			
Commissioning and Procurement	8.000	4.757	-3.243
Workplace Transformation	0.250	0.830	0.580
People: recruitment/policies/costs	3.000	0.000	-3.000
Management review	0.100	0.400	0.300
Increased income above inflation	1.400	0.648	-0.752
Systems thinking cross cutting transformation reviews	13.598	10.494	-3.104
Service efficiency reviews	9.915	11.723	1.808
Re-profiling of investments	0.000	3.782	3.782
<b>Sub Total</b>	<b>36.263</b>	<b>32.634</b>	<b>-3.629</b>
<b>Net requirement 2012/13 budget / Funding Available</b>	<b>318.247</b>	<b>326.655</b>	<b>8.408</b>

Overall the Financial Plan remains broadly in line with our assumptions 12 months ago. The key changes are;

- We will receive £8.408 million more income than we forecast due mainly to a £5.479 million one-off Council Tax freeze grant for 2012/13; in addition the number of Council Tax properties has increased above our forecast estimated to bring in £0.9million of additional tax monies. In addition, £1.6 million more Council Tax has been collected than forecast due to better than projected payment rates.
- The additional money has meant we have had to find slightly less (£3.6 million) savings; £32,634 million compared with a target of £36,263 million. Although our cost base has increased due mainly to a continued greater than forecast increase in vulnerable adults and children requiring care, as well as inflation.
- Our profile of savings has changed to reflect a lower target for procurement. The original forecast included savings from schools and capital spend. Whilst these savings will be delivered, they do not affect the calculation of Council Tax. Greater savings have been found from service efficiencies.

### 3.7 Assumptions for 2013-16

In setting a four year financial plan for 2011-15 we took account of the coalition government's Comprehensive Spending Review announcement in October 2010 that planned a 28 per cent reduction in our central government grant funds over that period.

Subsequent announcements identified that the majority of this reduction was in the first two years [section 3.1](#) of this update. Since then, the new grants that have been issued have helped with the reduction in funding.

Looking forward there are two key events that we know will impact significantly on Wiltshire Council's funding in the next three years;

- A new funding formula will be announced in the autumn/winter 2012; and,
- There will be a national election by May 2015.

In relation to the new funding formula the current Secretary of State for Communities and Local Government has announced that the changes will mean no council is worse off.

At this stage we have made no further changes to our assumed longer term Financial Plan (2013-15) other than to amend it for changes noted in this update.

In respect of extending the plan to cover 2015/16 we have taken the decision not to do this until the funding formula is announced and we can assess the impact a national election may have on subsequent years.

The updated Financial Plan with changes for 2012/13 is set out at [Appendix A](#) to this updated Plan.

## 4 Reprioritising what we spend

### 4.1 Making savings and reprioritising spend

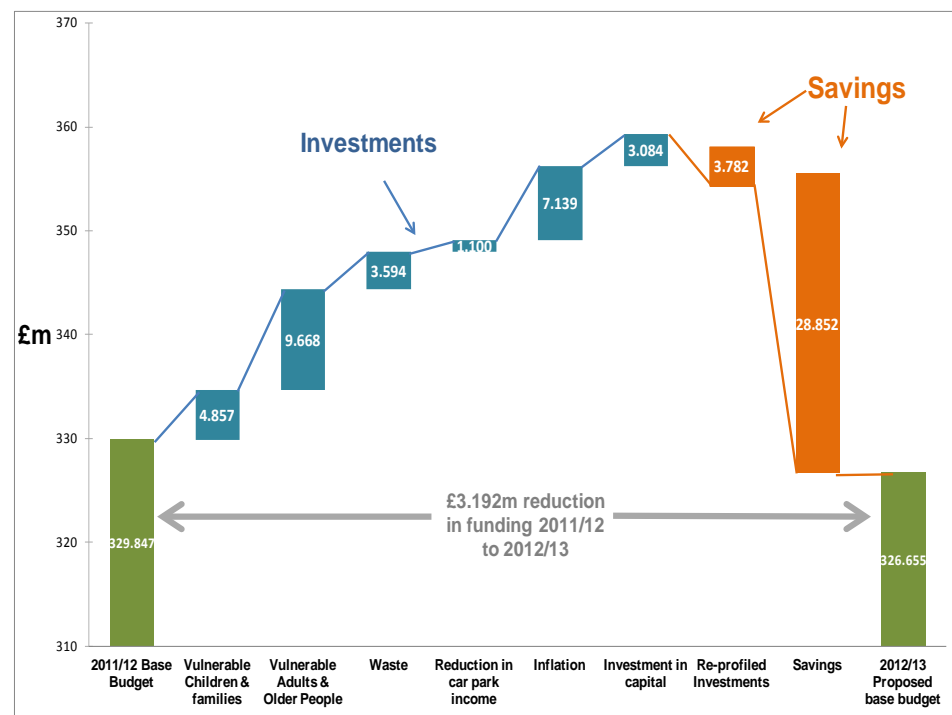
As set out at [Section 2.1](#) of this report we estimate our overall income from Council Tax and Government Grant will reduce by a net £3.2 million in 2012/13.

This is better than we planned in February 2011. This is largely due to one off unringfenced grant funds (Council Tax Freeze).

In addition, we have sought to challenge all of our planned investment and we now feel that some of this spending can be re-profiled without impacting on our Business Plan.

We needed to do this as we have identified higher costs than we forecast back in February 2011 due to higher prices arising from the current high rates of inflation and a greater demand for our care services (set out in more detail at [Section 4.4](#)).

Our savings target overall, despite this, remains high at £32.634 million. This is because we face continued growth in our costs and we are reprioritising where we invest and spend your money to meet the services Wiltshire requires to deliver sustainable communities. The changes between 2011/12 and 2012/13 are:



Prior to the government changes to local authority spending in 2011, we were funded from over one hundred different specific ring fenced grants. This meant that much of our spending was dictated by central government.

The formula however to distribute those monies was not reflective of our need. A fact recognised by the proposed changes to the way we will receive future government funds.

One of the key issues was allocations for older people were weighted lower. Yet we have one of the highest growing over 65 year old populations in the country. In addition, the extra spend often needed to sustain rural services from fuel costs, to bus services and broadband development, was not fully provided for.

With the changes to government funding and the lifting of restrictions and burdens on how we spend your money, we are now starting to reprioritise our spending to those areas of greatest need, such as protecting vulnerable adults and children.

But we have to remain within budget.

Therefore what we have been doing in recent years is finding more savings from lower priority areas and efficiencies to fund the gap in our overall money, and more importantly reprioritise spending where you tell us you want/need it.

#### 4.2 How are we delivering our savings?

Overall we need to identify £28.852 million of savings to deliver services within our available funds. We calculated this as follows:

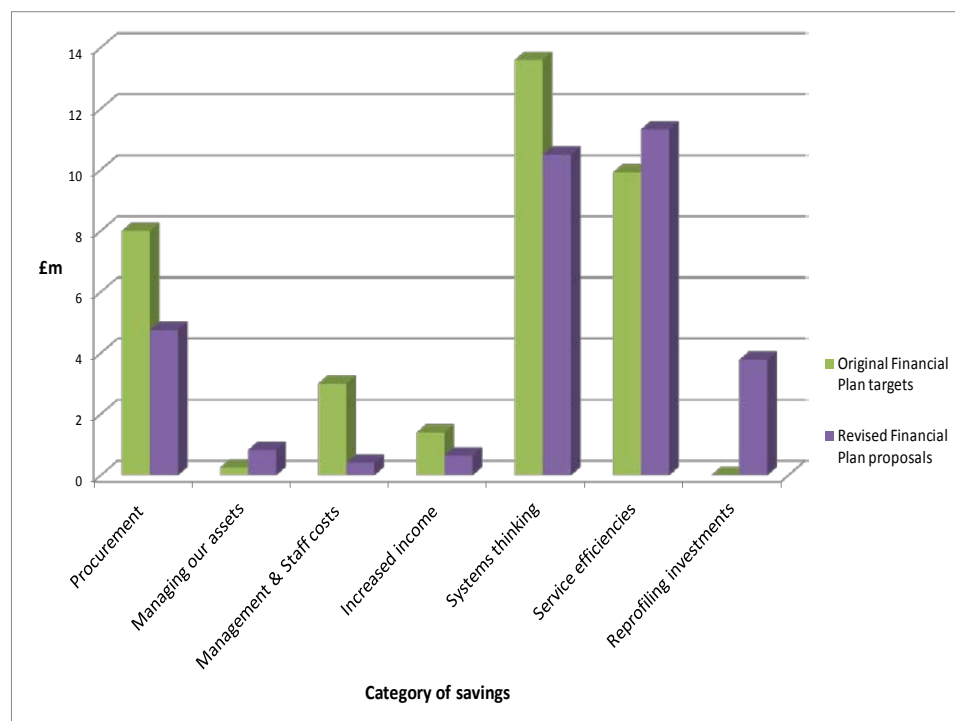
	£m
2011/12 Base budget	329.847
<b>Plus</b>	
Investments net of re-profiling (£29.442m - £3.782m)	25.660
Total requirement without savings	355.507
<b>Less</b>	
Funding available	<b>326.655</b>
Savings required =	<b>28.852</b>

We set out our plans to deliver savings in the four year Financial Plan in February 2011. The savings are in six categories;

- Procurement
- Systems Thinking and Service Efficiencies
- Management cuts
- Assets
- Income

In 2011/12 we identified £31 million of savings through this process, with £4.6 million of proposals agreed for 2012/13.

For the remaining savings we set targets for where these would be found and since February 2011 we have been working hard to identify the remaining £24.6 million (£28.9 million less £4.3 million in the six categories. As a result of this work we have revised some of the targets within the original plan as follows;

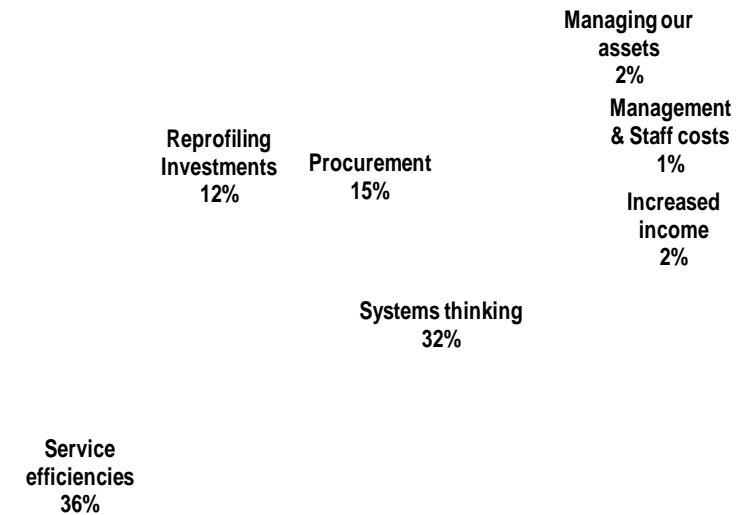


The main changes are in relation to;

- Procurement (-£3.2 million) - The original forecast included savings from schools and capital spend. Whilst these savings will be delivered they do not affect the calculation of council tax.
- Managing our assets (+£0.6m) - We are proposing closing more buildings sooner due to the success of our IT and flexible working policies.
- Management and staff costs (-£2.6m) - We have secured £3.1 million of savings from renegotiating staff terms and conditions. These have been accounted for in 2011/12. The remainder of the planned savings have been included in service efficiency reviews.
- Income (-£2.8m) - This is to reflect the economic downturn and the volatility of our price increases on usage and take-up of our services..

- **Systems Thinking and Service Efficiencies (-£3.1 million and +£1.8 million)** - Our experience has shown that cross cutting reviews can take longer to deliver savings. We have invested in training over 200 managers and staff on systems thinking. The benefits of that investment have resulted in an increased level of service efficiencies year on year which will compensate for the shortfall on the original savings target for systems thinking.
- **Re-profiling of investments (+£3.8 million)** - Investments such as redundancy reserves are no longer needed in 2012/13 as these can now be funded from other sources. The investments planned in the original Finance Plan can therefore be reduced or moved to later years.

The 3 main areas of savings are;



The saving proposals have been assessed and advice has been sought from HR, Finance, Legal and Performance & Risk to ensure they all are deliverable. They are set out in the following sections and in more detail at Appendix C.

### 4.3 Delivering the procurement savings

Over recent years we have saved a lot of money through better commissioning and procurement, and we are continuing to improve our contract management. In the last 12 months we have delivered over £6 million of savings and strengthened our contracts register, governance and procedures.

