

## Wiltshire Council

### Overview and Scrutiny Management Committee

9 February 2018

---

#### Meeting of the Overview and Scrutiny Management Committee Report on Proposed Amendments for the 2018/19 Budget

#### Purpose of report

1. To report to the Overview and Scrutiny Management Committee the proposed amendments from opposition groups to the budget recommended by Cabinet on 6 February 2018 for the committee to appraise and raise any comments to Full Council.

#### Background

2. This meeting of the Overview and Scrutiny Management Committee provides an opportunity for non-executive councillors to question the Liberal Democrat Group, on the group's proposed amendments before the budget is considered by Full Council on 20 February 2018.
3. The proposals are set out in detail at Appendix A. In summary, the proposals are:

Proposal	Saving £m	Investment £m
To reduce a number of staffing areas – see detail at Appendix 1	(0.262)	
To recommend the number of portfolio holders is reduced by 50%	(0.058)	
To reduce councillor's travel mileage allowance to 25p a mile	(0.025)	
<b>Total saving proposals</b>	<b>(0.345)</b>	
To replace in part the Administration's proposal 49 in relation to ' <i>Communities - A review of structures and job design to identify inefficiencies and potential duplication with other service areas</i> '		0.245
To set aside further revenue ability to fund borrowing in order to allow for more LED replacement in support of the Administration's budget proposal 27 – ' <i>To ... undertake a commercial business case review of some areas moving to usage of LED fittings to reduce costs</i> '		0.100
<b>Total investment proposals</b>		<b>0.345</b>

## **Corporate Directors Operational comments**

4. The reduction in councillors' mileage rates would require an Independent Remuneration Panel to consider and advise before any changes are agreed by Council. A part year change in rates will require councillors to maintain personal records for any reclaim from HMRC, and a tax return to be completed by 31 January 2020. This will also mean a differential in payment rates between officers and councillors.
5. The proposed change in portfolio holder numbers is a decision of the Leader, so no further comment is possible.
6. A further reduction in staffing costs in Communities (proposal 49) could reduce the capacity and further analysis would need to be undertaken before any proposal could be developed to consult.
7. Further reductions in the Corporate and Digital Directorate would have to be found from non-externally funded work. At present, there is a proposal in the Administration's budget (Proposal 55) to make savings from a review of structure and job design to identify inefficiencies in this area. Proposal to reduce further staffing costs could affect the capacity of the service to support projects currently funded from general revenue, including: the Community Asset Transfers, Wiltshire Online and the Digital Transformation. Reductions of staffing costs in this area could reduce the council's ability in the medium term to support other corporate programmes that might arise or are in the pipeline.

## **Financial comments**

8. A Financial Summary is appended. This identifies that the proposals balance and therefore do not impact on the net base budget proposed in the original paper to Cabinet.
9. Due to the need for an Independent Remuneration Panel to consider any changes to councillor mileage rates before Council makes a decision, the full year saving of £30,000 to £35,000 is unlikely to be realised. As such a part year saving has been noted. Other savings would require immediate consultation in order to achieve a full year saving. No review has been possible at this stage in relation to the proposed staff savings and any consequential impact that these could have on the 2018/19 savings or the Business Plan priorities and targets. There is a risk that there is delay in delivery of some of the staffing proposals that need further development and this would need to be considered from General Fund reserves.

## **Monitoring Officer Comments**

10. As indicated, the proposals contain a change to the current level of councillors' mileage allowances included in Wiltshire Council's Members' Allowances Scheme. As such, this will require a review by the Independent Remuneration Panel and their recommendation to be considered by Council before this may be implemented. The Panel will therefore need to be reconvened and look at the proposal in the round. As such the saving reflects that this would not be in place for 1<sup>st</sup> April 2018. As the saving will need to await the outcome of that panel and council's consideration of their recommendation there is a risk it will not be delivered.
11. The proposal regarding the number of portfolio holders is a matter within the discretion of the Leader. The impact of this proposal on other roles will need to be considered, which may again warrant a further review by the Independent Remuneration Panel.
12. The other proposals do not impact adversely on the statutory duties of the Section 151 Officer, or any of the other statutory requirements set out in the Cabinet report at Section 13.

## **Head of Paid Service Comments**

13. As Head of Paid Service, I can confirm that officers have provided independent advice.
14. The proposals for savings in relation to staff would need to be considered alongside existing savings and operational delivery. I understand due to timing of the proposals this review has been limited and that consequential impacts are still being assessed. This would need to be resolved before the consultation process commences with staff and trade unions.
15. We are aware of the full details of the Administration's amendments as set out and consider the proposals are viable, and do not impact adversely on the cabinet's budget recommendations as they would not change the net budget requirement, the level of Council Tax or reserves proposed.

## **Conclusion**

16. Overview and Scrutiny Management Committee are asked to consider the proposed amendments to the financial plan 2018/19 and inform Full Council on 20 February 2018.

## Liberal Democrat DRAFT &amp; CONFIDENTIAL 2018/19 Budget -Amendment Proposals

## Revenue Budget:

Investment	2018/19 £m	Funding	2018/19 £m
To replace in part the Administration's proposal 49 in relation to 'Communities - A review of structures and job design to identify inefficiencies and potential duplication with other service areas'	0.245	To reduce the current number of portfolio holders by 50%, with duties passed to Cabinet Members or dispersed in other ways.	(0.058)
Streetlighting - investment to fund borrowing for LED units (see capital proposal)	0.100	To reduce councillors' mileage allowance from 45p a mile to 25p. Any councillor wishing to reclaim the difference could do so as part of an annual tax claim and recoup monies from HMRC.	(0.025)
		To propose a number of further reductions in staffing costs in relation to proposals 49 and 55 in the Cabinet's list at Appendix 1C of their report, for Corporate and Digital; and Communities.	(0.262)
<b>Total invest</b>	<b>0.345</b>	<b>Total Funding</b>	<b>(0.345)</b>

Balance	0.000
---------	-------

## Capital Budget:

Investment	2018/19 £m	Funding	2018/19 £m
To allow for £1,000,000 more of borrowing to install more LED units into streetlighting across the County.	0.910	Borrowing - fund investment principal from recurring revenue savings identified (£0.100m of savings to fund borrowing repayable for 10 years)	(0.100)
Loan interest repayment (based on today's PWLB rates the Council will be able to borrow £1m over 10 years with an annual repayment of £0.090m, meaning the loan will be fully repaid (interest & principal) at the end of that period.	0.090		
<b>Total invest</b>	<b>1.000</b>	<b>Total Funding</b>	<b>(0.100)</b>

Balance	-
---------	---