

Cabinet

MINUTES OF THE CABINET MEETING HELD ON 14 NOVEMBER 2023 AT KENNET ROOM - COUNTY HALL, BYTHESEA ROAD, TROWBRIDGE, BA14 8JN.

Present:

Cllr Richard Clewer (Chairman), Cllr Laura Mayes (Vice-Chairman), Cllr Phil Alford, Cllr Ian Blair-Pilling, Cllr Nick Botterill, Cllr Nick Holder, Cllr Ashley O'Neill and Cllr Caroline Thomas

Also Present:

Cllr Richard Budden, Cllr Clare Cape, Cllr Gavin Grant, Cllr Gordon King, Cllr Jerry Kunkler, Cllr Dr Brian Mathew, Cllr Dominic Muns, Cllr Bill Parks, Cllr Nic Puntis, Cllr Pip Ridout, Cllr Mike Sankey, Cllr Ian Thorn, Cllr Derek Walters and Cllr Graham Wright

90 **Apologies**

Apologies were received from Councillor Jane Davies.

91 **Minutes of the Previous Meeting**

The minutes of the meeting held on 10 October 2023 were presented for consideration, and it was,

Resolved:

To approve and sign the minutes as a true and correct record.

92 **Declarations of Interest**

There were no declarations of interest.

93 **Leader's Announcements**

The Leader provided details of announcements on the Cost of Living and the ongoing Council Tax consultation as detailed in Agenda Supplement 1.

The Leader also welcomed Cllr Ian Thorn, Leader of the Liberal Democrat Group, back to the meeting following a period of illness.

Cllr Thorn sought additional details on the cost of living crisis response, in particular on reaching groups who were harder to engage with electronically.

94 **Public Participation**

Agenda Supplement 1 included details of questions submitted for the meeting, together with responses.

Colin Gale on behalf of Pewsey Community Land Trust made a statement regarding the responses to the questions submitted, being disappointed in what was called a holding response and asking for a timeline for a substantive response so that the Trust could progress the project for a Community Right to Build Order.

Cllr Nick Botterill, as the relevant Cabinet Member, stated officers would be in contact within the next 24 hours. The Leader emphasised that no outcome could be guaranteed at this stage.

95 **Financial Year 2023/24 - Quarter Two Revenue Budget Monitoring**

Cllr Nick Botterill, Cabinet Member for Finance, Development Management, and Strategic Planning, presented a report which provided details of the revenue budget monitoring forecast for the second quarter of the financial year 2023/24, based on the position at the end of September 2023. It also provided an update on the Medium-Term Financial Strategy (MTFS) and budget gap for the financial year 2024/25 and beyond.

It was stated that there was a current projection of an underspend of around £0.402m, and that whilst there remained risks and challenges including around achieving savings, the council was currently in a positive financial position at the midpoint of the year.

However, it was also noted that there were increases in the cost of individual care packages adding financial pressure, and that whilst core inflation nationally was decreasing it was anticipated that these and similar areas would continue to see high inflationary rates. The continuing high deficit in relation to the Dedicated Schools Grant (DSG) was discussed, with the potential to join the Safety Valve programme which would eliminate the current deficit, but noting measures were needed to prevent recurrence.

The Leader commended the approach taken to deliver the sound financial position the council was in, and that Cabinet would not be complacent noting inflation still exceeded the ability to raise income and other pressures, and emphasised the importance of preventative measures within the Business Plan to both reduce costs and positively impact people and services.

Cllr Pip Ridout, Chairman of the Financial Planning Task Group, stated it was quite rare to have a net underspend for the second quarter and the general position was good, though with some major risks which could impact that position quite rapidly. Councillor Graham Wright confirmed the Overview and Scrutiny Management Committee would be discussing the report at its next meeting.

Councillor Gordon King welcomed the report and its encouraging position but the importance of monitoring ongoing risks, such as the level of reserves.

Councillor Ian Thorn asked if it was projected that the pressures within People services would increase in later quarters and sought more details on the Dedicated Schools Grant.