In our Financial Plan we identified an initial target to deliver £36 million of savings from procurement by 2015. The first year has shown that whilst significant savings can be found not all will come from our General Fund. In 2012/13 we have identified savings from better procurement of goods and supplies funded by the HRA, our capital programme and schools grant. We have also found that when you identify a saving as that of corporate procurement it can adversely deflect ownership of the savings target from service areas. As a result, we have revised our Financial Plan targets to reflect this. Two thirds of our target for 2013-15 will come from services rather than corporate contracts. The overall target remains the same, ensuring the Financial Plan at Appendix A overall remains balanced.

The focus of our procurement work remains the same as set out in the original plan. That is to up-skill managers with commercial tools and techniques, and to introduce strong governance requiring that all purchases must be challenged corporately. In addition, the Corporate Procurement Team (CPT) will focus on delivering 'pure' procurement savings through more efficient procedures, compliance and benchmarking of activity. This makes up nearly half of the target in 2012/13 as set out below, and will form the basis of 100 per cent in future years in relation to procurement savings.

The 2012/13 procurement savings proposed are;

Service	Saving 2012/13 £m	Description
<b>Older People</b>	2.435	Continuation of savings from improved efficiencies in the provider market for services that help people to live at home and nursing placement contracts
<b>Mental Health</b>	0.087	Nursing placements contracts currently going through a tender process are assumed to save 3% against budgets for 11/12.
Service	Saving 2012/13 £m	Description
<b>Highways</b>	0.015	Part year saving from Highways & Amenities advisory contract due to be let December 2012.
<b>Public Transport</b>	0.120	Re-tendering of transport contracts where operator may run commercially or at a lower price
<b>Transform</b>	0.100	Full year saving on the Term

<b>-ation</b>		Maintenance Contract
<b>Corporate</b>	2.000	Stronger controls and compliance with contract procedure rules & monitor all spend, with a focus on purchases below £5,000 to challenge the need and drive better contract prices.
<b>TOTAL</b>	<b>4.757</b>	

#### 4.4 Delivering service efficiencies

Council took the decision to take £4.182 million of savings in 2012/13 from service efficiencies. These were:

Saving	2012/13 savings £m
Continued savings from efficiencies in business and administration support in Children’s Services.	0.361
Savings agreed by Council in February 2011 to integrate Connexions services into schools in line with Central Government changes.	0.417
Savings agreed by Cabinet September 2011 as part of 11-19 Commissioning Strategy	0.450
Improvements in the building costs flowing from the improved management of assets under the Older People Accommodation Strategy.	0.328
Continued review of Mental Health management contracts.	0.164
Continued library systems review and efficiencies	0.168
Continued efficiencies in Local Highways and Streetscene including fleet, grounds maintenance and restructures in the intelligent client	0.623
Continued challenge and review of support for non efficient bus routes	0.260

Saving	2012/13 savings £m
Development Control restructure of admin / system team following implementation of new system	0.090
Full year impact of IT restructure and harmonisation of technologies.	1.000
Full year impact of restructures in 2011 in Finance, Property and Business Support.	0.321
<b>Total</b>	<b>4.182</b>

The remaining £7.541 million (£11.723 million less £4.182 million) of service efficiencies will be found in summary as follows, and are shown in detail at [Appendix C](#):

Ref	Service	Saving 2012/13 £m	Description
DCE 4	Early years	0.478	Following a review of how we deliver this service we plan to maintain open all children's centres, and reconfigure the early years and childcare workforce to support early years settings across Wiltshire, as a result of changing legislation and realignment of teams across the 2 hub model operated across the rest of Children's Services. This will result in a reduction of staff by 14.48 fte posts of which 4.5 fte are currently vacant. Consultation on this process has begun.
DCE 5	School Improvement	0.235	Deletion of vacant post and brokerage of support with schools. This saving was agreed in the 2011/12 business plan
DCE 6	Business Support	0.100	Review of former Local Education Teams (Business Support) in line with review of services that are being supported.

Ref	Service	Saving 2012/13 £m	Description
DCE 7	Targeted School and Learner Support	0.293	Due to loss of national funding we will reduce the local collaborative partnership team and identify savings within the budget for home to school transport for pupils with special educational needs.
DCE 10	Integrated Youth Services	0.915	Savings have been made in line with the 11-19 strategy which enabled the council, working with community areas and boards, to make a commitment to retaining open access youth provision in all community areas. The strategy ensures that resourcing is not duplicated where others have the responsibility to deliver enabling the council to target its resources on earlier intervention and the most vulnerable young people; those with disabilities and those who are not in employment, training, and education - which is set alongside schools picking up their new duty to provide impartial careers information and advice and guidance.

Ref	Service	Saving 2012/13 £m	Description
DCE 12	Policy & Performance	0.051	Service restructure.
DNP 1	Highways - & Streetscene	0.150	£0.150m from restructuring the Local Highways & Streetscene client team.
DNP 6	Highways Strategic	0.525	Carry out strategic streetlighting review and implementation to reduce energy costs.
DNP 15	Education Transport	0.030	First year savings generated from 2011 Cabinet approved withdrawal of denominational transport.
DNP 16, 17 & 18	Waste	0.600	Due to new recycling collections, bring sites across the county will be reduced to a strategic network, and plastic and cardboard collection facilities removed from bring sites in the North and West, saving £0.270m. Further recycling reductions will save £0.145m. £0.185m will be saved from the reduction in education and behavioural change, and consultancy, budgets.

Ref	Service	Saving 2012/13 £m	Description
DNP 19	Leisure	0.100	Staff management savings, driven primarily by the harmonisation of the service, through the realignment of resources.
DNP 22	Development Services	0.060	Removal of discretionary budgets that have remained unused in recent financial years.
DNP 25	DNP Management support	0.115	Rationalisation to providing business support to services.
CEX 5	Public Health & Public Protection	0.450	Reduction to the community safety partnership reduction in supplies and services and further minor restructuring.
CEX 2-4	HR & Finance	1.181	Majority made through restructure and removal of vacant posts. Review of Learning and Development function and delivery across the Council to deliver ongoing savings and improvement.

Ref	Service	Saving 2012/13 £m	Description
DTR 5	Information Services	0.297	This will be additional to the £1m saving outlined and agreed in 2011/12. The programme will go further and faster with regards to application consolidation and telephony savings, as well as further harmonisation of existing technologies.
DTR 3	Business Services	0.321	Restructure and removal of vacant posts
-	Target	1.640	We see one of our duties is to look for savings right through the year not just in February. This represents 0.6% of our net spend, & is provided for in the reserves.
	<b>Total</b>	<b>7.541</b>	

#### 4.5 Delivering system thinking savings

We know we have to work differently if we are to reprioritise our spending and work within the new financial constraints.

A systems thinking approach focuses on designing the service, systems and processes around the needs of our customers.

‘Waste’ in the system is removed and the various ways in which we respond to customers is understood and controlled.

This leads to a reduction in costs, as well as improved performance.

This approach helps managers and staff to think differently about their service so that improvements are sustainable and can continue to be made. In 2012/13 we will make the following savings from applying this approach, the detail is set out at [Appendix C](#).

Ref	Service	Saving 2012/13 £m	Description
DCE 1 - 3	Commissioning & Performance / Children’s social care	0.340	Improve co-ordination, processing and placement of Social Care referral & assessments.

Ref	Service	Saving 2012/13 £m	Description
DCS4	Older People	4.800	Continuation of the service redesign of home care and payments by results.
DCS 5&6	Learning Disabilities & Physical Impairment	0.828	Service redesign of Adults of Working Age, alongside new tender of services.
DCS 8 & 10	Communities & Libraries	0.096	Continued review of how services engage voluntary sectors.
DCS 12 - 14	Housing	0.444	Redesign of how Housing engages and works with other services to improve workflow, and review of existing budgets.
DNP 27	Highways & Streetscene	0.100	Restructure of the enforcement and events team
DNP7 , 9 - 11	Highways Strategic Services	0.190	Redesign of services

Ref	Service	Saving 2012/13 £m	Description
DNP 13	Education Transport	0.080	Better logistical planning of journeys to reduce contract costs.
DNP 20	Economy & Enterprise	0.366	Service restructure and redesign
DNP	Across all DNP service lines	0.950	In addition to streamlining common themes across service's, Service Directors will be working on proposals to radically redesign and harmonise services, Savings on miscellaneous and discretionary budget lines equate to £0.350m, with proposals for rationalisation by Service Directors confirmed at £0.600m. The savings will be taken from the service line affected during the 2012/13 financial year.
CEX	Law & Governance	0.200	Service reviews of complaints and information requests and more efficient use of legal services.

Ref	Service	Saving 2012/13 £m	Description
-	Capital Financing	0.100	To save £0.100 million revenue by removing the unallocated allocation in the capital programme for investment on carbon reduction projects, and thus the requirement to finance the borrowing. Individual projects will be delivered on a business case by case basis e.g. Biomass boilers in schools.
-	Buildings	1.000	Standardisation of hubs and facilities within.
-	Admin	1.000	Rationalisation and standardisation of administrative support to all services.
	<b>Total</b>	<b>10.494</b>	

#### 4.6 Delivering asset savings

Following the move to one council we have been reviewing our properties and assets to determine the cost, use and quality of the buildings we own. We have begun to safely integrate certain activities from ninety five buildings and offices to four main hubs. The aim is to improve access to our services and reduce our building costs. This includes;

- The complete refurbishment of County Hall in Trowbridge to include a new library, cafe and community space and the refresh of other buildings
- The delivery of over 2,000 full home working solutions
- The provision of full VoiP telephony and video conferencing facilities for all staff and members who require them
- The establishment of a new customer access centre in Devizes Town Centre

We had already assumed the continuation of this would deliver £0.250 million in 2012/13, however the success of the first year of implementation and our plans for 2012/13 will deliver £0.982 million.

The detail of the 2012/13 savings proposed are;

Service	Saving 2012/13 £m	Description
<b>Transformation</b>	0.630	<p>We will bring forward the planned closure date of Bradley Road to late 2012. We are likely to dispose of both Browfort and Urchfont Manor in late 2012. Full year recurring savings in 2013/14 should be near to £1m.</p> <p>In Devizes we will move customer access into the Town Centre to improve access and do our part in helping with trade and the occupancy levels of the Town's units. We will seek an alternative organisation to relocate to the current Browfort site to further bolster the local economy.</p> <p>For Urchfont Manor we will look to sell this on the open market.</p> <p>The plans for Browfort will reduce the call on funds required in our capital programme and deliver further revenue savings by avoiding the cost of planned borrowing.</p>

Service	Saving 2012/13 £m	Description
<b>Transformation</b>	0.200	With the transformation programme moving forward at a pace, the call on reactive maintenance will reduce, therefore an ambitious target to reduce this budget now has been set.
<b>Total</b>	<b>0.830</b>	

#### 4.7 Management savings

We have avoided £3.1 million of costs through negotiated agreement with Trade Unions for changes to certain staff terms and conditions. Added to this sum is an assumption that there will be a nationally agreed local government pay freeze in 2012/13.

We have also already taken action to implement a decision to reduce the senior management team that will deliver a full year saving of £0.400m in 2012/13.

#### 4.8 Additional income

We have assessed all our income streams based on the experience of price increases in 2011/12 and on the demand/usage of our services. In some instances they remain largely unaffected, for example leisure services. In others there was a clear correlation between the economic downturn and our level of income, such as car park income. As a result, we have sought to reduce or freeze many of our charges at 2011/12 prices. This has meant we have had to reduce our target by £0.752 million, and we will subsidise the additional cost of those services in 2012/13. This is discussed in more detail at Section 6.

We have not implemented changes whilst we fully assessed the effects in 2011/12, but we will bring forward a revised policy on fees and concessions in Summer 2012.

#### 4.9 Managing the cash flow of our investments

In our original Plan we took decisions to reprioritise our spending and invest an additional £14.294 million in 2011/12 in key services with a further £11 million in 2012/13, and £8.942 million in 2013/15.

We remain committed to our investment plans. We have however sought to manage our funding and spending of those investments effectively to ensure your money is spent wisely, and at the right time.

As a result of that review we propose re-profiling £3.782 million of investment spend to 2013/14 in the following areas:

Investment	2012/13 Proposed Spend £m	Reason for re-profiling
School Improvement	0.200	Transfer some of the activity to schools, brokering them to work together and introducing charging for certain development support services that are not a statutory requirement.

