

Wiltshire Council

Overview and Scrutiny Management Committee

22 March 2022

Financial Planning Task Group Update

Purpose

1. To update Overview and Scrutiny Management Committee on the work of the Financial Planning Task Group since the last update on 25 January 2022.

Background

2. The Financial Planning Task Group (FPTG) is a standing task group reporting to the Overview and Scrutiny Management Committee.

Membership

3. The membership of the task group is as follows:

Cllr Gavin Grant (Vice-chair)
Cllr George Jeans
Cllr Gordon King
Cllr Charles McGrath
Cllr Bill Parks
Cllr Pip Ridout (Chair)
Cllr Elizabeth Threlfall

4. Cllr Derek Walters stepped down from the task group in February 2022. The task group has paused the recruitment process until after its next meeting, when it will look at its role and responsibilities.

Terms of Reference:

5. The task group's terms of reference are below:

- 1) To review the Medium-Term Financial Strategy (4-year financial model).
- 2) To review the approach and robustness of the council's capital, debt, and revenue financial planning regime.
- 3) To help develop the approach to the annual budget setting cycle.
- 4) To review the specific contribution of overview and scrutiny in the annual budget setting cycle with a focus upon outcomes.

- 5) To undertake periodic budget monitoring including reviews of key midyear trends and developments and to ensure that these are considered when updating the Financial Plan.
- 6) To, where it materially affects the council's overall financial position, to consider the council's:
 - a) approach to strategic procurement
 - b) major or financially significant contracts
 - c) financial investment in, and liability to, its wholly owned subsidiaries.
- 7) To work under the direction and guidance of the Management Committee and report regularly to the Cabinet Member, Management Committee and select committees (as appropriate) on its work and findings and to make any necessary referrals.

Recent activity

11 February 2022

Treasury Management Strategy Statement 2022/23

6. This report had been considered by Cabinet on 1 February 2022.
7. Treasury Management Strategy Statement sets out the investment strategy for the council over the coming financial year. The investment market has been difficult with low returns so in future the risk will be spread, and investments diversified.
8. The task group looked at the current portfolio position and the split between borrowing and investment. It discussed forecasting cash balances and looked at the changes to the investment strategy. It also considered the inclusion of environment, social and government metrics into credit rating agency assessments. There was also a brief discussion about the list of approved countries for investment.

Financial Year 2021/2022 – Quarter Three Revenue Budget Monitoring

9. This report had been considered by Cabinet on 1 February 2022.
10. The latest position is that the budget revenue trajectory is still the same as at Quarter 2. Some of the earmarked reserves have been consolidated and set aside for other purposes such as the staff pay award and £1.4m transferred into general reserves.

Financial Year 2021/2022 – Quarter Three Capital Budget Monitoring

11. This report had been considered by Cabinet on 1 February 2022.

12. There is some slippage of the budget into next year (£2.5m) but there are no other significant changes. It was agreed that the next capital budget report will contain separate breakdowns of CIL (Community Infrastructure Levy) and S106 funds and 'other' contributions.
13. There are a lot of inflationary pressures on this budget. This is difficult to forecast with confidence, but slippage is being constantly being monitored. Budgets have been set on the most up to date intelligence and the council is as confident as it can be in terms of budget 2022/23.
14. Any future significant issues with the budget will be reported through Cabinet and the Financial Planning Task Group.

Forward Work Plan

15. The draft forward work plan is attached at Appendix 1.

Proposals

- 1. To note the update on Financial Planning Task Group activity provided.**
- 2. To note the task group's forward work plan, Appendix 1.**

Cllr Pip Ridout, Chairman of the Financial Planning Task Group

Report author: Simon Bennet, Senior Scrutiny Officer, T: 01225 718709,
E: simon.bennett@wiltshire.gov.uk

Appendix 1 – FPTG Forward Work Plan

| Date | Item | Details | Officers | Members |
|------------------|--|---------|--|---------|
| 25 March 2022 | Review of Budget process 2022 Review the role and responsibilities of FPTG | | | |
| 22 April 2022 | tbc | | | |
| 6 May 2022 | tbc | | | |
| 24 June 2022 | Financial Year 2021/22 – Provisional Outturn Position (tbc) | | Andy Brown | |
| 8 July 2022 | Financial Year 2021/22 – Final Outturn Position (tbc) Treasury Management Outturn 2021/22 (tbc) | | Andy Brown Andy Brown | |
| 2 September 2022 | Financial Year 2022/23 Q1 Revenue Budget Monitoring (tbc) Financial Year 2022/23 Q1 Capital Budget Monitoring (tbc) Update on Medium Term Financial Strategy 2023/24 (tbc) | | Andy Brown Andy Brown Andy Brown | |
| 7 October 2022 | tbc | | | |

| Date | Item | Details | Officers | Members |
|------------------|--|---------|------------------------------|---------|
| 18 November 2022 | Financial Year 2022/23 Q2 Revenue Budget Monitoring (tbc) Financial Year 2022/23 Q2 Capital Budget Monitoring (tbc) | | Andy Brown Andy Brown | |
| Nov/Dec 2022 | Possible meetings regarding specific service budgets post-Q2 (tbc) | | | |
| 9 December 2022 | tbc | | | |

Future Briefings

24 March 2022 – Public Health Nursing (PHN) Services – future commissioning model

5 April 2022 – Home Care (Adults) - recommissioning

28 April 2022 - Block and framework contracts for care homes beds on the Wiltshire Care Homes Alliance (WCHA)