



IMPLEMENTATION EXECUTIVE

Minutes of the Meeting Held on 11 February 2009

In Attendance

Wiltshire County Council (WCC)

Mrs Jane Scott – Leader – in the Chair
Mr John Thomson – Deputy Leader
Miss Fleur de Rhé Philipe
Mrs Bridget Wayman
Mrs NS Bryant
Mr Toby Sturgis
Mr Mark Baker
Mr John Noeken

Kennet District Council (KDC)

Mr Lionel Grundy – Leader
Mr Philip Brown

West Wiltshire District Council (WWDC)

Mr Tony Phillips – Deputy Leader
Mr Rod Eaton

North Wiltshire District Council (NWDC)

Mr Dick Tonge – Leader
Mrs Allison Bucknell – Deputy Leader

Salisbury District Council (SDC)

Mr Steven Fear – Deputy Leader

Also in attendance: Mr J Johnson, Mr A Molland, Mr J Osborn

197. Apologies

Apologies were received from Mrs Douglas and Mr Sample.

198. Minutes

The minutes of the meeting held on 13 January 2009 were confirmed and signed as a correct record subject to an amendment to the Appendix to the minutes to replace Andrew Bryant by David Halik on the West Wiltshire area planning committee in the pre-election period.

199. Leader's Announcements

The Leader requested that Mr Baker and Mrs Douglas plus one IE member from Salisbury District Council should serve on the appointment panel for the interim chief officer for Salisbury City Council. At Mr Fear's request, both Mr Sample and himself were included to serve on the panel, with Mrs Douglas serving as a reserve member.

The Leader also reported that the One Council road shows had been suspended in the previous week due to the severe weather but were now continuing again. The Service Director, Policy, Research & Communications would work together with the district councils to improve public awareness in their areas if required. The Leader also suggested that letters from the IE should be sent to all staff of the five authorities to thank them for their continued work over the past ten days.

The Leader reported that she had also entered the Implementation Executive for the MJ award for the Most Effective Political Team of the Year.

200. Members' Interests

No interests were declared.

201. Public Participation

None.

202. Revenue Budget and Capital Programme 2009-10

On 28 January, the Implementation Executive had considered a series of reports on the 2009-10 budget by the Chief Financial Officer (CFO) as follows:

- (I) Budget Context and Key Issues for 2009-10
- (II) Projected Revenue Spending 2008-09
- (III) Fees & Charges 2009-10
- (IV) Salisbury Parish Precept
- (V) Revenue Budget 2009-10
- (VI) Capital Programme 2009-10 Through To 2011-12
- (VII) Treasury Management Strategy 2009-10
- (VIII) Housing Revenue Account (HRA) & Rents

In addition, a supplementary booklet of reports had been considered on the

- i. Consultation on the "One Council" Budget for 2009-10
- ii. Performance Information for the Budget Booklet
- iii. Transition Cost and Savings,

together with the report on the Robustness of Estimates and Adequacy of Reserves – Revenue Budget 2009-10.

At this meeting, the Implementation Executive considered the report of the IE Budget Working Group (IE BWG) which listed and explained its recommendations for the 2009-10 budget.

Revised appendices B and E to report V (Revenue Budget 2009-10) and revised appendices B and F to report VI (Capital Programme 2009/10-2011/12) of the budget booklet were circulated prior to the meeting which reflected the proposed changes within the recommendations of the IE BWG.

The Leader also tabled two additional recommendations to reports V and VI to add to the recommendations of the IE BWG for consideration by the IE.

In relation to the report on the Revenue Budget 2009-10, there were a number of questions from members. In particular, Mr Eaton expressed concern about the budget provision for Sustainable Public Transport and Libraries, Arts & Heritage.

Mr Phillips also expressed his concern about recommendations (b) (vi) and (b) (viii) of the report on the Revenue Budget 2009-10 on the basis that no assumptions should be made on the impacts on the revenue budget of the reduction of the pay award at the moment in case the reduction did not comply with national practice. Also, any provision for this should be allocated to a special reserve rather than the general fund.

With regard to recommendation (c) of the report on the Revenue Budget 2009-10, members commented on the difficulty of predicting any future increases in the council tax levels and suggested revising the indicative tax levels to reflect this.

With regard to the report on the Capital Programme, Mr Fear commented that the policy for discretionary capital receipts (recommendation (c) of the report) should not inhibit the delivery of the Salisbury Vision. The use of capital receipts was the cornerstone for the delivery of the Salisbury Vision.

The Chief Financial Officer then introduced the amended Treasury Management Strategy 2009-10, including the revised Appendix B, and highlighted that further amendments might still be necessary due to the changing economic circumstances.

Resolved:

To recommend to the County Council:

1. PROJECTED REVENUE SPENDING 2008-09 (Report II in the Budget Booklet)

a) To note that the projected variation on the 2008-09 revenue budget for Wiltshire County Council and the four district councils combined is an underspend of £0.662 million.

b) To note the estimated level of general balances for Wiltshire County Council and the four district councils combined are estimated to be £19.778 million at 31 March 2009.

2. FEES AND CHARGES (Report III of the Budget Booklet)

To adopt the fees and charges increases presented within the report in setting the 2009-10 revenue budget.

(N.B. Mr Phillips abstained from this decision on Fees and Charges.)

3. SALISBURY PARISH PRECEPT (Report IV of the Budget Booklet)

a) To approve the Salisbury Parish Council precept for 2009-10 equivalent to £80 at Band D as recommended by the Salisbury City Area (Community) Committee (SCACC).

b) To approve the increase in fees and charges as recommended by the SCACC.

