

CABINET

MINUTES OF THE CABINET MEETING HELD ON 5 FEBRUARY 2019 AT KENNET ROOM - COUNTY HALL, BYTHESEA ROAD, TROWBRIDGE, BA14 8JN.

Present:

Cllr Baroness Scott of Bybrook OBE (Chairman), Cllr John Thomson (Vice-Chairman), Cllr Pauline Church, Cllr Richard Clewer, Cllr Laura Mayes, Cllr Bridget Wayman, Cllr Philip Whitehead and Cllr Jerry Wickham

Also Present:

Cllr Ruth Hopkinson, Cllr Ian Thorn, Cllr Philip Whalley, Cllr Tony Jackson, Cllr Alan Hill, Cllr Bob Jones MBE, Cllr Brian Mathew, Cllr Graham Wright, Cllr Ian Blair-Pilling, Cllr Horace Prickett, Cllr Jonathon Seed, Cllr Gavin Grant, Cllr Darren Henry, Cllr Gordon King and Cllr Steve Oldrieve

13 Apologies

Apologies were received from Cllr Toby Sturgis.

14 Minutes of the previous meeting

The minutes of the meeting held on 15 January 2019 were presented.

Resolved:

To approve as a correct record and sign the minutes of the meeting held on 15 January 2019.

15 Declarations of Interest

There were no declarations of interest.

16 Leader's announcements

The Leader explained the approach to public participation during the meeting.

17 Public participation and Questions from Councillors

Colin Gale, on behalf of Pewsey Community Area Partnership (PCAP), Campaign to Protect Rural England (CPRE) and Pewsey Parish Council (PPC), asked a number of questions about key decisions made by the Council.

Cllr Richard Clewer confirmed that a written response had been prepared and sent to Mr Gale prior to the Cabinet meeting.

The Leader asked that the Cabinet Member and Officers meet with Mr Gale to provide a demonstration of the process undertaken in producing the Forward Work Plan.

18 **Wiltshire Council's Financial Plan Update 2019/20**

The Leader introduced the Financial Plan, stating that the process undertaken to consult on the Plan was open and transparent. She confirmed that the report had been discussed in detail with the public, the Financial Planning Task Group and the Overview and Scrutiny Management Committee, prior to its consideration by the Cabinet and ultimately Council at the end of February 2019.

Cllr Philip Whitehead presented the report which provided an update on the 2019/20 budget and medium term financial strategy, and set out the budget setting proposals, giving details that feed into the budget setting reports.

In presenting the report, Cllr Whitehead indicated that the Council's strategic aims and priorities drove the medium term financial planning process, with changes in resource allocation determined in accordance with policies and priorities of the Council's 2017-2027 business plan. A key focus being to ensure a strong sustainable financial base during the current challenging times. The key changes in the Plan reflect the revised forecast for the increasing demand for care for the vulnerable, and the delay in Government determining a new fairer funding settlement.

Cllr Whitehead explained that (i) the Council is moving toward a five-year view of the budget and confirmed that the budget was fairly stable with an increase of £10m each year; (ii) the growth and challenges to the Council spending; (iii) funding sources for the budget; (iv) the level of savings required for 2019/20; and (v) budget assumptions for future years. Cllr Whitehead reported that he was confident that the Council was currently in a good position to set a strong Financial Plan for the years ahead and thanked officers for their assistance in putting the proposals together.

Councillor Graham Wright, Chair of the Overview and Scrutiny Management Committee, explained that the process for consulting on the Financial plan for 2019/20 was a significant improvement over the process employed in previous years. He welcomed the early engagement with Scrutiny and thanked officers for their input. He confirmed that the Overview and Scrutiny Management Committee undertook a robust and detailed consideration of the proposals.

Cllr Thorn, Chair of the Financial Planning Task Group, in echoing the comments of Cllr Wright, commented on improvements to the process, the early availability of information and discussions held. He also thanked officers for their contributions towards the process. In response to questions from Cllr

Thorn about creative ways of engaging backbench members in the process, Cllr Whitehead agreed that this was being considered for the next and future budget setting processes. Cllr Whitehead also reminded members that backbenchers were encouraged to suggest budget saving proposals at any time during the year and didn't have to confine their contribution to just the budget setting process.

