

**Wiltshire Council**

**Cabinet**

**9 June 2020**

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**Question from Steve Perry about the Future Chippenham Project**

**Agenda Item 5 – Public Participation**

**To Councillor Simon Jacobs Cabinet Member for Finance and Procurement**

**Statement**

At the vote on 24th March 2020 when the Cabinet voted to provide £5M of Wiltshire Council's money (taxpayers' money) to support a team to negotiate the HIF negotiations with Homes England, you were one of the members of the Cabinet to vote the proposal through.

As Cabinet member for Finance, you would have been aware that the stock market on that day dipped to its lowest level since 2008; Brent Crude oil was trading at 11 dollars a barrel, and there were 30 million American citizens claiming unemployment – the whole world was adversely affected by it, and this country was at the peak of the Covid-19 pandemic; Wiltshire Council's finances were already being severely stressed.

Financial demands were being put on the Council to respond to the pandemic, requiring funds the Council did not have the budget for, and some £50M+ was needed to support that response.

As Cabinet Member for Finance, did you warn your colleagues of the financial tsunami about to engulf Wiltshire Council? No, sadly, it appears you did not. Surely it must have been prudent to inform them of the financial risk of spending £5M on a HIF project being undertaken which is now at risk because of the estimated £50M shortfall in the Wiltshire Council budget? Obviously, you thought not.

I find it impossible to comprehend that the Cabinet Member responsible for Finance did not warn his colleagues of the financial crisis the Council was about to endure.

Your failure to brief the Cabinet on that crisis, at the time of that vote, amounts to a breach of care and duty in your role.

Pouring £5m into a project that is now seriously at risk, because you failed to warn the Cabinet on the state of the Council's finances at the time of the

vote, is unacceptable, and there are many tax-payers who would agree with that and who will have no confidence in you or your colleague's decision making in the future.

**Question**

Should you not resign from the Cabinet?

**Response**

No!

The decision was made unanimously by full cabinet on 24 March 2020 to approve the advance of £5.220m to progress the programme. The project is in the capital programme and therefore it is separate to the Councils revenue (day to day) running costs which find themselves under significant financial pressure as a result of responding to the COVID-19 pandemic.

These funds are being advanced, under the supervision of the Councils Section 151 Officer, to enable the receipt of the £75m Housing Infrastructure Grant from Government. Not to do this would be to say no to a £75M investment in Wiltshire from Government.