

**Cllr Richard Clewer, Leader of Wiltshire Council**  
**2023/2024 budget speech – 21 February 2023**

May you live in interesting times, a traditional Chinese curse and one that has much more resonance with us all now than we would like.

The invasion of the Ukraine by Putin, on the back of the recovery from Covid, has placed public finances and public services under levels of strain never before felt. Inflation has hit us all, residents, businesses and Wiltshire Council alike and the challenge of delivering our services cannot be underestimated.

Before talking through the budget I wanted to note the work that has been done over the last year by Government, the council and this Administration to support our residents through the cost of living crisis. We have improved the efficiency of the 100 least energy efficient council houses through the green homes grant. Officers created our community directory identifying warm spaces and community food providers with 165 locations registered. We have given out over 1,000 warm packs from our libraries along with referring 80 vulnerable residents to our warm and safe support network. The Warm and Safe advice service has provided support to 1,009 residents in total including 144 heating and insulation referrals and giving out over £56,000 in grants. £30,000 was used to provide outreach helping our boater and traveller communities with fuel and food vouchers working alongside Julian House. We have worked to help distribute the hundreds of millions in energy support that Wiltshire residents have received from central Government along with administering the targeted Household Support Grant Scheme using almost £3 million to support residents who need most help with extra funding for families in the school holidays and support for vulnerable older people. We supported almost 10,000 vulnerable elderly residents through the £877,000 energy rebate scheme and

have supported our housing tenants to access more than £600,000 in benefits and grants they were entitled to and had not claimed. This is just a snapshot of some of the work that has been going on driven by Wiltshire Council both through the voluntary sector and through area boards.

So back to the budget.

Local Government as a sector is, to put it bluntly, on the edge of financial catastrophe. Croydon, Thurrock and Slough are raising their council tax by between 10 and 15% this year alone to deal with the impacts of their collective failure to control costs and invest wisely. I will be astonished if other councils, including some closer to home, do not follow them into section 114 notices over the coming year.

To provide context for our budget position it is helpful to look at the councils surrounding us. They have many factors in common, they all have significant savings that still need to be found in 24/25 and 25/26 which have not yet been identified, many are using reserves to balance their books this year and some have savings targets for 23/24 which it is clear that their own section 151 officers think are going to be close to impossible to deliver.

Hampshire has a £57.7 million gap in 24/25 still to find rising to £132 million in 25/26, it intends to use reserves to cover this and says that there is 'no sustainable financial strategy beyond 2025 for Hampshire County Council without funding changes'.

Dorset needs to find £14 million next year and an additional £18 million the year after, it is using reserves to fund SEND this year.

Swindon has £9 million to find next year and another £9 million the year after on a budget 1/3<sup>rd</sup> of our size. They appear to be using £8 million of reserves to balance this year's budget.

BANES have £10 million to find next year and almost £5 million the year after (again on less than 1/3<sup>rd</sup> of our budget), they are looking to

raise over £1 million in additional revenue from residents traffic zones. I am not highlighting these to criticise the councils in question but to highlight the significant challenges that all of them are facing.

Our most directly comparable neighbour is now Somerset. As a new large unitary they have a similar geography, demographic, budget and population to us. The scale of the challenges they are facing are perhaps most stark, both as a mirror of the position we could be in and as a salutary reminder about what the Liberal Democrats do when they are actually in power.

Somerset are using £24.3 million of reserves to balance their budget this year and an additional £19.9 million in reserves to balance the 23/24 budget. I will come back to the topic of Liberal Democrats and the use of reserves later. Somerset have an additional £41 million savings to find in 24/25 after raising council tax by 5% with no idea where to find them from, and that is after taking into account the extra government funding. In their budget report officers say that their borrowing levels are unsustainable and need to be brought under control, yet the Lib Dems are increasing borrowing by over £70 million to a total of over £1 billion next year. It looks as though it will take just two years for a Lib Dem administration to drain the reserves from Somerset and turn a previously well run council into a financial basket case.