In response it was stated that small numbers of care packages could have big impacts on the finances, and the council was taking a cautious approach on projections. In relation to the DSG further details were provided on the Safety Valve programme intended to address the current deficit, with a Cabinet decision required to enter into the programme. Discussions were ongoing, and it was noted that costs had increased significantly due to requirements and events beyond the council's control, with central government accounting counting it against council budgets nonetheless, and preventing a recurrence of deficit would be very challenging.

At the conclusion of discussion, it was then,

Resolved:

Cabinet approved

- a) **the transfer of Education and Skills reserves totalling £0.160m to reflect the estimated usage in year, these relate to grant funded schemes which straddle more than one financial year;**
- b) **the transfer of Families and Childrens programmes of pastoral support reserve of £0.524m to fund scheduled activity this financial year;**
- c) **The transfer of the anticipated deficit on the DSG reserve of £18.583m reflecting the planned use of this reserve for this financial year;**
- d) **The transfer of £1.661m from the Transformation Reserve to reflect the planned usage in year.**

Cabinet Noted

- a) **the current revenue budget is forecast to underspend by £0.402m by the end of the financial year;**
- b) **the current forecast savings delivery performance for the year.**

Reasons for Decision

To inform effective decision making and ensure sound financial management as part of the Councils overall control environment.

To inform Cabinet on the forecast revenue financial position of the Council for the financial year 2023/24 as at quarter two (30 September 2023), including delivery of approved savings for the year.

96 **Financial Year 2023/24 - Quarter Two Capital Budget Monitoring**

Cllr Nick Botterill, Cabinet Member for Finance, Development Management, and Strategic Planning, presented a report which provided details of the capital

budget monitoring forecast for the second quarter of the financial year 2023/24, based on the position at the end of September 2023.

It was stated that the forecast of capital spending for the year had increased to approximately £195m. Whilst that level might not be reached due to the complexity of capital forecasting, it was noted the accuracy of the forecasting had significantly improved and it was anticipated the level would be increased from 2022/23. It was also added that 33% of the budgeted capital had been spent at the end of the quarter versus 25% in the previous year.

Cllr Botterill also clarified that much of the capital programme was grant funded with no direct impact on revenue, and that the programme was focused on updating and modernising services such that delays would increase revenue costs.

The Leader welcomed the improvements in more realistic capital forecasting in recent years. He also noted that many other councils of all political persuasions had made risky decisions on what to spend borrowed capital on, or at unsustainable levels, which was not the case in Wiltshire. He noted the importance of training on capital budgeting and how programmes were needed to be scheduled to achieve targets.

Cllr Pip Ridout, Chairman of the Financial Planning Task Group, provided details of questions the Task Group had asked of officers, including on implications of any underspend on borrowing. Further information was being sought in relation to the Stone Circle companies.

Cllr Gordon King and Cllr Ian Thorn acknowledged the improvement in the capital updates.

Cllr Gavin Grant commented that it was likely the current £195m forecast would not be achieved, and drew attention to shortages in supply chains increasing risks for capital projects. He stated he had requested the Director of Finance and Procurement consider elements of a further scrutiny process about projects relating to government grants and those relating to council borrowing.

At the conclusion of discussion, it was then,

Resolved:

Cabinet noted

- a) **the additional budgets added to the programme of £1.544m under Chief Finance Officer delegated powers;**
- b) **the movement of £8.848m of budgets into future years under Chief Finance Officer delegated powers;**
- c) **the budgets brought forward from future years into the 2023/24 programme totalling £7.489m under Chief Finance Officer delegated powers;**

- d) budget movements between schemes;
- e) the revised 2023/24 Capital Programme forecast as at quarter two of £194.961m; and,
- f) the capital spend as at 30 September of £66.180m

Cabinet Approved

- g) **The grant income applied for and/or received as set out in Appendix C and Appendix D**

Reasons for Decision

To inform effective decision making and ensure sound financial management as part of the Councils overall control environment.

To inform Cabinet on the financial position of the Council on the 2023/24 capital programme as at quarter two (30 September 2023).

97 **Mid Year Treasury Management Review 2023/24**

Cllr Nick Botterill, Cabinet Member for Finance, Development Management, and Strategic Planning, presented the half year report on the Treasury Management Strategy 2023/24, as adopted by Full Council on 21 February 2023.