Resolved: To recommend that Council

- 1. To endorse the update of the Financial Plan for 2019/20;**
- 2. Approve the growth and savings proposals summarised in the report to provide a net revenue budget for 2019/20 of £332.378 million.**
- 3. To set the Council's total net expenditure budget for 2019/20 at £332.378 million;**
- 4. To set a Council Tax increase of 2.99%;**
- 5. To agree delegated changes in fees and charges as set out in Section 41;**
- 6. To set a 1% reduction for social dwelling rents;**
- 7. To set the Housing Revenue Account (HRA) Budget for 2019/20 as set out at Appendix D of this report; and**
- 8. That all service charges related to the HRA be increased to recover costs, capped at increase of £5 for those not on housing benefits and garage rents increased by 3%.**
- 9. To endorse the Medium Term Financial Strategy and receive regular updates on delivery against strategy to Cabinet.**

Reason for Decision:

To enable the Council to:

- 1. Set its revenue and housing revenue accounts budgets and levels of reserves and Council Tax for the financial year 2019/20;*
- 2. Provide the Council with a strong financial plan for sustainable delivery of services in 2019/20; and*
- 3. Provide the Council with a Medium Term Financial strategy to drive long term financial sustainability and delivery of the business plan.*

19 **Revenue and Capital Budget Monitoring Period 9 2018/2019**

Cllr Philip Whitehead presented the report which provided an update on the revenue and capital budget monitoring positions as at the end of Period 9 (end of December 2018) for the financial year 2018/19.

Cllr Whitehead reported that, (i) forecasts indicated a general fund variance of £1.158m, being 0.4% of the Council's net budget and it was an improvement on the period 7 variance of £2.064m; (ii) a high-level of service expenditure is in line with budget profiles and forecasts; (iii) the Dedicated Schools Grant is coming under increased pressure in Wiltshire as it is across the country, with a current forecast for a £2.307m overspend; and (iv) changes to the capital budget made since the 2018/19 budget was set reflected the forecast year end position of the 2018/19 capital spend against budget as at Period 9.

Resolved:

- 1. To note the outcome of the period 9 (end of December) budget monitoring.**
- 2. To reinforce the need for expenditure to be contained within the budget agreed in February 2018.**
- 3. To note the budget movements undertaken to the capital programme shown in appendices E and F of the report and to also note the reprogramming of £5.227m capital budget between 2018/19 and 2019/20.**

Reason for Decision:

- 1. To inform effective decision making and ensure a sound financial control environment.*
- 2. To inform Cabinet of the position of the 2018/19 capital programme as at Period 9 (31 December 2018), including highlighting any budget changes.*

20 **Treasury Management Strategy**

Cllr Philip Whitehead presented the report, which recommended that Council approve the Prudential and Treasury Indicators, together with the Treasury Management Strategy for 2019/20.

The report included information about:

- Prudential and Treasury Indicators for the next three years
- Debt management decisions required for 2019/2020 that do not feature within the Prudential or Treasury Indicators (paragraphs 71 to 76)
- Minimum Revenue Provision Policy 2019/2020

- Annual Investment Strategy for 2019/2020, with the following changes from 2018/2019:
 - The ability to lend to selected property funds (CCLA)
 - Increasing the monetary limits on certain counterparties
 - Adjusting the high credit quality criteria

In response to a comment from the Leader about the balance of risks to economic growth in the UK, Cllr Whitehead encouraged all Councillors to read the treasury management reports as they contained excellent insights into the UK finances.

Resolved: To recommend that Council

- 1. Adopts the Minimum Revenue Provision Policy (paragraph 32 – 34)**
- 2. Adopts the Prudential and Treasury Indicators (paragraphs 24 – 31, 40 – 49 and Appendix A)**
- 3. Adopts the Annual Investment Strategy (paragraph 77 onwards), including the ratification of the adjustment of the minimum requirement for high credit quality, the limits for certain counterparties and the ability to invest in the CCLA property fund**
- 4. Delegates to the Director of Finance and Procurement the authority to vary the amount of borrowing and other long-term liabilities within the Treasury Indicators for the Authorised Limit and the Operational Boundary**
- 5. Authorises the Director of Finance and Procurement to agree the restructuring of existing long-term loans where savings are achievable or to enhance the long-term portfolio**
- 6. Agrees that short term cash surpluses and deficits continue to be managed through temporary loans and deposits**
- 7. Agrees that any surplus cash balances not required to cover borrowing are placed in authorised money-market funds, particularly where this is more cost effective than short term deposits and delegate to the Interim Director of Finance and Procurement the authority to select such funds**

Reason for Decision:

To enable the Council to agree a Treasury Management Strategy for 2019/2020 and set Prudential Indicators that comply with statutory guidance and reflect best practice.

21 **Local Government Act 2003 Section 25**

Cllr Philip Whitehead presented a report required by the Local Government Act 2003: Section 25, when a Local Authority agrees its annual budget and Council Tax precept.