Investment	2012/13 Proposed Spend £m	Reason for re-profiling
Children's social care	0.500	We have shifted our focus to providing intensive preventative measures to support looked after children to develop.
Digital inclusion	0.232	External funding now available in 2012/13, the Council will thus moves its funding to later years but is still committed to the full £4m in the original Financial Plan. In addition any under spent monies from 2011/12 will be carried forward.
Redundancy costs	1.750	We expect to manage much more of the reduction in posts through vacancy management.
Housing PFI	0.050	The successful conclusion of Phase 1 means we can reduce this commitment. Funding for phase 2 will continue for 2012/13 but is no increase to our plans.

Investment	2012/13 Proposed Spend £m	Reason for re-profiling
Big Society	0.800	We are developing plans to work with communities over future delivery models, as well as with Area Board grants, and we will await the outcome of that review to assess the need for continuing with this investment
Energy efficiency	0.250	. The majority of the council's properties are captured under the transformation programme which is the main catalyst to deliver the 40% carbon reduction target. Future projects can either be delivered on a case by case basis, clearly outlining returns where applicable e.g. biomass boilers in schools, or through alternative financing arrangements e.g. Green deal.
<b>Total</b>	<b>3.782</b>	

## **5 Our investment in sustaining Wiltshire – Revenue & Capital**

### **5.1 Overview**

The Council receives the majority of its money from Council Tax payers, government grants, capital receipts and housing tenants.

It is required to account for this spending through three different accounts – the general fund (revenue); capital programme (capital monies); and the Housing Revenue Account or HRA (council owned housing monies).

We have traditionally presented three separate reports on these areas to council, yet all of this spending relates to one thing – investing in doing what's best for Wiltshire communities. This year we have combined these three areas into one report that explains how we intend to make improvements in Wiltshire. This includes investment to improve our roads, facilities, economy, housing and schools, as well as protecting the vulnerable in our county. The following sections set out what we will be investing in 2012/13 and beyond in these areas. The funding of these is covered in more detail in the later sections of this plan (see sections 7, 8 & 9 Our [Schools](#), [HRA](#) and [Capital Programme](#) respectively).

These plans in the next three years set out spending over £273 million capital and £77 million revenue in Wiltshire. We are working to ensure that as much of this spend is retained in the county through both local businesses delivering the work, and the resultant spend in local businesses.

### **5.2 Revenue investment in services – Older people, vulnerable children and waste**

#### **Older People**

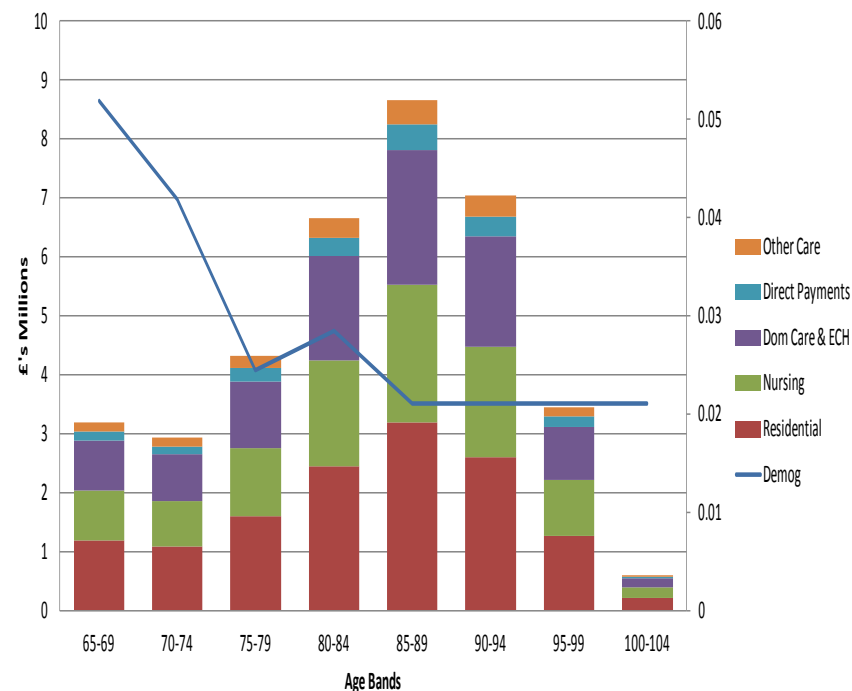
In Wiltshire we have a higher percentage increase forecast in our over 65 and 85 year old population than most of our comparative authorities. It is also significantly higher than the national average:

Comparison of % Increase in 65+ Population

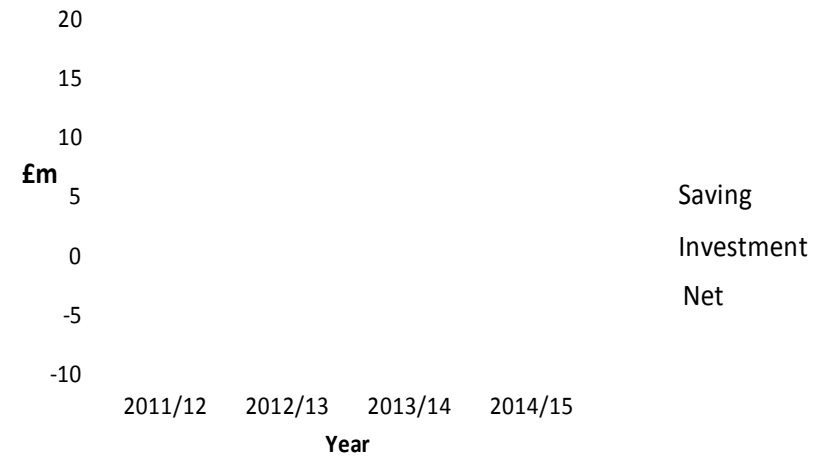


Whilst projections show the scale of the increase will reduce, an increase will continue. We also know that in Wiltshire the majority of our spend goes on over 85 year olds. It is a fact that people live longer in Wiltshire and our profile of costs shows that our significant costs are incurred in ensuring the quality of life for our residents. We also know that the current 65 to 75 year olds will continue to need our services. We need to invest significant sums for that future care.

Older People - Analysis of Type of Spend by Age Band



We are doing everything to contain these costs and provide value for money. As a result we have seen our externally adjudged performance in looking after vulnerable adults improve but our costs remain low as shown.



We are committed to maintaining this investment, but at the same time striving to seek out efficiencies in the way we look after our older people in Wiltshire, and in the next three years we plan to cumulatively invest gross £118m, which after securing £46m of savings will result in a cumulative net £71m:

## Vulnerable Children & Families

Wiltshire Council has a unique role in bringing together all services for children in a local area so that every child is ready and able to benefit from high quality education. We have a particular role in supporting vulnerable children.

The number of looked-after children has continued to increase, rising from 313 in 2006 to a projected 421 by end of 2012. This 34.5 per cent rise is due to a multiplicity of factors and is echoed across the country as all authorities respond to the pressures of the economic downturn, the increase in vulnerable adolescents and the increase in child protection referrals.

Last year we invested £0.675 million in supporting in-house foster care and adoption allowances. We do not see the trend of increased numbers reversing in 2012/13 and we will be investing an additional £0.561 million to provide for 6,933 additional nights of external support and 12,105 additional nights in Wiltshire placements. We have also provided for an additional £0.562 million of contract inflation in our residential and foster placements and will be investing £0.150 million in new provision, the Aspire Centre, to enable intensive support

for looked after children. That is a total investment in this area of £1.910 million.

A new family support service will start in April 2012 with the aim of providing earlier intervention to families with complex needs who do not meet social care thresholds. This should reduce referrals in to social care. This will be supported by the increased Early Intervention Grant to support working with complex and vulnerable families and to build capacity for the provision of free child care for vulnerable 2 year olds.

We will also continue to invest in our children's future education attainment. Last year we invested £0.270 million, and we planned to invest a further £0.730 million in 2012/13. The changing landscape of schools, with moves to academies sees us change our planned investment downwards by £0.200 million to £0.530 million. This is to reflect the transfer of funds to the new academies. We will continue work closely with all schools to secure improvements in attainment.

We will also be investing £0.510 million to support developing provision for 2 year olds and £0.900 million in Complex Families.

In total we will be investing £3.850 million in our vulnerable children's futures. That is a further £0.978 million on top of the amount we invested in 2011/12, and £0.543 million more than we had planned in our original Financial Plan.

## **Waste**

One of our key priorities is to divert waste from landfill to reduce the local and global environmental impact and, in the medium to long term, secure significant cost savings for residents through the reduction in payment of Landfill Tax.

In addition, there is a need to harmonise waste collection and recycling arrangements to provide a consistent service across Wiltshire.

We have begun to deliver this, and in 2011 we saw the harmonisation of how we collect waste with the roll out of new recycling bins. This will require a net investment over the life of our business plan in the base budget of £9.2 million.

That is £27.1 million of cumulative investment over the period 2011-15. In 2012/13 we will continue that investment by providing for gross investment of £3.594 million;

- £2.763 million for improved collection and recycling, including fleet costs; and
- £0.831 million for contract inflation and landfill tax.

This will be offset by £0.6 million of savings in 2012/13 as set out in [section 4.4](#).

## **5.3 Capital Infrastructure – housing, schools, campuses and highways**

### **Housing**

Vital to securing the long term sustainability of our communities and businesses is ensuring that Wiltshire is able to provide sufficient numbers of good quality affordable housing. We predict in the next 10 years we will require over 3,800 homes to meet the need for affordable housing.

Whilst this is in line with other authorities experience and we continue to manage homelessness well, in the next 3 to 5 years we will be spending more money to deliver more homes.

Our Business Plan target remains to enable the development of 450 new affordable homes each year.

We are working to secure this need on two fronts. Firstly with our providers we have secured £53 million of Private Finance Initiative (PFI) funding to build through a local provider 242 affordable rented homes across the west of Wiltshire. A further 108 homes will follow in phase 2 through a further £24 million of PFI credit. All 350 planned to be built by 2015.

This is on top of 450 homes built by our partners in the last 12 months and 1,000 homes planned to be built by them in the next 3 years.

Secondly, in 2011 the Government announced it was changing the way it funds council owned homes. Instead of an annual payment of subsidy, this will be replaced with a one-off debt settlement. This means we will borrow £119 million in 2012 and recover the debt from annual rents. This will result in us having greater ability to spend more money in improving the conditions of our current housing stock. Over the next 6 years, we will carry out around £55 million of major refurbishment works to provide improved;

- Bathroom and kitchen facilities
- Heating and energy efficiency schemes
- Improvements to communal areas
- Increase to current provision for disabled adaptations
- £4million for sheltered housing remodelling
- Pitch roof conversions
- Asbestos removal

Over the following 20 years we will spend around an additional £185 million maintaining and improving our homes further.

### **Schools**

We continue to invest in our school buildings. During the summer, the Department for Education (DfE) informed all Local Authorities that they will commence a privately financed capital programme, called the Priority Schools. Building Programme, to fund re-building for those schools across the country which are in the poorest condition.

In November cabinet took the decision to express an interest to bid for monies to fund building for three schools for submission - Matravers School in Westbury; Stonehenge School in Amesbury; and Wyvern College in Salisbury. These schools have condition surveys that would support their application and were seen as a priority under the previous rebuilding scheme, Building School for the Future (BSF). We are awaiting the outcome of this bid.

In addition, the council receives capital grants to maintain and repairs its schools. In 2012/13 we have £41.2 million allocated, compared to £37.8 million in 2011/12. Whilst we do not yet know the level of grant funding for 2013-15 we do expect the current grant regime to continue.

### **Campuses**

Becoming a unitary council has given us a real opportunity to rationalise and make better use of our assets. We want to have buildings that are fit for purpose and provide better value for money both for our communities to use and our staff to work from. We are already working on rationalising our offices, with our established plan to reduce from 95 operational buildings and offices to four main hubs to save £85 million over 25 years.

Our Bourne Hill offices in Salisbury have won several national awards for design and practice.

Given the scale of continued savings required and the excellent success of our flexible and joint partnership, as well as our plans to integrate our facilities in with community, we intend to make £1 million more savings a year from 2013 by reducing this further to just three hubs with the closure of our Browfort offices.

With these savings we are investing in modern and sustainable local community facilities – campuses. These campuses in each community are being designed by the local communities, and in December 2011 we set out how we will spend £35 million in the next 2 to 3 years to deliver the first three new campus facilities at Corsham, Salisbury and Melksham. These will provide state of the art leisure and community facilities by 2015 at no extra cost, and achieve a 40 per cent reduction in carbon emissions.