It was stated the council had a healthy balance sheet, managed in accordance with accepted practices and proper oversight of processes. Details were supplied on loans provided by the Public Works Loan Board and others, the average cost of borrowing at 3.43%, and the investment portfolio yield of 4.87% against a benchmark of 4.44%. Information was also provided on investments in the CCLA property fund.

Cllr Botterill also noted there had been a breach of the council's counterparty limit with HSBC. This had been the result of a technical error and was resolved within 24 hours at no cost to the council. An investigation had taken place to ensure all reasonable efforts that the error would not happen again.

Cllr Pip Ridout, Chairman of the Financial Planning Task Group, emphasised the importance of proper treasury management and the need to address the level of understanding of Members in order to appreciate the proper approaches that should be taken. She stated the council's approach was prudent with no plans to borrow further at high interest rates, but the Task Group looked at the situation each month.

Councillor Gordon King noted the explanation of the counterparty limit breach and sought assurances that lessons had been learned.

Councillor Gavin Grant noted the historic actions in relation to securing loans, and that the Task Group, of which he was a member, had received a detailed

account of the counterparty breach and the intended training to prevent recurrence.

The Leader stated he took reassurance that a cross party Task Group monitored these activities to provide an open and transparent assessment of council finances.

At the conclusion of discussion, it was then,

Resolved:

Cabinet noted

- a) **That the contents of this report are in line with the Treasury Management Strategy 2023/24.**
- b) **The performance of the Council's investments and borrowings against the parameters set out in the approved Treasury Management Strategy for 2023/24.**

Reasons for Decision

To give members an opportunity to consider the performance of the Council in the period to 30 September 2023 against the parameters set out in the approved Treasury Management Strategy for 2023/24.

98 **Corporate Performance and Risk Monitoring Report: Q2 2023/24**

Cllr Richard Clewer, Leader of the Council, introduced a report on measures of performance using data available at the end of the second quarter of the year up through September 2023, in order to assess progress against the goals of the council's Business Plan.

It was also noted some risks related to national financial issues which the council had little ability to address. It was also stated during the meeting that some of the data was regional or national and provided on an annual basis, so not all the performance data related to the same data periods, and other information was based on surveys or equivalent methods.

Councillor Ian Thorn welcomed the report, and sought additional details on educational gap data. Councillor Laura Mayes, Deputy Leader and Cabinet Member for Children, Education, and Skills, stated work was undertaken to help bring schools together to improve outcomes, facilitating cross-academy cooperation and task groups on specific themes, but it was a challenge to engage with all schools.

Cllr Gordon King drew attention to an increase in admission of working aged adults in residential care and increasing demand for social and affordable housing. The Leader noted programmes in place relating to residential care, and a slowdown in the housing market leading to less delivery, but the council able to control its own building programme.

Councillor Richard Budden sought clarification regarding carbon emissions relating to energy from waste facilities. Councillor Nick Holder, Cabinet Member for Environment and Climate Change, stated the climate team undertook work to assess overall emissions on waste services procured by the council, with further detail to be provided under the Waste Services Delivery Plan item.

At the conclusion of discussion, it was then,

Resolved:

Cabinet noted and agreed

- 1) **The updates and outturns against the measures and activities mapped against the Council's priorities.**
- 2) **The Strategic Risk Summary**

Reasons for Decision

To provide Cabinet with a quarterly update on the current corporate performance framework, which is compiled of the measures used to monitor progress against the 10 missions laid out in Wiltshire Council's Business Plan 2022-32.

The Strategic Risk Summary captures and monitors significant risks facing the Council, in relation to in-service risks facing individual areas and in managing its business across the authority.

This is supported by, and in compliance with, the Council's Corporate Performance and Risk Policy.

99 **Strategic Operational Depot Strategy**

Cllr Caroline Thomas, Cabinet Member for Transport, Street Scene, and Flooding, presented a report seeking Cabinet approval to recommend to Full Council a capital budget for delivery of a new central area strategic depot at Melksham and other related matters including co-development of business cases for new strategic depots in the north and south of the council area.