Cllr Whitehead referred to a question asked by Cllr Hill at a recent meeting of the Overview and Scrutiny Management Committee about how all aspects of the budget were checked and tested. The Interim Director of Finance confirmed that each line of the budget was robustly challenged at an early stage, along with the Council tax requirement calculations and the adequacy of the proposed financial reserves.

Resolved: To note the report as part of the budget setting process.

Reason for Decision:

To enable the Council to:

- 1. Report on the robustness of the estimates made for the purposes of the Council Tax requirement calculations*
- 2. The adequacy of the proposed financial reserves*
- 3. The Council is required to have due regard to this report when making decisions on the budget.*

22 **Capital Strategy**

Cllr Philip Whitehead presented the report on the Capital Strategy for 2019/20; the Capital Programme for 2019/20 - 2023/24; and associated non-financial investment indicators.

Cllr Whitehead in presenting the report explained that the purpose of the Capital Strategy is to set out the priorities and framework within which Wiltshire Council determines its resourcing priorities for capital investment, decides the level of borrowing, the affordability of the borrowing and sets the level of the risk appetite.

In response to a question from Cllr Thorn, Chair of the Financial Planning Task Group about the reduction in Capital investment from 2020/21 onwards and positive challenge for schemes within the Capital programme, Cllr Whitehead explained that the expectation for a proportion of the Capital spend during 2018/19 was not achieved and therefore, a number of schemes had been realigned to the Capital programme for 2019/20. The Interim Director of Finance confirmed that following discussions with officers, she was confident that the schemes detailed in the programme were now achievable during 2019/20. The Leader commented on the Capital programme and indicated that numerous factors affect the smooth running of the programme. It was recognised that the

process was now more realistic, with risks, challenges and timings of schemes being considered at an earlier stage.

In response to a further question from Cllr Thorn about the Commercial – Local Development Company scheme detailed in the Capital programme, Cllr Clewer confirmed that a report would be presented on this scheme at the next Cabinet meeting on 26th March 2019.

Resolved: To recommend that Council

- 1. Adopts the Capital Strategy 2019/2020**
- 2. Approves the Capital Programme 2019/2020-2023/2024**
- 3. Adopts the non-financial investment indicators (paragraph 46)**

Reason for Decision:

To enable the Council to agree a Capital Strategy for 2019/2020, approve the Capital Programme 2019/2020-2023/2024 and set non-financial investment indicators that comply with statutory guidance and reflect best practice.

23 Strategic Depot Review

Cllr Philip Whitehead presented the report which set out a phased approach for a review of the depot portfolio, which included a review of the financial implications.

Cllr Whitehead explained that the Council continued to have a significant requirement for operational depot facilities from which to deliver its services and in a large and rural county, the cost-effective delivery of operational services required multiple facilities, based on a geographical spread. The Council's depot stock needed investment, as an increasing number of depots are no longer fit for purpose with escalating costs for maintenance, compliance, and energy consumption.

Action was necessary due to the risk of service failure in relation to the winter depots. The report proposed that a phased approach be adopted that delivered the short-term requirements needed to support the delivery of services, with a longer-term strategy developed.

The Cabinet noted that the proposal had been scrutinised by the Environment Select Committee, who supported the proposals contained in the report.

The Leader commented on the report and suggested that the review of the depot portfolio should be undertaken for the facilities required to deliver the service over the next 25 years, rather than a shorter timescale. Cllr Whitehead

confirmed that the review would take place over the next six months and a final report containing proposals would be considered by Cabinet in October 2019.

Resolved:

- 1. To approve a phased approach to a depot review to deliver short-term operational requirements, longer-term service and strategic needs, improve facilities, and deliver cashable savings.**
- 2. To approve the allocation of an additional £1.4m capital to meet any shortfall in capital requirements**

Reason for Decision:

The phased approach and additional capital is being sought to ensure that statutory services can continue to be delivered from the depot portfolio and that service delivery is not put at risk.

24 **School Capital Programme 2019 - 2024**

Cllr Laura Mayes presented the report which asked Cabinet to agree the Schools Capital Programme for 2019-2024.

In presenting the report Cllr Mayes explained that (i) the Council has a statutory duty to provide sufficient school places to meet the demand arising across Wiltshire; (ii) the current programme of work is based on the basic need priorities for capital investment in the short, medium and longer term; (iii) the Council has landlord responsibilities for the effective management and ongoing maintenance of the schools' estate (community, voluntary controlled and Foundation schools only); and (iv) the Council receives annual capital funding allocations from the Department for Education to meet basic need (new places) and condition (capital maintenance works) only.