## **Sustainable highways infrastructure**

We know from consulting local residents and businesses that a top priority is roads. In 2011/12 we spent £18.7 million on maintaining and improving our highways infrastructure, plus £3 million on winter maintenance through a one-off government grant. By further investment in our roads we aim to reduce the backlog of maintenance by 10 per cent over the next four years. We will continue with this commitment and increase our capital spend to £18.3 million in 2012/13. We will also continue to invest in transport improvements that improve accessibility, especially where there are economic and/or environmental benefits. We will also continue to lobby for improvements to our key networks, such as the A303 and A350 along with rail links.

## **5.4 Economy and digital inclusion**

The economy is changing at both national and local level. Wiltshire is responding to both its own ambition to promote Wiltshire as a preferred destination for businesses and to cope with the considerable number of public, private and voluntary

sector job losses in the short to medium term. Skills and retraining are going to be vital to help local people to cope with and take advantage of the changes.

That is why we are investing £0.7 million in 2012/13 into new initiatives. Our key actions include:

- Funding the Wiltshire advice line, which provides benefits advice and affordable loans for vulnerable individuals without access to credit
- The provision of employment opportunities for as many as possible unemployed young people through the 'Future Jobs Fund Programme'
- Co-ordinating the response to major redundancies through the Wiltshire & Swindon Area Action Force
- We have also entered into a partnership with the Fredericks Foundation to establish a fund, known as Fredericks Wiltshire, to lend money to businesses with a sound business plan which cannot get support from the mainstream banks.

In 2011/12 we also committed £350,000 to building “start up” units at Royal Wootton Bassett, Ludgershall and two other locations that had been hardest hit by the Ministry of Defence cuts, generating a further £0.718 million of external funding for the project.

In 2012/13 we will spend £590,000 on the capital conversion of accommodation and £300,000 on overheads, including centre running expenses, staff, and business services and running costs.

A bid for a Regional Growth Fund grant developed by the council secured £3.2 million for automotive manufacturer DTR VMS Limited. This grant will lever a further £18 million by the Korean parent company and enable the development of a new research and development centre, manufacturing and logistics facility, safeguarding 195 jobs and creating up to 50 more.

In light of the government's abolition of Regional Spatial Strategies and the introduction of the Localism Act, during 2011/12 additional public consultation was undertaken on the Wiltshire Core Strategy (WCS), in preparation for the final formal stage of consultation programmed for February 2012. The WCS provides the planning policy framework to support

the sustainable development of Wiltshire facilitating the delivery of new jobs and homes in the period to 2026. Early adoption will ensure that Wiltshire will not be disadvantaged in relation to the New Homes Bonus and will also enable us to become a Charging Authority for the Community Infrastructure Levy (CIL).

The first phase of the WCS has been completed, with the South Wiltshire Core Strategy programmed for adoption early 2012.

During 2012/13 we will be undertaking the final stage of consultation on the Wiltshire Core Strategy before it is submitted to the Secretary of State for independent examination in order to adopt the plan by 2013. We are therefore committing resources to deliver the final stages of the Core Strategy preparation and develop CIL in order that growth in our communities is supported by the appropriate infrastructure.

We also recognise that to make our communities and businesses more competitive both in terms of IT skills and ability to trade we have to invest in digital technology across the whole of the county.

We are delighted that on the back of our Business Plan promise to invest £16 million in the Wiltshire Online Project, central government recognised the strength of our bid and the need in Wiltshire. In 2011 we secured £4.5 million of additional funding from Broadband Delivery UK (BDUK).

We will also be looking to industry to invest in the project making a total of at least £30 million.

The investment from BDUK in 2012/13 means we will be able to defer the profile of our spend, however the council will still meet the commitment in its Business Plan to invest £2.9 million of revenue over the life time of the current plan (2011-15) in order to fund the £16 million of capital investment.

As a result of this investment we plan to have a provider in place to deliver the programme by April 2012, which will provide superfast broadband to 85 per cent of homes and businesses Wiltshire wide by 2015.

## 5.5 Summary

Our vision is built around strengthening our communities. We are proud of the way we are working with our communities to deliver this vision and in our four year Business Plan, we will be investing £349.8 million in key areas to help strengthen our communities:

Wiltshire Council net Investment in:	2012/13 £m	2013/14 £m	2014/15 £m	Total investment base budgets / £m
<b>Capital Infrastructure</b>				
- Affordable homes & Social Housing	13.5	16.2	11.6	<b>41.3</b>
- Schools	41.3	19.4	12.2	72.9
- Campuses	35.0	19.9	8.5	<b>63.4</b>
- Highways	18.7	18.7	18.7	<b>56.1</b>
- Other	14.7	16.3	8.2	<b>39.2</b>
- <b>Sub Total</b>	123.2	90.5	59.2	<b>272.9</b>
<b>Services:</b>				
- Protecting vulnerable Adults, Children & Families	13.8	6.5	4.0	<b>24.3</b>
- Investing in our communities	5.4	2.5	0.3	<b>8.2</b>
- Inflationary costs	10.2	16.0	18.2	<b>44.4</b>
- <b>Sub Total</b>	29.4	25.0	22.5	<b>76.9</b>
<b>Total</b>	<b>152.0</b>	<b>115.5</b>	<b>81.7</b>	<b>349.8</b>

<sup>1</sup> This includes £3.7 million of one off winter maintenance grant

## **6 2012/13 Fees and Charges**

### **6.1 Setting fees and charges**

The council has discretion for whether it sets fees and charges, and how much it charges over the majority of the services it provides.

There are a small number for which the requirement to charge and the level of fees is dictated by central government. Over the last twelve months we have listened carefully to what our residents and businesses of Wiltshire have said in relation to the levying and level of fees we charge.

We had originally planned to carry out a detailed review of concessions and charging policies, however the current economic climate and the feedback we have had on our fees has led us to defer this work. Instead for 2012/13, where possible, we have sought to freeze our prices at 2011/12 rates.

This means that the charges for our directly controlled services ranging from a swimming lesson, to the price of a licence to place a skip on a highway, will not increase in 2012/13. Whilst the cost of these services may increase the council will meet these costs and subsidise the increase from reprioritising savings and efficiencies.

In addition, for car parking charges we have reflected again on your feedback and committed to freeze prices for at least the next two years and we have reduced the price of season tickets by 20%.

### **6.2 Increased fees and charges**

We have increased certain fees where:

- We have a statutory duty
- Our charges were significantly below market rates; or
- Feedback stated we should charge for services

As a result for 2012/13 the following increases/new charges only will apply;

### **Commercial Property and Farms**

The council receives approximately £1.9 million from its commercial and rural estate. Fees and charges relating to these sites; e.g. rents, are increased in line with annual rent/lease agreement reviews. As this differs for each property this is not set out here. The overall increase in this budget from these rent reviews is anticipated at £0.1 million.

### **Commercial Waste**

A review of commercial waste undertaken in 2011 and it was proposed that the full cost of providing the service should be applied.

An increase in the budget has been proposed of £0.406 million, giving a total budget of £2.521 million in 2012-13. However, this is a mixture of increased fees and charges and an anticipated increase in the number of commercial waste customers.

### **Registration Service**

Overall the budget for fees and charges income received for this service has increased by 0.3 per cent. The majority of fees charged are being frozen for 2012/13; however there will be a 100 per cent increase in the charge for registration of marriages or civil partnerships on a Friday.

In addition to these increases the service will also be introducing new fees and charges for 2012/13 as a result of new legislation; the Freedoms Bill and the Marriages and Civil Partnerships (Approved Premises) (Amendment) Regulations 2011.

The service is investigating the implications of these new provisions and will bring forward proposals for fees to meet the identified costs. However, the fees are in relation to the removal of the time restrictions for marriages and civil partnerships, leading to evening ceremonies, and the provision of civil partnerships in religious buildings which will require the local authority to put in place an inspection and provide a registrar.

## School Improvement

Changes to the school systems have created greater opportunities to trade with schools. It is planned to generate £0.365 million more income due to increased trading in this area.

## Passenger Transport

Charges for the post 16 transport scheme and for spare seats will be increased by 3.2 per cent in line with inflation in transport costs.

## Disabled Blue Badges

On 1 January 2012 the Disabled Blue Badge reforms came into effect. These changes include the provision of a new style disabled blue parking badge with inbuilt security features. The badges are now produced centrally by a government provider, for which a charge is levied on local authorities. This charge together with the necessary increased council administration has required the council to set a fee to recover these costs. A fee of £10.00 per blue badge was approved under cabinet member delegated decision on 17 January 2012.

## Development Services

In April 2011, the council implemented charges for its pre- application advice service in relation to Development Control. It was agreed to review these charges following their implementation and this review is currently taking place. The likely outcome is that some charges will be amended during 2012/13 to better reflect the work undertaken in answering the queries. There is no change intended to the current householder fees, the changes are likely to involve a slight decrease in some residential schemes and an increase in some commercial schemes.

The detail around these charges will be included in future budget monitoring report to cabinet.

### 6.3 2013-15 fees and charges

We propose to work with overview and scrutiny, and local communities to develop a concessionary and charges policy to be implemented by the end of 2012, in time to set the fees and charges for 2013/14. This will take account, amongst other things, of new powers under the Localism Act, new models of delivery for our services, local demand (known and potential) and local income.

## **7 Working with schools**

### **7.1 Revenue funding for schools in 2012/13**

The Secretary of State announced the schools funding settlement on 13<sup>th</sup> December 2011. Dedicated Schools Grant (DSG) is allocated on the basis of a guaranteed unit of funding (GUF) multiplied by the number of pupils as calculated by the January schools and Early Years census, and the Alternative Provision census. The level of funding per pupil is unchanged from 2011/12.

A minimum funding guarantee (MFG) of -1.5 per cent has been applied within the settlement to the delegated schools budget, meaning that no school will receive a cut in its budget of more than 1.5 per cent before any pupil premium is added.

The estimated DSG for 2012/13 is £293,760 million, before any adjustments for academy recoupment.

As schools convert to academy status a reduction is applied to the Local Authority's (LA) DSG to reflect the cost of services that the LA provides to maintained schools free of charge.

This is then paid to academies as the Local Authority Central Spend Equivalent Grant (LACSEG). Unlike the recoupment applied to services funded through the LA funding settlement, the adjustment to DSG is applied in year upon the date of conversion.

Assumptions have been made to estimate the number of schools expected to convert to academy status in 2012/13 and the estimated level of recoupment calculated.

It is estimated that the council's DSG allocation will be reduced by £1.2 million as a result of the LACSEG recoupment. Savings of £1.2 million have been identified in central DSG funded services to offset this recoupment.

Following the schools forum meeting of 19<sup>th</sup> January 2012 an overall schools budget of £294,760 million, before any academy recoupment, has been recommended. In order to set a balanced budget the schools forum has agreed a reduction of 0.19 per cent across all budgets, including the schools delegated budget, and utilised £1 million from the projected underspend against the 2011/12 DSG.

This budget therefore requires no additional funding from the council and is in line with the council's established policy not to top up DSG.

The Secretary of State also announced Pupil Premium Grant levels for 2012/13. The Pupil Premium Grant is paid by the government in respect of pupils eligible for Free School Meals (FSM), pupils who have been looked after continuously for 6 months or more and for pupils from service families. The pupil premium grant for FSM pupils and looked after children has been increased to £600 per pupil (an increase of 22.9 per cent) and the premium for service children has been increased to £250 per pupil (an increase of 25 per cent). The coverage of the premium for FSM pupils has been extended to cover all pupils who have been eligible for FSM at any point in the last six years.

The Department for Education (DfE) has consulted on a new national school funding mechanism including a national fair funding formula for schools. The outcome of this consultation has not yet been published but it is anticipated that the new funding regime will be implemented from April 2013.

This will require a full review of the Wiltshire local funding formula for schools to ensure that it complies with the national requirements and may cause some turbulence in funding for Wiltshire as a whole and for individual schools in 2013/14.

## **7.2 Capital funding for schools**

At a national level, overall capital funding remains the same as last year - £800 million to address the shortage in pupil places and £1.4 billion for maintenance, including £200 million for devolved formula capital (DFC).

The total LA allocation for Wiltshire (including DFC) of £12.116 million compares with an allocation of £17.748 million in 2011/12.

Because a one year announcement was made for 2011/12 the Wiltshire capital programme assumed a stand still position for 2012/13 and hence a capital budget of £17.7 million. In light of the announcement for 2012/13 this now needs to be revised to the new grant level of £12.1 million.

Allocations for maintenance and devolved formula capital (DFC) for Wiltshire are lower than for the current year because these allocations are in respect of maintained schools only.