So against that bleak backdrop, what is the budget that my administration presenting for Wiltshire? I can present today a budget that not only details every saving that we need to make to present a balanced budget next year but every detail of efficiencies and savings to provide a balanced budget for the two years after that as well. Something that no other council around us can come close to doing. Not only do we have plans for all the savings we need to make, we are not proposing on using any reserves to balance the budget over those three years. Instead, because of the responsible and financially rigorous approach Wiltshire Conservatives have taken

we are able to release £13.1 million of reserves to invest in further preventative work.

This budget is a remarkable achievement set against the backdrop of the positions of councils all around us. It is, I think, important to understand how we have been able to get to this point. It starts with the manifesto on which Wiltshire Conservatives were elected in 2021, a manifesto that was not packed with undeliverable and unfunded promises (I stopped trying to estimate the cost implications of the last Lib Dem manifesto when I got to over £300 million) but was a serious and measured approach to the challenges Wiltshire faces and the ways that we can tackle them. There were commitments there on fly tipping, preventative investment on our highways, on supporting our high streets and I will come back to those later.

Our council Business Plan was then developed from the manifesto, with cabinet and officers working closely together. We have already heard how successful the Business Plan is proving from the LGA Peer review 'The Business Plan is visibly providing organisational direction and is quite clearly owned by members'. Everything we do as an organisation is geared around the Business Plan and it drives everything we do and everything we spend money on. The Business Plan also provides the evidence base that we use to make sure when ever we are spending money, we are doing it in a way that is based on real evidence and will provide significant benefit.

In order to control our budget, we have taken an extremely rigorous approach to the way in which we spend money and look at the savings and efficiencies we need to make. That has resulted in the need to make some tough decisions, decisions that are not always popular. That prudent approach, ensuring that we live within our means and focus our activity where it is most needed have allowed us to control our costs, not see them escalate. We are also as an

administration and a council completely focused on tackling the long-term problems facing the county of Wiltshire. It is far too tempting in politics to look to short term gimmicks and pretend that you can solve problems in a very short time scale. That is particularly prevalent in Westminster politics but also in many of our neighbouring councils. It is not our approach. We are looking to actually address our long-term problems, invest in solutions and tackle them over the long term. Good financial management and good government tend to be pretty boring and in that regard, I am delighted to say that in many ways despite the challenges this is a pretty boring budget. No where is this more evident than our work in climate change where our approach doesn't revolve around grand statements but on long term plans that have resulted in us being recognised as true leaders in the area and more importantly have saved this council millions of pounds.

At the heart of our Business Plan are four guiding themes, Prevention, Improving Social Mobility, Understanding Communities and Working Together with Partners. The focus on prevention in particular has been critical to the way Wiltshire Council now works and the direction of our budget. Most councils are currently facing significant cost increases in their placements for children's services. The work that Wiltshire Council has carried out to put resources into early intervention, addressing problems as or before they arise, has resulted in a significant limitation in the expensive interventions and placements that would otherwise have arisen. As a result, our placement costs are increasing very slowly and the Children's Services budget is under control unlike any other council I am aware of.

The position we face this year is extremely challenging. We are facing cost pressures amounting to £69 million on the services we provide, partly driven by increasing demand and the changing

demographics of Wiltshire but mostly by the impact of inflation on the services the council provides including the impact of a higher than anticipated pay increase for staff this year. Our budget last year was set at £417 million and today we are proposing a budget of £466 million in 23/24 and this will rise to £480 million in 24/25 and £491 million in 25/26. Some of that extra funding will come from the welcome support we have had from central government around adult social care. We are proposing to increase council tax this year by a total of 4.99% split between 2% adult social care levy and 2.99% council tax, that equates to an extra £1.57 per week on a 'typical' band D property. In 24/25 we are confident that based on current forecasts we can hold the increase to 4% (we are allowed a 5% increase by government) and that in 25/26 it can be limited to 2%. Even with the extra funding we still need to find £26 million of internal savings and efficiencies this year (a total of £51.2 million over 3 years). Raising Council Tax is never something we do lightly but the requirement to balance our budget combined with severe inflation that everyone, including Wiltshire Council, faces I am afraid give us no choice.