In response to questions from Cllr Thorn about the level of S106 contributions from developers, the challenges posed by boundary reviews, and timescales and deliverability of the provision of new housing, the Acting Head of School Place Commissioning explained how the Council receives annual capital funding allocations from the Department of Education to meet new places and capital maintenance. The Government funding is supplemented by S106 developer contributions that the Council secures for essential school infrastructure in areas of new housing development. It was noted that capital projects progressed once S106 funding is received, and that new school builds linked to housing development are not started until planning approval has been given for the development and the housing developers have commenced on site. The Corporate Director, Children's Services confirmed that the numbers of new homes currently being delivered was meeting the expectations detailed in the housing local land supply for the next five years. Cllr Mayes referred to Appendix A to the report and the number of approved capital schemes that have been completed successfully for both primary and secondary schools.

In response to a question from Cllr Jackson about the provision of a new secondary school located in west Warminster, to cater for new housing developments in the area and complimenting the provision of places provided by Kingdown School in the town, the Acting Head of School Place Commissioning confirmed that discussions were ongoing to secure a site for the expansion of Kingdown School as part of the West Warminster Urban Expansion, although there were concerns about the viability of having a satellite site so far from the existing school. The Leader suggested that local members meet with officers to discuss the matter further.

Cllr Hill reminded members that the provision of new schools also included a requirement for additional teachers and improvements to the infrastructure. The Leader encouraged members to consider these issues when planning applications are received for new schools, and ensure that appropriate infrastructure developments are in place prior to a new school opening. Cllr Wickham referred on the Council's Obesity Strategy and how this should be considered when building new schools.

Resolved:

- 1. To note the progress on previously approved schemes at Appendix A to the report.**
- 2. To approve the new schemes, subject to planning approval and completed S106 agreements, requiring a total commitment of £14.7m as outlined at Appendix B to the report.**
- 3. To approve the Schools Planned Maintenance Programme totalling £2.5m for 2019/20 as outlined at Appendix C of the report.**
- 4. To authorise the Corporate Director for Children Services to invite and evaluate tenders for the projects described in the report, and, following consultation with the Cabinet member, to award the contract for the project (subject to approval of any necessary statutory proposals) and to authorise, in consultation with the Head of Strategic Assets and FM (or the Asset Portfolio Manager (Estates), in accordance with the relevant scheme of sub-delegation (under paragraph 7 of Part 3B of Wiltshire Council's constitution)), the acquisition of all land (and the completion of any legal documentation) reasonably required in order to facilitate the Schools Capital Investment Programme.**

Reason for Decision:

The Council has a statutory duty to provide sufficient school places to meet the demand arising across Wiltshire, whether from demographic or

population change, strategic housing development growth or the Army Re-Basing programme. The approved Wiltshire School Places Strategy 2017-2022 and its Implementation Plan identifies the priority basic need schemes requiring capital investment in the short, medium and longer term and these latest proposals for inclusions in the Schools Capital Programme will enable the priority works to be progressed. The Council also has Landlord responsibilities for the effective management and maintenance of the schools (for which the Council is responsible) estate and the approved programme will enable urgent and priority repairs and maintenance projects to proceed.

25 **School Admission Policies 2020/21**

Cllr Laura Mayes presented a report which detailed the School Admission Policy 2020/21, as part of the statutory process for the determination of admission arrangements to maintained schools.

The Leader thanked Debbie Clare, Admissions Co-Ordinator and her team for the hard work undertaken to support the army rebasing programme, over and above their normal duties. The Leader confirmed that the army families currently living in Germany, were happy with the arrangements being made to allocate school places for their children and the relationships being built with teachers at those schools.

Cllr Wickham referred to a recent BBC Points West news report which criticised the work being undertaken by Wiltshire Council in relation to the rebasing programme. Cllr Wickham expressed his disappointment that the Council did not receive the right of reply to the report. The Leader confirmed that the council had received funding from the Government in relation to the rebasing programme.

Resolved: To approve

- 1. The proposed scheme for the co-ordination of admission to secondary schools for 2020/21.**
- 2. The proposed scheme for the co-ordination of admissions to primary schools for 2020/21.**
- 3. The proposed admission arrangements for Voluntary Controlled & Community Secondary Schools for 2020/21.**
- 4. The proposed admission arrangements for Voluntary Controlled & Community Primary Schools for 2020/21.**

Reason for Decision:

The Local Authority has a statutory duty to have a determined admission policy for 2020/21 in place on or before 28 February 2019.

26 **Urgent Items**

There were no urgent items.

(Duration of meeting: 9.30am - 11.00am)

These decisions were published, earlier, on the 7th February 2019 and will come into force on 15th February 2019

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