As the number of academies in Wiltshire increases so the capital allocation is reduced. The lump sum and per pupil amounts for DFC are unchanged. The maintenance allocation has been reduced in the same proportion as the DFC although it should be noted that this allocation has to also cover maintenance for all maintained property including children's centres.

The allocation for basic need covers the provision of pupil places across all state schools in Wiltshire and includes academies and any free schools that may be established. The national total has remained unchanged however the methodology for allocating the grant has changed.

In 2011/12 the calculation was based 100 per cent on pupil growth, in 2012/13 it is based 50 per cent on pupil growth and 50 per cent on growth compared with shortfall in capacity. Wiltshire has lost out under this new methodology.

## 8 Housing Revenue Account (HRA)

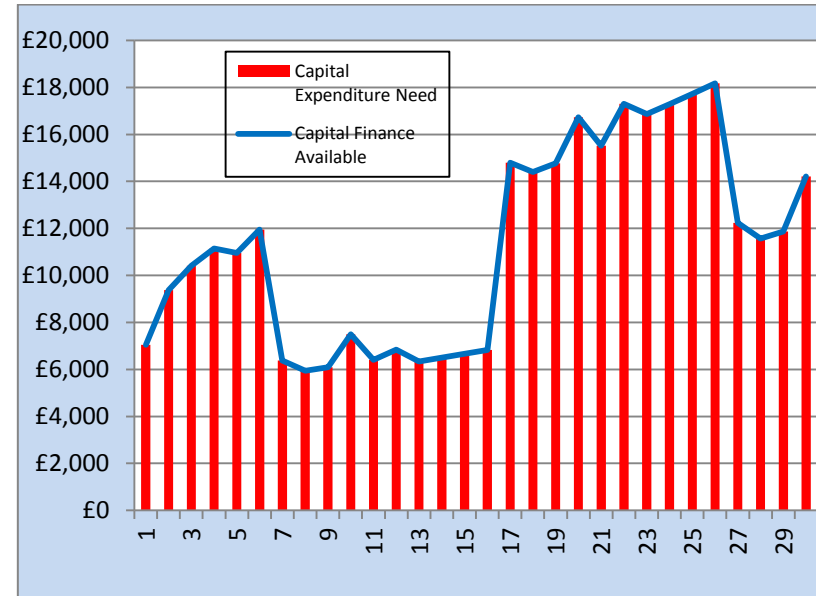
### 8.1 Changes to the HRA funding and capital investment

The Housing Revenue Account (HRA) is a separate account that all local authorities with housing stock are required to maintain to separately record transactions. Previously, rent collected has been paid to government and funds returned to the council in the way of annual subsidies from the DCLG.

In November 2011 the Localism Act introduced changes to this way of funding the HRA replacing the annual payment of subsidy with a one-off debt settlement. Each council will fund this debt from future rents, with the aim being to improve local choices and opportunities, and remove the uncertainty of national pooling on annual HRA budgets.

As a result, in December 2011 the DCLG informed us that based on the national formula; Wiltshire’s debt would be £119.4 million. This means that we have a higher access to capital financing now to carry out greater investment in our houses.

The following graph shows the level of funds available in the next 30 years based on these changes.



This allows for a capital expenditure well in excess of that currently planned under the subsidy regime, with an average of £5-7 million more available a year in the first six years.

The following table demonstrates the provisional resources that could be available over the next five years without inflation being applied. This gives £55.439 million compared with around £20 million forecast under the subsidy scheme.

	2012/ 13 £m	2013/ 14 £m	2014/ 15 £m	2015/ 16 £m	2016/ 17 £m	TOTAL £m
Major Repairs Reserve	5.977	5.973	5.967	5.962	5.956	<b>29.836</b>
Revenue Contributi on (RCCO)	3.400	4.189	4.645	4.216	4.443	<b>20.983</b>
HRA Reserves						<b>2.500</b>
Borrowing						<b>2.120</b>
<b>Total</b>	<b>9.377</b>	<b>10.162</b>	<b>10.612</b>	<b>10.178</b>	<b>10.399</b>	<b>55.439</b>

This allows for greater provision to undertake the following types of future major works:

- Heating and energy efficiency schemes
- Replacement bathrooms and kitchens
- Improvements to communal areas
- Increases to the current provision for disabled adaptations
- £4 million for sheltered housing remodelling
- Pitch roof conversions

We are developing, with our tenants, plans to manage our capital plan arising out of these changes.

## 8.2 Rent and service charges for 2012/13

In line with government policy, all councils and registered social landlords are expected to set their rents using the long standing rent restructuring formula to meet a target rent by 2014/15.

The effect in 2012/13 is to increase the formula or target rent by £4.77 per week (6.1 per cent). Applying the transitional arrangements means that the average rent increase for April 2012 will be £5.16 per week calculated on a 50 week basis or 6.4 per cent. At individual property level rent increases range from 4.6 per cent to a rise of 8.8 per cent, with no rent increasing by more than the national maximum of RPI plus 0.5 per cent + £2 per week, from last year's rent.

Whilst we have no control over the national rent formula we recognise the considerable pressures faced by many of our tenants at the moment due to the ongoing economic climate. As such the proposal is to freeze all service charges and fees at 2011/12 prices.

## 9 Our Capital Programme

### 9.1 Pulling it together

In establishing a unitary authority we took the decision to radically review all of our estate. Working with local communities we have already brought forward plans to start to redesign our services into single community campus facilities. We are also working with area boards, schools and council house tenants to develop plans for our roads, education, facilities and houses.

With the adoption of a Core Strategy for Wiltshire we are now able to place that at the heart of our planning the future shaping of a longer term sustainable infrastructure for Wiltshire and we will present a single asset plan in the autumn of 2012.

We are also strengthening how we spend your money on maintaining our council operational assets from buildings to vehicles and ICT.

As most of this is funded from borrowing which we repay from Council Tax we are making decisions on a business case basis that do not add any more to our debt or your Council Tax bill. We are doing a lot of this by rationalising the number of building and offices we work from.

### 9.2 Capital spend, including the impact of revenue decisions

The detailed programme is attached at [Appendix E](#). The main focus of our capital spending is on maintaining and improving the infrastructure for Wiltshire to ensure improvement in our communities. The main areas are;

Schemes	2012/13 £m	2013/14 £m	2014/15 £m	Total £m
<b>Education</b>	41.255	19.437	12.115	<b>72.807</b>
<b>Campuses</b>	35.016	19.895	8.514	<b>63.425</b>
<b>Highways</b>	18.711	18.711	18.711	<b>56.133</b>
<b>Housing</b>	13.488	16.217	11.612	<b>41.317</b>
<b>Other</b>	14.744	16.233	5.138	<b>36.115</b>
<b>Total</b>	<b>123.214</b>	<b>90.493</b>	<b>59.190</b>	<b>272.897</b>

### 9.3 Funding the capital programme

Funding for our capital programme comes from four main areas;

- Grants and contributions
- Revenue
- Receipts
- Borrowing

The overall funding for the next three years is as follows;

	2012/13	2013/14	2014/15	Total
<b>Grants</b>	53.217	40.317	29.529	<b>123.063</b>
<b>Revenue</b>	9.377	9.377	10.276	<b>29.030</b>
<b>Receipts</b>	10.276	16.958	8.214	<b>35.448</b>
<b>Borrowing</b>	50.344	23.056	10.835	<b>84.235</b>
<b>Total</b>	<b>123.214</b>	<b>90.493</b>	<b>59.190</b>	<b>272.897</b>

This shows that the programme at section 9.2 can be funded with our borrowing being kept well within our overall borrowing limit of £456 million.

The consequence of capital spend decisions impacts on our revenue costs in two ways;

1. Running costs for spend on such things as new vehicles or increased utility costs; and,
2. The cost of borrowing.

In relation to running costs all capital spend has been reflected within the revenue budget and spend in areas such as campuses are affordable due to assumed reduced costs. There is no additional revenue running costs arising from the 2012/13 capital programme.

The second revenue consequence of capital spending – borrowing has also been assessed. The forecast non HRA closing debt/borrowing requirement for 2012/13 of £285 million will need an increase in repayment costs of £3.084 million. This has again been accounted for in balancing the budget with no impact on Council Tax.

#### **9.4 Managing and monitoring the capital programme**

Regular progress reports on our capital spend are produced and we are strengthening our controls over both bidding for monies, the setting of project and spending plans, as well as linking this to financial and performance monitoring.

## 10. Ensuring Success

### 10.1 Delivering the Business and Financial Plans in the next 12 months

The continued success of delivering the council’s priorities and the delivery of an ambitious and challenging package of options as set out in this updated plan all will all directly link on improving the lives of people in Wiltshire. This link should not be broken and the development of the next phase needs to focus on transformation and looking at the way we deliver our services working even more closely with communities.

To deliver this, we recognise that we will need to ensure that we have the capability, capacity and governance in place. Critical factors are;

- To develop an appropriate culture within the council to drive, embrace and embed change
- Clear leadership and strategic direction to steer, guide and continuously support and manage change
- Customer and community engagement
- Need to report progress and the impact on local communities.

To achieve this, we have identified key activities. They are detailed below;

### 10.2 The right culture - the way we do things

A new behaviours framework has been adopted



Our focus is fostering, rewarding and ensuring that we put customers at the heart of everything that we do, that we adopt a can-do approach and we work as one council, one team to deliver.

### 10.3 Engagement & Implementation

Significant progress has been made in the delivery of the next three years of our four year Business Plan and key messages and processes used at the onset of our reduction in funding and have been revised to reflect this.

The elements of the business plan are presented to our residents, customers, staff, elected members and partners through a programme of engagement activity both internal and external. Effective two-way communication throughout change is vital to the success of the implementation of chosen service options.

At corporate leadership level programmes are critical to the continued successful implementation of chosen service options.

These need to consider the timing and duration of;

- Stakeholder engagement
- Employee consultation and notice periods

- Negotiation with third parties
- Sale, build or refurbishment of properties
- Critical business-as-usual periods
- Interdependencies

### 10.4 Programme Management

The Transformation Programme Office (TPO) was set up in March 2011 to support the delivery of the Business Plan and the associated savings and options, and to improve the quality of project management and delivery across the council.

The Transformation Board – made up of councillors, the corporate leadership team (CLT) and senior programme managers – oversees the work of the TPO and meets regularly to monitor the progress of the projects, programmes and other activities that deliver savings, plus other projects the council is undertaking.

A mechanism has been set up to continuously track the realisation of targeted savings.

A corporate change process to monitor and control changes to the options has been set up. Any significant

changes to costs, benefits (savings) or scope are considered by cabinet and CLT for discussion and approval.

- Allow sensitivity analysis, to be performed.

## 10.5 Updated Financial Plan

Year 1 of the Financial Plan forms the basis for the 2012/13 budget, and the four year Financial Plan is consistent with the four year Business Plan.