We started the process of developing this budget many months ago. Cabinet and the Extended Leadership Team have worked extremely closely and collaboratively to work out a detailed picture of the cost pressures we face over the next 3 years and more importantly the savings that could theoretically be delivered in each area. There have been no hidden agendas or smoke and mirrors, everything was put on the table by our officer team despite there being many suggestions which they found uncomfortable. Cabinet was then briefed on all of those options and more importantly discussed and challenged them with officers to test how viable they were and what the wider impacts would be including political ones. We made sure that both officers and members understood each other's rationale around decisions. In particular we all put in a huge amount of work

to make sure that we understood the implications of any changes across all parts of the council. It is the first time that we have truly looked at budget setting in a way that left the silos of people and place behind and as a result many ideas that seemed sensible in one department but would have caused problems for another were discarded. This collaborative way of working has, in my opinion been extremely successful and I would like to thank the Extended Leadership Team and Cabinet for the effort they have all put into the process. As a result, we have savings and efficiencies planned over the next 3 years that do not cut any of our preventative work, leave all of our libraries and leisure centres and household recycling centres open (unlike most councils) and protect services that support the most financially vulnerable. We are also maintaining our funding for museums and the arts despite the challenges we face and we will not be increasing parking charges for the next 3 years.

It is worth noting that our budgets are increasing in all our service areas, driven by inflation and extra investment. It is not fair to describe this budget as cutting services, we are not. To be specific we are increasing spend in all areas by the following amounts:

Living and Ageing Well – up by £11.009 million

Whole Life Pathway – up by £14.947 million

Education and Skills – up by £5.846 million

Families and Children – up by £1.948 million (our prevention work is having huge impact here)

Highways & Transport – up by £2.938 million (not including capital spend)

Planning – up by £2.229 million

Environment – up by £3.656 million

Leisure Culture & Communities – up by £0.803 million

That all goes to show that Conservative run Wiltshire Council delivers.

As part of today we also set the budget for our Housing Revenue Account. This is predicated on a 30-year business plan ensuring that we update kitchens and bathrooms as well as carrying out routine maintenance. The vast majority of our housing is rented out at Social Rents (just under 50% of market rent) and normally we are expected to increase rents by CPI + 1%, that would have been 11.7% in the current circumstances. Government have rightly intervened saying that is too high a level and instead have allowed us to increase rents by up to 7%. The impact of a lower rental increase to the 30-year business plan would be extremely serious as any shortfall would be compounded over time significantly reducing investment in our housing stock including our Council House building program and the HEEP program designed to bring all our council housing to an EPC B rating saving our tenants significant amounts of money. We are therefore proposing a 7% increase in HRA rents.

The budget is not just about our day-to-day spending, our revenue budget, but also about the capital investment we are making into Wiltshire. Our capital programs over the next 7 years will in total see £293 million invested in Council Housing, £447 million into our highways and transport, £27 million into economy and regeneration, £4 million into waste services and £41 million into Leisure Culture and Communities. £56 million into Stone Circle, addressing areas of housing need where the wider housing market is failing, £77 million into our assets and commercial development including our decarbonisation program. We have committed £102 million into education, primarily upgrading our schools and especially the new special school at Silverwood, £26 million in disabled facilities grants and £1 million into children's homes this year. We fund capital from a wide range of sources, from government grants, from section 106 and CIL contributions and from our own borrowing. Officers and



cabinet have been making huge strides in developing a more accurate capital program with better profiling of spend. Whilst the overall investment levels have not changed, we now have a much better idea of precisely when we will be spending the £1.1 billion that we are investing in Wiltshire.

We are also investing in our town centres and tourism, our £1 million a year towns program is starting to show real returns. Our town and city councils are developing plans for events and marketing drawing on our funding. In Salisbury there is a new 3-year Christmas events program built around that funding and you only need to drive through Westbury to see the banners advertising their program of events. The Heritage Trail and What's on in Wiltshire App will launch this year with some high-profile content and the Wiltshire Marque, promoting Wiltshire Produce, is close behind. We are expanding the vacant units fund piloted in Trowbridge and will be investing in an arts events program over the next 2 years to bring more vibrancy into our town centres. Too many of us now shop online even when it comes to groceries and this plan will bring our residents and those from surrounding towns and counties into Wiltshire's town centres for events and entertainment.