Cllr Thomas provided background on previous depot reviews and consolidation of sites where possible, challenges in dealing with forecasted growth, and that many current sites had poor access, were too small, or lacked required infrastructure. She emphasised the work undertaken across council services, led by Highways but taking account of strategic needs such as those relating to Waste management.

Cllr Nick Holder, Cabinet Member for Environment and Climate Change, noted multiple waste contracts which would soon be up for renewal, and the need for depot sites to fit for purpose to any waste strategy. Cllr Ian Blair-Pilling, Cabinet Member for Public Health, Leisure, Libraries, FM, and Operational Assets noted the significant spending required for the strategy, and the importance of appropriate governance moving forward. The Leader stated the strategy would

enable the council to have greater flexibility on managing long term costs through provision of appropriate infrastructure.

Cllr Jerry Kunkler, Chairman of the Environment Select Committee, stated he had received a briefing on the strategy, looking at the benefits, challenges, and viability of the proposals. He stated he endorsed the report and his committee would welcome further updates as it developed.

Cllr Ian Thorn sought details on assessment of financial and environmental efficacy, and the approach taken on commercial issues associated with the strategy. Cllr Thomas stated approving the strategy would benefit the council in preparing to negotiate future contracts, though the central depot might open after new contracts were agreed, with phased implementation for sites in the north and south to bring forward appropriate benefits identified. She also stated carbon consequences of any depot construction had and would be carefully examined.

Councillor Gordon King stated the Cabinet Member had put forward a strong case for the proposal, but noted the high cost and sought reassurance on behalf of residents that it was at a justified level. Cllr Thomas stated the investment to ensure depots were fit for purpose was fundamental to the council's ability to delivery statutory services in an effective way, noting there had been lost revenue as a result of a vendor not being able to utilise a current venue.

At the conclusion of discussion, it was then,

Resolved:

That Cabinet

- 1) Endorsed the report and recommended to Full Council to approve a capital budget of £37.928m for delivery of a new central area strategic depot at Melksham while ensuring all remaining depots remain compliant, funded by £1.870m Capital Receipts and £36.058m borrowing.**
- 2) Approved the co-development of business cases for new strategic depots in the north and south of the county. Funding for these phases will be subject to approval based on the detailed business case being subject of future Cabinet reports.**

Reasons for Decision

To ensure the Council can continue to deliver statutory services and Business Plan priorities, as relates to Highways and Transport, Streetscene and Waste, through a phased implementation of new strategic depots that deliver operational and cost efficiencies.

100 Integrated Care Board Community Health Contract

Cllr Richard Clewer, Leader of the Council, presented a report regarding the Integrated Care Board's intended retender for a single, system wide community

healthcare services contract from April 2025, and its impact on Wiltshire Council social care services and Better Care Fund administration.

The Leader noted his role as Chair of the Integrated Care Partnership (ICP), distinct from the role of the Integrated Care Board (ICB). He noted the proposed contract would apply for Wiltshire, Swindon, and Bath and North East Somerset council areas. He stated funds needed to deliver value for money, and that he would emphasise the importance of performance metrics, and that within any contract money from Wiltshire would need to have a positive impact for Wiltshire residents.

Cllr Johnny Kidney, Chairman of the Health Select Committee, stated the committee had received an informal briefing on the proposals and then a presentation at their most recent meeting, and had focused upon the engagement with residents on services. They had requested details of a roadmap for delivery of any contract at a future meeting.

Cllr Ian Thorn raised concerns around ICB decisions relating to Calne. The Leader suggested this could be raised through his role on the ICP. Cllr Thorn also sought details of how Wiltshire would be involved moving forward. The Leader noted the role of the ICP overseeing strategy, as well as other bodies such as the Health and Wellbeing Board. The proposal included that a final decision to award a contract would require a further Cabinet decision.

Cllr Gordon King welcomed the proposed approach in the report. Cllr Pip Ridout stated the Health Select Committee would look further at the financial scrutiny of the proposals.