Work continues on inter-dependencies, details of business cases and implementation plans to inform and underpin the successful implementation of the Financial Plan to;

- Ensure no duplication between service area and corporate savings e.g. procurement
- Confirm required on funding levels
- Account for output from corporate asset group and the setting of future years non-housing capital plan

## Financial Plan Summary

Wiltshire Council Business Plan 2010/12 to 2014/15 SUMMARY	Base	Change/year				Increase in
	2010/11	2011/12	2012/13	2013/14	2014/15	base by year 4
Net Budget 2010/11(amended year on year)	346.243	346.243	329.847	326.655	318.267	1,321.012
<b>Savings analysis</b>		£m	£m	£m	£m	£m
Commissioning and Procurement		7.400	4.757	3.000	4.000	19.157
Workplace Transformation (property)		0.325	0.830	1.700	1.200	4.055
People - recruitment, policies and costs		0.250	0.000	0.750	0.500	1.500
Management review		8.128	0.400	0.300	0.000	8.828
Increase income		2.000	0.648	0.350	0.250	3.248
Systems thinking cross cutting transformation reviews		1.000	10.494	16.117	10.850	38.461
Department harmonisation & efficiency reviews		13.982	11.723	16.440	6.000	48.145
Re-profiling of investment			3.782	-1.700	-0.300	1.782
<b>Savings Required</b>		<b>33.085</b>	<b>32.634</b>	<b>36.957</b>	<b>22.500</b>	<b>125.176</b>
<b>Indicative net budget after savings</b>		<b>313.158</b>	<b>297.213</b>	<b>289.698</b>	<b>295.767</b>	<b>1,195.836</b>
<i>as % of 2010/11 net budget</i>		<i>90%</i>	<i>86%</i>	<i>84%</i>	<i>85%</i>	
<b>Investment analysis</b>						
<b>- Investing in our communities &amp; priority services</b>						
Waste collection and disposal		2.500	3.594	2.443	-0.089	8.448
Broadband		0.323	0.000	0.282	0.295	0.900
Leisure		0.316	0.000	0.000	0.000	0.316
Car Parking		0.000	1.100	0.000	0.000	
PFI - housing, other PFI costs		0.084	0.000	-0.180	0.005	-0.091
Children's attainment		0.270	0.730	0.000	0.000	1.000
Communities		0.200	0.000	0.000	0.000	0.200
Carbon reduction (including tax)		1.100	0.000	0.000	0.100	1.200
<i>total:</i>		<i>4.793</i>	<i>5.424</i>	<i>2.545</i>	<i>0.311</i>	<i>11.973</i>
<b>- Protecting vulnerable people</b>						
Adult Care including older people		7.826	9.668	6.500	4.000	27.994
Children's social care and vulnerable families		0.675	4.127	0.000	0.000	4.802
Economy		1.000	0.000	0.000	0.000	1.000
<i>total:</i>		<i>9.501</i>	<i>13.795</i>	<i>6.500</i>	<i>4.000</i>	<i>33.796</i>
<b>- Cost pressures, inflation, redundancies</b>						
Robust base budget		1.110	0.000	0.000	0.000	1.110
Inflation		5.090	7.139	11.133	14.026	37.388
Redundancy costs		4.000	0.000	0.000	0.000	4.000
Movement in capital financing and general fund reserves		-5.721	3.084	4.891	4.155	6.409
<i>total:</i>		<i>4.479</i>	<i>10.223</i>	<i>16.024</i>	<i>18.181</i>	<i>48.907</i>
<b>Total investment</b>		<b>18.773</b>	<b>29.442</b>	<b>25.069</b>	<b>22.492</b>	<b>95.776</b>
<b>Indicative budget after savings &amp; investment</b>		<b>329.847</b>	<b>326.655</b>	<b>318.267</b>	<b>321.297</b>	<b>1,296.066</b>
		95%	99%	97%	101%	
<b>Funding Settlement for Formula Grant &amp; Council Tax &amp; freeze grant</b>	Base	Funding each year				
	2010/11	2011/12	2012/13	2013/14	2014/15	4 yr total
	£m	£m	£m	£m	£m	£m
Formula Grant (RSG & NNDR) / Business Rates	102.442	104.192	-11.460	-8.309	-3.560	80.863
Area based grant (Partially rolled into in Formula)	24.662	0.000	0.000	0.000	0.000	0.000
Council Tax	217.763	219.179	2.091	6.403	6.590	234.263
Council tax freeze grant		5.479	5.482	-5.482	0.000	5.479
LABGI & collection fund	1.376	1.000	0.695	-1.000	0.000	0.695
<b>Movement in Funding</b>		<b>-16.393</b>	<b>-3.192</b>	<b>-8.388</b>	<b>3.030</b>	<b>-24.943</b>
<b>Total funding</b>	<b>346.243</b>	<b>329.847</b>	<b>326.655</b>	<b>318.267</b>	<b>321.297</b>	<b>1,296.066</b>
<b>Shortfall/-surplus (net budget - funding)</b>		<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

Service base budgets 2012/13

Wiltshire Council Proposed Revenue Budget 2012-13						2012-13 Growth					SAVINGS AND EFFICIENCIES										Net Budget 2012-13		
Department and Service	2011-12 Net Base Budget	Changes to Revised Month 9	Revised 2011-12 Net Base Budget	Budget Setting Amendments	Revised 2011-12 Net Base Budget	INFLATION AND DEMAND		INCOME	INVESTMENT	Total	Growth affected Budget	SAVINGS AND EFFICIENCIES					Management	Total	Net Budget 2012-13				
						PAY	NON PAY					Procurement	Service Efficiencies	Don't / Defer Investments	System Thinking	WTP & Assets				Income	Em	Em	Em
Em	Em	Em	Em	Em	Em	Em	Em	Em	Em	Em	Em	Em	Em	Em	Em	Em	Em	Em	Em	Em	Em		
<b>Children and Education</b>																							
Early Years	9,754	(0,784)	8,970	(0,137)	8,833	0,048	0,669	0,000	0,000	0,717	9,580	0,000	0,478	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,478	9,102
School Buildings & Places	0,251	0,251	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
School Improvement	4,544	1,793	6,337	(2,650)	3,787	(0,225)	0,000	0,260	0,730	0,765	4,562	0,000	0,235	0,200	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,265	0,800
Traded Services	0,577	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Special Educational Needs	5,938	(5,938)	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Business & Commercial Services	0,000	1,144	1,144	(0,232)	0,912	0,159	0,000	(0,200)	0,000	(0,041)	0,871	0,000	0,100	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,100
Targeted Services & Learner Support	0,000	9,341	9,341	(1,702)	7,639	0,078	0,148	0,000	0,000	0,226	7,865	0,000	0,293	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,293	7,572
Commissioning and Performance	2,136	0,663	2,799	(0,292)	2,506	0,000	0,600	0,000	0,000	0,600	3,106	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,190
Funding Schools	0,000	1,968	1,968	(1,968)	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Connections Service	1,887	(1,887)	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Youth Development Service	2,081	(2,081)	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Youth Offending Service	1,618	(1,618)	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Young People's Support Service	0,173	(0,173)	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Other Targeted Services	1,834	(1,834)	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Safeguarding	0,798	0,043	0,841	0,127	0,968	0,004	0,000	0,000	0,000	0,004	0,970	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Children's Social Care	0,000	(0,642)	28,048	(0,174)	27,914	0,168	1,986	0,000	0,856	2,801	30,715	0,000	0,361	0,806	0,160	0,360	0,000	0,000	0,000	0,000	0,000	0,000	1,011
Integrated Youth	0,000	5,352	5,352	(0,068)	5,284	0,084	0,075	0,000	0,000	0,159	4,443	0,000	1,762	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	1,762
Policy, Performance & Partnership	0,343	0,224	0,567	0,000	0,567	0,000	0,000	0,000	0,000	0,000	0,567	0,000	0,061	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,061
Digital Inclusion	0,000	0,252	0,252	0,000	0,252	0,000	0,000	0,000	0,000	0,000	0,252	0,000	0,161	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,161
Target to look for																							
<b>Total</b>	<b>59,591</b>	<b>-6,051</b>	<b>53,540</b>	<b>(6,952)</b>	<b>46,588</b>	<b>0,314</b>	<b>3,477</b>	<b>0,060</b>	<b>1,380</b>	<b>5,231</b>	<b>63,821</b>	<b>0,000</b>	<b>3,450</b>	<b>0,861</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,365</b>	<b>0,365</b>
<b>Community Services</b>																							
Older People	40,070	3,996	44,066	2,009	46,077	0,000	1,256	(0,136)	4,421	5,541	51,618	2,436	0,328	0,000	4,800	0,000	0,000	0,000	0,000	0,000	0,000	0,000	7,563
Physical Impairment	7,076	(0,174)	6,902	0,012	6,914	0,000	0,000	0,000	0,749	0,749	7,663	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Learning Disability	39,589	(2,858)	36,731	1,649	38,380	0,000	0,904	(0,072)	0,000	0,832	39,212	0,000	0,000	0,000	0,768	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,768
Mental Health	21,770	(0,811)	20,959	0,000	21,460	0,000	2,407	(0,241)	0,000	2,166	23,626	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Supporting People	7,190	(0,063)	7,127	(7,127)	0,000	0,000	0,004	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Strategy & Commissioning	1,848	(0,172)	1,676	0,000	1,676	0,000	0,256	0,000	0,000	0,256	2,904	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Community Leadership & Governance	2,932	0,071	3,103	(0,098)	3,005	0,000	0,319	0,000	0,000	0,319	3,315	0,000	0,000	0,000	0,012	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,012
Strategic Housing	2,948	(0,172)	2,776	0,000	2,776	0,000	0,256	0,000	0,000	0,256	3,012	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Libraries Heritage & Arts	4,832	(0,091)	4,741	0,000	4,741	0,000	0,438	0,000	0,000	0,438	4,768	0,000	0,168	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,168
Extra non ring fenced grant	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Target to look for																							
<b>Total</b>	<b>130,381</b>	<b>-1,726</b>	<b>128,655</b>	<b>(2,254)</b>	<b>129,922</b>	<b>0,000</b>	<b>6,241</b>	<b>(0,378)</b>	<b>4,421</b>	<b>10,284</b>	<b>140,206</b>	<b>2,522</b>	<b>1,010</b>	<b>0,000</b>	<b>6,168</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>3,700</b>
<b>Neighbourhood and Planning</b>																							
Highways and Street Scene	14,775	3,068	17,843	0,000	17,843	0,514	1,220	0,153	0,403	2,290	20,133	0,000	0,643	0,000	0,275	0,000	0,000	0,000	0,000	0,000	0,000	0,000	1,915
Highways Strategic Services	8,196	(0,250)	7,946	0,000	7,946	(0,127)	0,397	0,000	0,000	0,270	8,216	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Public Transport	29,526	(0,250)	29,276	0,000	29,276	0,122	(0,250)	0,000	0,000	(0,128)	29,148	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Education Transport	8,560	(0,036)	8,524	(0,023)	8,501	(0,004)	(0,166)	0,100	0,000	(0,070)	8,431	0,000	0,110	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,110
Car Parking	7,330	0,236	7,566	0,000	7,566	(0,051)	1,065	0,000	0,000	1,014	8,545	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Waste	29,060	(2,589)	26,471	0,000	26,522	0,000	1,693	(0,157)	0,000	1,536	31,228	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Leisure	3,889	(0,634)	3,255	0,000	3,255	0,000	0,945	0,147	0,000	1,092	4,347	0,000	0,100	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,100
Economy & Enterprise	4,129	0,425	4,554	(0,163)	4,391	(0,151)	0,000	0,000	0,000	(0,151)	4,240	0,000	0,000	0,000	0,378	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,378
Development Services	2,038	(0,269)	1,769	0,000	1,769	(0,229)	0,000	0,000	0,000	(0,229)	1,540	0,000	0,000	0,000	0,150	0,000	0,000	0,000	0				

Service base budgets 2012/13 – following leadership restructure part way through 2011/12