It is worth mentioning the dedicated schools grant, this is funding that comes through Wiltshire Council and is passed directly onto our schools. There is a national issue with the High Needs Block element of this which is running deficits virtually everywhere in the country whilst we wait for governmental reform, that deficit in Wiltshire stands at £34.68 million. Technically speaking this deficit sits on our books even though it is a central government issue. From an accountancy perspective, if we had to account for it against our own reserves then every council dealing with education in England would be technically bankrupt. Government have provided an accountancy waiver to avoid this for several years and this has been extended until 25/26 whilst they address the problem centrally.

Prudence underpins everything we do. Tight financial control and a proper understanding of the reserves we need, along with an understanding of when they can be released is critical to the financial success we are demonstrating today. We are increasing our general reserves by £7 million this year, bringing them up to a level that our 151 officer considers prudent. We are slowly drawing down the latent demand reserve, designed to address specific issues arising out of Covid and lockdowns, in particular for young people. We are increasing our collection fund volatility reserve to ensure that we are able to deal with any challenges arising from the cost-of-living crisis.

The prudent approach that we have been taking however now allows us to release £13.1 million from our reserves to address the key priorities of this administration and our business plan and to tackle future demand before it arises. This is on top of the over £2 million we were able to release last year. Investments so far have gone into a campaign to reduce fly tipping which has so far seen a 30% reduction in fly tipping county wide, a significant expansion of our white lining program with over 145 miles of lines painted last year and in gully cleaning which has seen 1,000 extra gullies emptied in the last 4 months with 120 tonnes of silt and muck removed from them. We have invested more funding into our Parish Stewards, enabling them to deal with larger problems with new equipment.

The extra £13.1 million will be used as follows,

£10 million will be leveraged and then used to finance, the acquisition of housing in Wiltshire to prevent the use of Bed & Breakfast for temporary accommodation, something we have historically avoided but is now on the increase following the impact of Covid and the cost-of-living on our residents. This will not only provide the council with long term assets but save us significant costs in B&B charges. We will also look to provide accommodation to support our care leavers and adults with learning disabilities.

£2 million will be invested in our Community Conversations. This is a program designed to focus all the existing work of Wiltshire Council and our public and voluntary sector partners in holistically tackling long term deprivation in Wiltshire. It is a highly evidence led program and the funding will be used, alongside other funding like the Rural Prosperity Fund to provide projects designed to transform areas of deprivation alongside residents, working with them rather than doing to them. This piece of work is extremely important to me, it represents a genuinely new approach to tackling deprivation linking up all the services that the council, health, housing and the voluntary sector provide along with a proper understanding of the physical places people live from their perspective. It is significant enough to already be getting some national and international recognition.

£0.5 million will be invested into repairing and replacing broken road signs, speeding up that program significantly.

£0.952 million will be added into the Business Plan Priorities reserve and we will be taking action on litter through this reserve in the very near future. We will also be ensuring that the Military Outreach program continues with Wiltshire leading the program and working with other Councils across the South West.

All clearly showing how well Wiltshire Conservatives Deliver.

I want now to touch on some of the ideas put forward by the Liberal Democrats in recent years, their promises and the reality of their actions. We will shortly spend many hours debating not the substance of a Conservative budget that spends £465 million addressing the actual needs of the county of Wiltshire but instead on Lib Dem amendments that amount to 0.031% of our total budget, yes you heard me correctly, 0.031%.

We have had many lib dem proposals in the last few years. When I look at their ideas and actions, I am consistently reminded of a quote

of Julius Caesar's to the Senate discussing the Cataline conspiracy 'Omnia mala exempla ex rebus bonis orta sunt'. To translate 'all bad precedents start from justifiable measures', it could have been written about the lib dems.