Cllr Clare Cape stated an inquiry day was held in the summer about healthcare and community care, and she hoped the outcomes from that day had been considered. The Leader noted the contract was led by the ICB, who could be asked if that was the case.

At the conclusion of discussion, it was then,

Resolved:

That Cabinet

- 1) Noted the past and ongoing work between the ICB and Wiltshire Council regarding the tender of a BSW-wide Community Health Services contract.**
- 2) Gave 'in principle' agreement to commit Better Care Funding to the ICB Community Health Contract from 2025 to 2032 (with potential for a further 2 years to 2034). Formal commitment is dependent on a revised and agreed S.75 Agreement (Health and Social Care Act 2012) that covers the period of the contract, along with a signed Collaborative Commissioning agreement. Formal agreement will be sought in early 2024 before the contract is awarded.**

- 3) **Identify any material issues that prevent a decision to proceed as a funding partner with the procurement process, noting the requirement to further develop key elements of the contractual agreement through the negotiated process with providers.**
- 4) **Approved the revised S.75 agreement that will cover the period of the Community Health Services contract.**
- 5) **Approved delegated authority to the Corporate Director People (DCS) to authorise activities related to the procurement up and until award (when the award decision will return to Cabinet).**

Reasons for Decision

The ICB will be tendering a BSW-Wide Community Services Health contract, to start from 1 April 2025 with a proposed length of 7 plus 2 years. The Integrated Care Board's (ICB) community health contract re-tender will have cost and service implications for Wiltshire Council Social Care and management of the Better Care Fund (BCF).

The Wiltshire BCF currently provides £10,453,157 per annum to the £60,802,388 Wiltshire Health and Care run Community services contract for Wiltshire, plus £1,073,054 for the Access to Care service (Medvivo). The total amount is £11,526,211. The NHS commissioned contracts end in March 2025.

Agreement to £10,453,157 has been agreed for 23/24 to support the ICB direct award to Wiltshire Health and Care for 12 months whilst they undertake the procurement activity for a future system wide contract.

The proposals in this report aim to highlight the impacts, so far as they are known and request an 'in principle' commitment of £11,526,211 of BCF funding, subject to appropriate S.75 and Collaborative Commissioning agreements.

Cabinet will need to be assured that the procurement process is robust and ensures that Wiltshire's contribution from the BCF is spent on Wiltshire residents. Cabinet has a responsibility to ensure the Wiltshire £ is spent on Wiltshire residents.

101 **A350 Chippenham Bypass (Phases 4 & 5) Contract Award**

Cllr Caroline Thomas, Cabinet Member for Transport, Street Scene, and Flooding, presented a report seeking approval to award a contract for construction of the A350 bypass, phased four and five.

Details were provided of the extent of the next phases as set out in the report, with some funds provided through the Community Infrastructure Levy but most coming from the Department for Transport. It was explained the five top bidders had been invited to submit tenders for the contract, with three doing so. The main construction work was expected to begin in April 2024 and take about a year, subject to weather, with advance works to clear vegetation starting early next year.

Cllr Jerry Kunkler, Chairman of the Environment Select Committee stated he had received a briefing regarding the proposal and considered continuing the bypass as positive for Chippenham.

Cllr Ian Thorn sought assurance that the positive impacts of the construction were worth the cost and impact. Cllr Thomas noted benefits beyond reducing delays, with increased capacity and safety also considerations. She noted that the only viable approach on the wider A350 project was to undertake a phased approach.

Councillor Gordon King drew attention to highways problems in Westbury including large numbers of Heavy Goods Vehicles (HGV). There was discussion of historic plans for a Westbury bypass which were not able to be progressed in the early 2000s, and the impact of recent decisions of Bath and North East Somerset Council causing more HGVs to move through Wiltshire.

Cllr Derek Walters raised concerns regarding transition from the expanded roads into the single lane area at Lackham.

Cllr Dr Brian Mathew welcomed the report and sought further details on the advanced clearing work prior to construction.

Cllr Ian Thorn sought detail on the assessment of added social value potential contractors had been marked on during the tendering process.

Cllr Nic Puntis noted comments in a consultation relating to speeds on the bypass.