Wiltshire Council Proposed Revenue Budget 2012-13 in New Council Structure						2012-13 Growth					SAVINGS AND EFFICIENCIES										Net Budget 2012-13	
Department and Service	2011-12 Net Base Budget	Changes to Revised Month 9	Revised 2011-12 Net Base Budget Month 9	Budget Setting Amendments	Revised 2011-12 Net Base Budget	INFLATION AND DEMAND		INCOME		INVESTMENT	Total	Growth affected Budget	SAVINGS AND EFFICIENCIES					Total	Net Budget 2012-13			
	Em	Em	Em	Em	Em	PAY	NON PAY	Em	Em	Em	Em	Em	Procurement	Service Efficiencies	Don't / Defer Investments	System Training	WTP / Assets	Income	Management	Em	Em	
<b>Adult Care Operations</b>	40,070	-3,998	36,072	2,000	38,072	0.000	1,258	(0.136)	4,421	5,541	51,618	2,435	0.328	0.000	0.000	4,800	0.000	0.000	0.000	0.000	7,563	44,055
Older People	7,976	(0.174)	7,802	0.012	7,814	0.000	0.795	(0.046)	0.749	0.563	0.000	0.000	0.000	0.000	0.000	0.960	0.000	0.000	0.000	0.000	0.960	8,503
Physical Impairment	30,880	(2,883)	28,000	1,546	29,546	0.000	0.264	(0.072)	0.000	0.832	30,312	0.000	0.000	0.000	0.000	0.768	0.000	0.000	0.000	0.000	0.768	30,444
Mental Health	21,770	(0.811)	21,000	0.494	21,494	0.000	2,670	(0.124)	0.000	2,546	20,390	0.087	0.164	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.251	23,748
Supporting People	7,194	(0.083)	7,111	(7.127)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Adult Care Commissioning</b>	3,073	1,801	4,874	(2,041)	2,833	0.000	0.000	0.000	0.000	0.000	2,841	0.000	0.000	0.000	0.000	0.034	0.000	0.000	0.000	0.000	0.034	2,807
<b>Communities, Libraries, Heritage &amp; Arts</b>	2,032	0.171	2,203	(0.088)	2,115	0.000	0.310	0.000	0.000	0.310	3,318	0.000	0.000	0.000	0.000	0.012	0.000	0.000	0.000	0.000	0.012	3,303
Community Leadership & Governance	4,832	(0.058)	4,774	(0.021)	4,753	0.000	0.043	0.000	0.000	0.043	4,758	0.000	0.000	0.168	0.000	0.000	0.000	0.000	0.000	0.000	0.168	4,540
<b>Libraries Heritage &amp; Arts</b>	2,940	(0.173)	2,767	2,868	0.000	0.255	0.000	0.000	0.255	0.000	5,900	0.000	0.000	0.000	0.444	0.000	0.000	0.000	0.000	0.000	0.444	5,456
<b>Strategic Housing</b>	14,775	3,068	17,843	0.000	17,843	0.514	1,230	0.153	0.403	2,290	20,133	0.000	0.643	0.000	0.275	0.000	0.000	0.000	0.000	0.000	0.918	19,215
Highways and Street Scene	3,380	(0.634)	2,746	0.000	2,746	0.349	0.062	0.147	0.000	0.558	3,313	0.000	0.100	0.000	0.016	0.000	0.000	0.000	0.000	0.000	0.116	3,197
Leisure	(7,330)	0.238	(7,092)	0.000	(7,092)	(0.007)	0.186	1.100	0.000	1.289	(6,862)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(6,862)
<b>Car Parking</b>	0.798	0.043	0.841	0.000	0.841	0.004	0.000	0.000	0.004	0.004	0.970	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.970	0.970
<b>Children &amp; Families</b>	1,887	(1,887)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Concessions Service	2,081	(2,081)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Youth Development Service	1,616	(1,616)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Youth Offending Service	0.173	(0.173)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Young People's Support Service	1,834	(1,834)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Targeted Services	20,686	(0.642)	20,044	0.000	20,044	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Children's Social Care	0.000	(0.130)	(0.130)	0.000	(0.130)	0.166	0.085	0.000	0.000	0.000	2,601	0.000	0.000	0.000	0.000	0.150	0.000	0.000	0.000	0.000	0.000	29,704
Integrated Youth	0.000	5,352	5,352	(0.088)	5,264	0.084	0.075	0.000	0.000	0.159	5,443	0.000	1.782	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.782	3,661
<b>Schools &amp; Learning</b>	9,784	(0.794)	8,990	(0.137)	8,853	0.048	0.689	0.000	0.000	0.717	9,580	0.000	0.478	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.478	9,102
Early Years	1,021	(0.251)	770	0.000	770	(0.251)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
School Buildings & Places	4,544	1,733	6,277	(2,250)	4,027	(2,250)	0.000	0.260	0.730	0.765	4,852	0.000	0.000	0.200	0.000	0.368	0.000	0.000	0.000	0.000	0.368	8,900
School Improvement	(0.377)	0.277	(0.100)	0.000	(0.100)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Treated Services	6,536	(6,536)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Special Educational Needs	0.000	1,144	1,144	0.000	1,144	0.159	0.000	(0.000)	0.000	(0.041)	9,871	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Business & Commercial Services	0.000	9,341	9,341	0.000	9,341	0.078	0.148	0.000	0.000	0.226	7,865	0.000	0.000	0.293	0.000	0.000	0.000	0.000	0.000	0.000	0.293	7,572
Targeted Services & Learner Support	2,135	0.663	2,798	(0.292)	2,506	0.000	0.600	0.000	0.000	0.600	3,106	0.000	0.000	0.000	0.190	0.000	0.000	0.000	0.000	0.000	0.190	2,916
<b>Children's Services Commissioning &amp; Performance</b>	0.000	1,989	1,989	(1,989)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Commissioning and Performance	0.343	0.224	0.567	0.000	0.567	0.000	0.000	0.000	0.000	0.000	0.567	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.567
Funding Schools	17,467	(8,479)	8,988	0.021	9,009	0.000	0.375	0.028	0.000	0.403	3,410	0.000	0.688	0.000	0.000	0.133	0.000	0.000	0.000	0.000	0.133	8,592
Policy, Performance & Partnership	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Finance	0.443	0.224	0.667	0.000	0.667	0.000	0.000	0.000	0.000	0.000	0.667	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.667
Finance, Procurement & Internal Audit	17,467	(8,479)	8,988	0.021	9,009	0.000	0.375	0.028	0.000	0.403	3,410	0.000	0.688	0.000	0.000	0.133	0.000	0.000	0.000	0.000	0.133	8,592
Revenue & Benefits - Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Legal & Democratic	4,228	2,017	6,245	0.213	6,458	0.000	1,230	0.000	0.000	1,230	7,888	0.000	0.000	0.000	0.200	0.000	0.000	0.000	0.000	0.000	0.200	7,488
Legal & Democratic	2,215	(0.287)	1,928	0.000	1,928	0.000	0.230	0.000	0.000	0.230	2,238	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2,238
<b>Communications</b>	3,947	(0.012)	3,935	0.000	3,935	0.000	0.000	0.000	0.000	0.000	3,235	0.000	0.546	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.546	2,689
HR & Organisational Development	17,746	(1,395)	16,351	(0.400)	15,951	0.000	0.211	0.000	0.000	0.211	16,162	0.000	1,287	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1,287	14,865
Human Resources & Organisational Development	4,836	0.835	5,671	(0.040)	5,631	0.000	0.159	0.315	0.000	0.474	6,105	0.000	0.421	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.421	5,684
Business Services	12,880	(10,259)	2,621	0.000	2,621	0.000	0.000	0.000	0.000	0.000	2,581	0.000	0.071	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.071	2,510
Shared Services and Customer Care/ Business Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Strategic Property Services	0.103	14,417	14,520	(0.128)	14,392	0.000	1,180	0.460	0.000	1,640	16,122	0.100	0.000	0.000	0.000	0.530	0.000	0.000	0.000	0.000	0.630	15,492
Transformation Programme	4,120	0.425	4,545	(0.163)	4,382	(0.151)	0.000	0.000	0.000	(0.151)	4,240	0.000	0.000	0.000	0.000	0.378	0.000	0.000	0.000	0.000	0.378	

## Detailed saving proposals 2012/13

Ref	Service	Saving 2012/13 £m	Posts affected FTE	Description
<b>New Service efficiencies</b>				
DCE4	Early years	0.478	14.3	Following a review of how we deliver this service we plan to maintain open all children's centres, and reconfigure the early years and childcare workforce support early years settings across Wiltshire as a result of changing legislation and realignment of teams across the hub model in place across the rest of Children's Services. This will result in a reduction of 14.48 fte posts of which 4.5 fte are currently vacant. Consultation on this process has begun.
DCE5	School Improvement	0.235	1	Deletion of vacant post and brokerage of support with schools. (saving previously agreed by Cabinet in 2011/12 budget)
DCE6	Business Support	0.100	4	Review of former Local Education Business Support to remove unnecessary administration and rationalise the number of area offices worked from.
DCE7	Targeted Schools and Learner Support	0.293	3	Following removal of the national grant the proposal is to reduce Local Collaborative Partnership team . Parent Support Advisors will be integrated with schools to ensure support is linked to education support.  Savings will also be identified within the home to school transport budget for pupils with special educational needs.

Ref	Service	Saving 2012/13 £m	Posts affected FTE	Description
DCE 10	Integrated Youth	0.915	TBC	Full review of Integrated Youth Service structure with no reduction in front line delivery, retaining capacity to respond to self harm and risky behaviours. The focus of the savings will be on reducing management levels over the Information Advice and Guidance services.
DCE 12	Policy & Performance	0.051	1.3	A Restructure of the service will remove a vacant post, and replace another vacant post with a lower graded post on 0.2 FTE less. In addition, the budget for professional fees will be removed.
DNP1	Highways	0.150	2	In light of the recent tender application for the re-provision of Highways Technical consulting contract, currently provided for by Mouchel/Ringway, due to be completed by December 2012, a revision of the client side management will also occur. In revising client arrangements efficiencies can be obtain through lower overhead costs and in-sourcing of staff. In doing so it has been identified that posts within the Duty Engineer and Liaison service can be deleted with no impact on service.
DNP 6	Highways	0.525	0	Carry out strategic streetlighting review and implementation to reduce energy costs. This will focus on ensuring that areas of higher risk related to health and safety remain lit, for example bus stops, roundabouts, alley entrances, etc... For all other areas a policy of reduced lighting will be implemented to turn off lights within an area.
DNP 15	Education Transport	0.030	-	Savings generated from in Cabinet approved decision during 2011/12 to the phased withdrawal of denominational transport

Ref	Service	Saving 2012/13 £m	Posts affected FTE	Description
DNP 16, 17 & 18	Waste	0.600	0	<p>Due to recent investment in a harmonised kerbside recycling service throughout the county and a network of Household Recycling centres (HRC's) the council is able to consider some reduction in other facilities that duplicate the new service and to change its approach to education. The saving is broken down as follows:</p> <ul style="list-style-type: none"> <li>- Reduction of the bring site network countywide, and removal of plastic and cardboard facilities at bring sites within the North and West, saving £0.270m.</li> <li>- Additional reductions in recycling spend relating to the purchase of black boxes, removal of extended HRC opening times and other kerbside improvements saving £0.145m.</li> <li>- Spend on education and behavioural change and consultancy reduced by £0.185m.</li> </ul>
DNP19	Leisure	0.100	0	Staff management savings, driven primarily by the harmonisation of the service, through the realignment of resources
DNP	Business Support.	0.115	3	A review of administrative support is to refocus all support centrally with out-posting support to buildings linked to a systems thinking review noted elsewhere in this Plan. As such a number of posts will be deleted or merged with other functions
DNP22	Development Services	0.060	0	Removal of discretionary budgets that have remained unused in previous financial years.

Ref	Service	Saving 2012/13 £m	Posts affected FTE	Description
CEX5	Public Health	0.450	2	Reduction to Community Safety Partnership - £0.100m to reflect the reduction in central government funding for community safety. Research Team review - £0.050m from a review of the Research Team supplies and services. £0.196 from a review of Public Protection supplies and services. With careful management this can be achieved without detriment to the service or impact on customers. £0.023m from the abolition of Market Forces Supplements. The outcome of a recent review of MFSs has demonstrated that these are no longer appropriate or sustainable. £0.081 from the removal of vacant posts and resultant minor restructure. This will minimise the impact on staff and service delivery.
CEX2-4	HR & Finance	1.181	8  4  2  2	<p>Revenues &amp; Benefits – £0.305m: £0.230m removal of vacant posts with the introduction of one system; £0.50m from the reduction in our costs for errors; and £0.025m for efficiencies in billing.</p> <p>Accountancy – £0.065m: Removal of 1 vacant post (Principal Accountant), and a number of other vacant posts following restructure, which is in addition to the agreed £0.150m savings</p> <p>Procurement - £0.130m from a restructure and removal of vacant posts; &amp; £0.133m from reduction of agency costs.</p> <p>HR – Harmonisation is now nearing finalisation and as such no costs for HR support will be needed in 2012/13 and £0.296m of costs will be removed. In addition, a review of Learning &amp; Development delivery and function, across the whole Council, will deliver a further £0.250m.</p>

Ref	Service	Saving 2012/13 £m	Posts affected FTE	Description
DTR5	IT	0.297	0	This will be additional to the £1m saving outlined and agreed in 2011/12. The programme will go further and faster with regards to application consolidation and telephony savings. Mobile phone costs are being reduced based on need. This is also more harmonisation of existing technologies due to other opportunities including fewer buildings and different ways of working.
DTR3	Business Services	0.321	9	Through the removal and deletion of vacant posts across the services that make up Business Services e.g. Customer Services, Transactional Business Services.
-	Target	1.640	TBC	The Council believes that budgeting should not be a once a year event and is continually looking for efficiencies in everything it has done. In recognition of that the Corporate Directors has been set a target to find £1.4m from services in year. This equates to 0.4% of our net budget and deemed achievable, but of course there is a risk of none delivery and thus this is fully provided for in the General Fund reserve should it not be achieved in part or full. We expect further proposals to be presented to members in the Summer.
<b>Total New Service Efficiencies</b>		<b>7.541</b>	<b>55+</b>	

Ref	Service	Saving 2012/13 £m	Posts affected FTE	Description
<b>Systems thinking savings</b>				
DCE 1 - 3	Commission-ing & Performance / Children's social care	0.340	1	<p>Children's Trust Support - £0.040m: CAF Co-ordinator posts being moved to Social Care Referral &amp; Assessment with subsequent changes to management arrangements.</p> <p>Children's Disability Teams and Commissioning for Short Breaks - £0.200m: Together with parents, review short breaks provision for families with disabled children as part of the DCA review.</p> <p>Family &amp; Parenting Support - £0.100m: Service redesign and re-commissioning of more targeted service. Strategy approved by Cabinet November 2010.</p>
DCS4	Older People	4.800	0	Continuation of the service redesign of home care and payments by results.
DCS 5&6	Learning Disabilities & Physical Impairment	0.826	TBC	Service redesign of Adults of Working Age, alongside new tender of services.
DCS 8 & 10	Communities & Libraries	0.096	0	Continued review of how services engage voluntary sectors.
DCS 12 - 14	Housing	0.444	3.8	Redesign of how Housing engages and works with other services to improve workflow.
<b>DNP 7, 9 – 11 &amp;</b>	Highways & Streetscene and Highways	0.290	2	Restructure of the Enforcement and Events team and the redesign of services around Highways strategic service e.g. rationalisation of travel and traffic counts.