So what would have happened if the Liberal Democrats had been in power? Well, if you add up all of the amendments they have put forward funded by 'reserves' since 2021 their proposals would have reduced reserves by over £10.5 million leaving only £2.5 million left. That means that when we came to set next years budget we would have exhausted our reserves, just like Liberal Democrat led Somerset Council will do next year, whilst costs from B&B temporary accommodation soar. We would not be able to invest in our community conversations work, or tackling fly tipping, or white line painting, or road sign repairs, or gully clearing or tackling litter or in housing but instead we would be faced with either cutting preventative work, or libraries and leisure centres, or increasing council tax even more, or more likely both. What would we have gained from this 'justifiable measure'? We would have continued doing things the way we always had for a couple of years with a slightly lower council tax before being faced with the need to both increase council tax and cut critical services, definitely a bad precedent. No investment, no prevention and no transformation.

They also wanted to spend the Towns Program funding on not increasing parking charges because of the 'terrible damage that would do to our high streets.' A 'justifiable measure'? The evidence is that town centre footfall grew significantly last year as did car park usage and car parking revenue, even on Sundays with the introduction of Sunday charging. So, at the price of a program of investment designed to create long term change in attracting people into our town centres the Liberal Democrats would have simply left things as they are despite the fact that the evidence shows they

would have been wrong. They have no vision and no aspiration for Wiltshire.

Now I suppose we should consider that they didn't actually expect any of the proposals I have just mentioned to happen, after all they were just campaign promises? So what happens when the Liberal Democrats actually get into power? Fortunately for Wiltshire Council we don't know although we have a glimpse in the way they want to fund their amendments today. Despite campaigning in the 2021 election to 'stop green field developments' they want to build 215 more houses, yes you heard that correctly, 215 more houses on our green fields, to fund budget amendments that yet again would just keep things as they are!

In Somerset a Lib Dem administration will have drained all the reserves left to them in 2 years and be faced with a £41 million funding gap they have no idea how to fill whilst increasing borrowing by over £70 million despite their officers pointing out that borrowing levels are far too high.

We do have some examples inside Wiltshire of the difference between their promises and the reality of their actions when they are in power. On Trowbridge Town Council they are going to increase the precept by 10.1% on the back of a 19.49% increase last year.

The worst example however comes from the Lib Dem dominated administration on Salisbury City Council. It is nice to see Cllr Charleston in the chamber today, in the recent St Paul's by-election which he won, his election literature focused very heavily on the need to protect the most vulnerable and to look after people during the cost-of-living crisis. Yet what did the Administration of Salisbury City Council do to their precept this year, an administration that he and Cllr Dalton and Cllr Sample are all part of by the way? They decided to increase the precept in Salisbury not by 5%, not by 10.1%

but by 44%. Yes 44%. Salisbury Band D council tax is already £233 a year, the increase will cost the average band D household in Salisbury an £102 extra per year, That is significantly more than the £86 that Wiltshire Council tax will increase by for the same band D property. Wiltshire Council of course are responsible for the provision of hundreds of literally life saving statutory services. Yet what will the residents of Salisbury get from Salisbury City Council (who have statutory responsibility for allotments by the way) for the extra £102 a year? They will get their services cut and the grants from the City Council to the Museum and Wiltshire Creative slashed. The Liberal Democrats will promise anything to get into power but the moment they have power it is massive tax increases and economic incompetence.

‘Omnia mala exempla ex rebus bonis orta sunt’ perhaps a better modern translation would the road to financial hell is paved with badly thought through lib dem justifiable measures.

So back to the financial sanity of our Conservative budget. What I am presenting to you today is a budget that not only provides a fully costed budget for next year, with no use of reserves to balance the books, but a fully costed budget for the next 3 years with no use of reserves to balance the books. Instead, we are releasing reserves to invest in tackling the long term issues we face as a county. We are investing heavily in prevention, in tackling deprivation and in improving the maintenance of our critical infrastructure. We are not waiting for government funding to level up but levelling up ourselves. We are modernising our services, transforming adult social care to focus on keeping our residents healthy and in their own homes for longer. We are not spending on gimmicks or on doing things just because that is how we have always done them. We have a clear Business Plan based on a clear manifesto that is delivering for the residents of Wiltshire and as a result we are bucking the trend, with stable finances in local government. Don't just take my word

for it, look at our independent peer challenge and see how experienced officers from other councils rate our work and our performance.

This is an excellent budget which yet again clearly demonstrates that Wiltshire Conservatives deliver and I whole heartedly commend it to you all.