Cllr Clare Cape noted the improved capacity at this section of the A350, but that there were still capacity issues along other sections of the road, and it might have been better to address problems around Westbury and further south.

There would be further consideration of the item under Part II of the meeting, where a decision would be made.

102 **Urgent Items**

There were no urgent items.

103 **Exclusion of the Press and Public**

It was,

Resolved:

To agree in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Minute Numbers 104-105 because it is likely that if members of the public were present there would be disclosure to them of

exempt information as defined in paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public .

104 **A350 Chippenham Bypass (Phase 4 & 5) Contract Award**

Following consideration under Part I of the meeting at Minute 101, Cllr Caroline Thomas, Cabinet Member for Transport, Street Scene, and Flooding, provided further exempt details of the tender assessment process and ranking of the three bidding contractors, and the quality and price factors considered.

Information was also provided on the assessment of social value requirements as part of the contract and identity of the bidding contractors.

At the conclusion of discussion, it was then,

Resolved:

Cabinet Approved

- 1) **That the A350 Chippenham Phase 4 and 5 contract should be awarded to MJ Church Ltd, subject to approval of the Full Business Case and confirmation of funding by the Department for Transport.**
- 2) **Authorising the Corporate Director, Place, in consultation with the Cabinet Member for Transport, Street Scene & Flooding, and the Corporate Director Resources and Deputy Chief Executive, to proceed with the award of this contract as soon as Department for Transport approval is obtained.**
- 3) **That approval should be given to proceed with the advance works which were procured through the Council's existing framework contract, with a view to minimising the risk of any delay to the start of the main contract.**

Reasons for Decision

There is a need for a specialist contract to be awarded to deliver this important improvement scheme, which will reduce delays and improve safety on the A350 at Chippenham and at Bumpers Farm Roundabout.

Following a procurement exercise in accordance with the 'Restricted Procedure', tenders were obtained and have been assessed in terms of price and quality.

The most advantageous tenders for the Council, taking into account quality and price, should be accepted in accordance with the procurement procedures.

There are robust processes in place to monitor the performance of the successful tenderer and supervise the construction of the scheme.

The implementation of an advance works package would reduce the risk of

delays to the scheme because of potential environmental constraints.

105 **Waste Services Delivery Plan**

Cllr Nick Holder, Cabinet Member for Environment and Climate presented an exempt report on options for the delivery of waste services beyond 2026 when current contracts expired.

Details were provided on the current mix and extent of contracts including garden compacting, kerbside collection of waste and recycling, landfill disposal and others. Cllr Holder explained the proposed approach regarding renegotiation for the contracts.

Cllr Jerry Kunkler, Chairman of the Environment Select Committee, stated he had received a briefing on the proposals and was taken through the procurement options, and had sought details around flexibility of services.

Cllr Ian Thorn sought reassurance regarding details of the procurement process. Cllr Pip Ridout asked about financial scrutiny of contracts.

Cllr Richard Budden received details of his submitted question as detailed in Agenda Supplement 1, and along with Cllr Dr Brian Mathew provided comment on different contracts that were up for renewal and potential options.

At the conclusion of debate, it was,

Resolved:

That Cabinet

Approve the Waste Services Delivery Plan set out in Appendix A and, where the plan determines the following actions as appropriate for specific services:

Approve the approach suggested in the Waste Services Delivery Plan, to achieve best value outcomes for future services.

Authorise the Director, Environment, in consultation with the Cabinet Member for Environment and Climate Change, to take all necessary steps to deliver the Waste Services Delivery Plan.

Reasons for Decision

The Waste Services Delivery Plan (Appendix A) identifies the various service delivery methods which could be implemented by the Council upon contract expiry. Research has been undertaken to review the performance of current contracts, assess prevailing market conditions, and to consider the implications of emerging policy and legislation.

Detailed cost / benefit analyses have been carried out to examine the relative merits and risks of each service delivery option for every waste service function in scope.

A key driver for the proposals is the significant uncertainty in national policy and legislation, leading to an enhanced need for flexibility and transparency to enable the council to adapt to change once full details are published.

(Duration of meeting: 10.00 am - 1.50 pm)

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