Ref	Service	Saving 2012/13 £m	Posts affected FTE	Description
<b>DNP 27</b>	Strategic Services			
DNP 13	Education Transport	0.080	0	Better logistical planning of journeys to reduce fuel and time costs.
DNP 20	Economy & Enterprise	0.366	4	Service redesign & restructure
DNP	DNP support	0.950	TBC	Savings on miscellaneous and discretionary budget lines e.g. lease cars equate to £0350m, Proposals for rationalisation by Service Directors confirmed at £0.600m. The savings will be taken from the service line affected during the 2012/13 financial year.
CEX	Law & Governance	0.200	4	Restructuring of complaints and information teams and review of processes for dealing with complaints and information requests. More efficient use of legal services, including reductions in agency legal staff and external legal costs.
	Capital Financing	0.100	0	To save £0.100 million revenue by removing the unallocated allocation in the capital programme for investment on carbon reduction projects, and thus the requirement to finance the borrowing. Individual projects will be delivered on a business case by case basis e.g. Biomass boilers in schools.
-	Buildings	1.000	0	We will transfer ownership of both Browfort and Urchfont in late 2012. Full year recurring savings in 2013/14 should be near to £1m.  In Devizes we will move customer access into the Town Centre to improve access and do our part in helping with trade and the occupancy levels of the Town's units. We will seek an alternative organisation to relocate to the current Browfort site to further bolster the local economy.  For Urchfont Manor we will look to sell this on as a going concern
-	Admin	1.000		A review of secretarial and administrative support will be undertaken to

NO DECISIONS MADE –REPORT FOR CONSULTATION & SCRUTINY

Ref	Service	Saving 2012/13 £m	Posts affected FTE	Description
			20+	remove waste in processes and transactions. Personal Assistant support will move to at least 1:3 for management.
<b>Total Systems thinking</b>		<b>10.494</b>	<b>35+</b>	

## Appendix D

### Assumptions underlying out plan

The updated four year Financial Plan has been compiled as set out in Section 2 of the report. It includes the following assumptions

- **Pay** – 0 per cent pay award for all groups of employees, unless specifically noted as an exception. There is also an agreed assumption of no incremental increases in pay, although harmonisation will apply in certain cases and this has been accounted for in the relevant base budgets.
- **Demand** – Projections have been based on prior year trends and known or anticipated movement in 2012/13, specifically:
  - Demographic increases for older people of 2.88 per cent and for mental health older adults of 3.65 per cent in 2012/13 (based on the latest demographic data available)
  - Child care placements 50 placements (19,038 nights care) additional spread throughout the year
- **Inflation** – In general an inflation pressure of 4 per cent has been applied to costs unless there is specific evidence of higher/lower increases due to contractual commitments.
- **Interest rates** – the cost of borrowing has been assumed at an average rate of 4.35 per cent; and investment income at an average of 0.5 per cent.

The assumptions around future years' figures are set out in the schedule below:

- Service Budgets have been rolled forward and reflect the future year impact of 2012-13 spending requirements and savings proposals as set out in this report. They also include pay award assumed at 1 per cent and 1 per cent per annum for 2013-15 respectively.
- A contingency for 3.5 per cent price inflation has been included based on likely contractual inflation commitments, subject to assumptions included in the Commissioning and procurement savings. So if procurement savings assume no inflation none has applied.
- Assumed 0 per cent increase in employer's superannuation rates for 2013/14 with a 1 per cent increase following the next triennial valuation of the fund in 2013. Recent proposals to change the Local Government Pension Scheme will impact on this assumption but at this time are uncertain. This will continue to be reassessed following national announcements.
- Costs of servicing existing debt and additional borrowing requirement reflect proposed future capital expenditure.
- The running costs arising from the capital schemes, including additional provision for campuses, highways, waste and broadband, have been accounted for based on current profiles within the capital programme
- Increase employer's national insurance rates from April 2012 as announced in 2010 budget report.
- Investment in transformation activity delivering improved outcomes and future year's savings.

2012-15 Capital programme

Scheme name	Capital Programme budgets					Funding available				
	Current Budget 2012/2013	Current Budget 2013/2014	Current Budget 2014/2015	Current Budget 2015/2016	Total	Grants and Contributions	Revenue Contributions	Capital Receipts	Borrowing	Total Funding
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>Education schemes</b>										
Sarum Academy Salisbury	9.937	7.222			17.159	15.515		1.644		17.159
Additional Accommodation	15.984	5.147	5.147	5.147	31.425	25.126			6.299	31.425
NDS Maintenance & Modernisation	9.159	5.890	5.890	5.890	26.829	26.829		0.000		26.829
Devolved Formula Capital	1.078	1.078	1.078	1.078	4.312	4.312				4.312
Access and Inclusion	0.100	0.100	0.100	0.100	0.400	0.136		0.264		0.400
DCSF Primary Capital Programme	0.026				0.026			0.026		0.026
DCSF Targeted Capital 14-19 SEN	0.700				0.700	0.402		0.298		0.700
Other Projects New Schools	3.122				3.122	0.650		2.472		3.122
Other Schools Projects - Expansions & Replacements	1.146				1.146	0.431		0.715		1.146
Other Education schemes	0.003				0.003			0.003		0.003
<b>Total Education schemes</b>	<b>41.255</b>	<b>19.437</b>	<b>12.215</b>	<b>12.215</b>	<b>85.122</b>	<b>73.401</b>	<b>0.000</b>	<b>5.422</b>	<b>6.299</b>	<b>85.122</b>
<b>Highways schemes</b>										
Integrated Transport	2.668	2.668	3.752	3.752	12.840	12.840				12.840
Bridges & Structural Maintenance	13.813	13.020	12.262	12.262	51.357	51.357				51.357
Additional assumed amount to maintain current provision	1.730	2.523	2.197	2.197	8.647				8.647	8.647
Footways, ALA, Land Drainage & Other Minor Schemes	0.500	0.500	0.500	0.500	2.000					2.000
<b>Total Highways schemes</b>	<b>18.711</b>	<b>18.711</b>	<b>18.711</b>	<b>18.711</b>	<b>74.844</b>	<b>64.197</b>	<b>0.000</b>	<b>0.000</b>	<b>10.647</b>	<b>74.844</b>
<b>Campus and Operational Delivery (CAOD) schemes</b>										
Hub Programme Office rationalisation	15.198	0.600			15.798			0.000	15.798	15.798
Operational Estate	2.067	3.000			5.067			0.000	5.067	5.067
Depot Strategy	4.000	2.900			6.900			0.294	6.606	6.900
Campus	13.751	13.395	8.514	8.135	43.795	1.600		30.494	11.701	43.795
<b>Total CAOD schemes</b>	<b>35.016</b>	<b>19.895</b>	<b>8.514</b>	<b>8.135</b>	<b>71.560</b>	<b>1.600</b>	<b>0.000</b>	<b>30.788</b>	<b>39.172</b>	<b>71.560</b>
<b>Other Property schemes</b>										
Buildings Planned Maintenance (non CAOD)	3.265	2.500	2.500	2.500	10.765			0.000	10.765	10.765
<b>Total Other Property schemes</b>	<b>3.265</b>	<b>2.500</b>	<b>2.500</b>	<b>2.500</b>	<b>10.765</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>10.765</b>	<b>10.765</b>
<b>Housing schemes</b>										
Disabled Facilities Grants	2.900	2.555	1.000	1.000	7.455	4.140		3.315		7.455
Corporate Other Housing grants	0.961				0.961			0.961		0.961
Gypsy and Traveller sites	0.250	3.500			3.750	3.500		0.250		3.750
HRA - refurbishment of council stock	9.377	10.162	10.612	10.178	40.329		40.329			40.329
<b>Total Housing schemes</b>	<b>13.488</b>	<b>16.217</b>	<b>11.612</b>	<b>11.178</b>	<b>52.495</b>	<b>7.640</b>	<b>40.329</b>	<b>4.526</b>	<b>0.000</b>	<b>52.495</b>
<b>Waste schemes</b>										
Waste Transformation	0.528	0.138	0.138		0.804				0.804	0.804
<b>Total Waste schemes</b>	<b>0.528</b>	<b>0.138</b>	<b>0.138</b>	<b>0.000</b>	<b>0.804</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.804</b>	<b>0.804</b>
<b>Other schemes</b>										
Revenue & Benefits IT System	0.277				0.277			0.277		0.277
Carbon Reduction	2.700				2.700			0.000	2.700	2.700
Adult Social Care Strategy - Older People, LD & Mental health	0.654				0.654	0.654				0.654
Area Boards and LPSA PRG reward grants	0.500	0.500	0.500	0.500	2.000	0.800			1.200	2.000
Rural Estates	0.400	0.195			0.595				0.595	0.595
Cross Departmental Initiatives System Developments	0.500	0.500			1.000			1.000		1.000
Digital Inclusion	3.000	9.900	5.000	2.000	19.900	3.900			16.000	19.900
ICT Schemes	0.670	1.000			1.670			1.670		1.670
Leisure (non campus)	0.750			272.897	273.647				0.750	0.750
Fleet Vehicles	1.500	1.500			3.000				3.000	3.000
<b>Total Other schemes</b>	<b>10.951</b>	<b>13.595</b>	<b>5.500</b>	<b>275.397</b>	<b>305.442</b>	<b>5.354</b>	<b>0.000</b>	<b>2.947</b>	<b>24.245</b>	<b>32.546</b>
<b>Total Capital Programme</b>	<b>123.214</b>	<b>90.493</b>	<b>59.190</b>	<b>328.136</b>	<b>601.032</b>	<b>152.192</b>	<b>40.329</b>	<b>43.683</b>	<b>91.932</b>	<b>328.136</b>

HRA

2012/13 HRA Budget

2010-11		2011-12	2011-12	2011-12	2012-13
Actual Outturn	Service	Original Budget	Latest Approved Month 6	Revised Estimate	Original Estimate
£		£	£	£	£
(69,600)	HRA Expenditure				
3,653,300	Provision for Bad Debts	48,600	48,600	48,600	57,000
92,100	Capital Financing Costs	3,831,900	3,817,600	3,817,600	14,322,400
7,466,500	Rent Rebates	46,900	46,900	46,900	37,000
4,496,000	HRA Subsidy Payable	8,384,200	8,384,200	8,384,200	-
(7,200)	Repairs & Maintenance	5,014,900	5,014,900	5,014,900	5,014,900
525,500	Rents, Rates, Taxes etc.	2,600	2,600	2,600	(5,200)
2,898,100	Supervision & Management Special	671,800	671,800	671,800	721,300
	Supervision & Management	3,290,500	3,304,800	3,304,800	3,197,600
<b>19,054,700</b>		<b>21,291,400</b>	<b>21,291,400</b>	<b>21,291,400</b>	<b>23,345,000</b>
(131,400)	HRA Income				
(20,982,500)	Interest	(125,400)	(125,400)	(125,400)	(125,400)
<b>(21,113,900)</b>	Rents	<b>(21,577,100)</b>	<b>(21,577,100)</b>	<b>(21,577,100)</b>	<b>(23,078,700)</b>
<b>(2,059,200)</b>	<b>Total Housing Revenue Account</b>	<b>(411,100)</b>	<b>(411,100)</b>	<b>(411,100)</b>	<b>140,900</b>
(12,745,500)	Housing Revenue Account Balance				
(2,059,200)	Balance Brought Forward	(13,335,600)	(13,335,600)	(13,335,600)	(12,481,700)
	Contribution (to)/from Revenue Account	(411,100)	(411,100)	(411,100)	140,900
					-
1,469,100	Use of reserves for New Build Project	1,265,000	1,265,000	1,265,000	-
<b>(13,335,600)</b>	<b>Balance Carried Forward</b>	<b>(12,481,700)</b>	<b>(12,481,700)</b>	<b>(12,481,700)</b>	<b>(12,340,800)</b>