4. REVENUE BUDGET 2009-10 (Report V of the Budget Booklet)

a) To note the current resource estimate.

b) To approve the draft budget proposal set out in the Appendices to report V, including the revised Appendices B and E (attached as Appendices 1 and 2 to these minutes) to reflect the following amendments:

- i. An increase to the capital financing budget of £120,000 to reflect the amendments to the capital programme set out below.
- ii. An increase in the provision for the Adult Social Care Housing PFI scheme of £300,000.
- iii. An increase in security costs for unoccupied sites of £100,000.
- iv. An increase in provision for Department for Children and Education staff restructuring costs of £115,000.
- v. An increase in the Waste, Amenities and Leisure Budget of £216,000.
- vi. A decrease £810,000 in services salaries budget to reflect a reduction in the pay award assumptions from 2% to 1.5%.
- vii. An increase in provision for the staff welfare support of £100,000.
- viii. To reflect the potential risks of reducing the pay award provision from 2% to 1.5 % add an additional £655,000 to general fund reserves.
- ix. To propose the use of general reserves of £4.480 million less the £0.655 million resulting in a net use of general reserves of £3.825 million.
- x. A decrease in the Public Protection Budget of £115,000 from additional staff savings off set by an increase in the Capital Financing budget of £115,000 to reflect amendments to the capital programme.

c) After recognising the uncertainties regarding inflation over the next three years to adopt indicative council tax increases for planning purposes for Wiltshire Council for 2010/11 and 2011/12 of 3.5% in each year.

(N.B. Mr Phillips requested that his dissent be recorded in relation to decisions (vi) and (viii) above. Mr Eaton requested that his dissent be recorded in relation to the overall Revenue Budget 2009-10. Mr Fear abstained from the decisions on the Revenue Budget 2009-10 and requested that this be recorded.)

5. CAPITAL PROGRAMME 2009/10 THROUGH TO 2011/12 (Report VI of the Budget Booklet)

a) To approve the proposal for the Wiltshire Council Capital Programme for 2009/10 to 2011/12 as now shown in the revised Appendices B and F (attached as Appendices 3 and 4 to these minutes) of £295.663 million amended to £304.133 million with the inclusion of an:

- i. Additional LTP Maintenance in 2009/10 of £1.742 million and;**
- ii. Additional LTP integrated transport projects in 2009/10 of £2.773 million; and**
- iii. Additional provision for Corporate Disabled Facilities Grants in 2009/10 of £1.455 million;**
- iv. Additional £1.5 million for the Salisbury Vision project on the clear understanding that this scheme will only progress with the generation of additional capital receipts in the City area.**
- v. An increase in the provision for the maintenance of Principal and non principal roads of up to £1.0 million in 2009-10 to meet the cost of an additional 10 km of road maintenance. This will maintain the current service provision of repairing 107 km of principal and non principal roads (67km and 40km respectively) in 2009-10.**

b) To approve the use of additional borrowing of £32.161 million, an increase of £5.970 million over and above the £25.191 million in 2009/10 identified in the budget booklet and approve £74.609 million (£67.639 million plus £6.970 million) over three years.

c) To approve a policy for discretionary capital receipts that 50% of such receipts will be used to repay debt and 50% to be reinvested into future discretionary schemes.

d) To note the risk assessment and plans to manage the programme.

6. TREASURY MANAGEMENT STRATEGY 2009-10 (Report VII of the Budget Booklet)

a) To adopt the Prudential Indicators (Appendix A) and note that the Appendix will be updated to reflect the final decision of the County Council on the size of the Capital Programme once that is known.

b) To adopt the Annual Investment Strategy as now set out in the revised Appendix B (attached as Appendix 5 to these minutes).

c) To delegate to the Chief Financial Officer the authority to vary the amount of borrowing and other long term liabilities within both the Operational Boundary and the Authorised Limit Prudential Indicators.

d) To authorise the Chief Financial Officer to agree the restructuring of existing long-term loans where savings are achievable.

e) To agree that short term cash surpluses and deficits continue to be managed through temporary loans and deposits.

f) To agree that any long term 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 Chief Financial Officer the authority to select such funds.

g) To agree to amend the lower limits to 0% on the maturity structure of borrowing within Prudential Indicator 7.

h) To agree that for 2009/10 only and in relation to investments inherited by the unitary council, those investments will be allowed to reach maturity not withstanding the Treasury Management Strategy.

i) To recommend that all five councils adopt the New Council Investment Strategy immediately.

(N.B. Mr Fear requested that his dissent to the decisions on the Treasury Management Strategy 2009- 10 be recorded on the basis that the Council should invest more in British based banks to ensure a maximum of fund protection.)

7. Housing Revenue Account Budget and Rent-Setting 2009/2010 (Report VIII of the Budget Booklet)

a) To approve the Housing Revenue Account budget for 2009/10 as approved by Salisbury District Council (SDC).

b) To approve the rent levels as approved by Salisbury District Council for the Salisbury District Council Housing tenants.

8. Report on Robustness of Estimates 2009-2010

a) To note the assessment of the robustness of estimates which have been used in preparing the budget proposals presented to date.

b) To recognise the total level of general balances and earmarked reserves.

c) To note that the recommended level of general balances should be around £15 million.

Reason for Proposals:

The proposals enabled the Budget Working Group to fulfil its terms of reference as approved by the Implementation Executive, to oversee the preparation of the budget and to advise the IE. The recommendations to the Implementation Executive would enable County Council to set its budget for 2009-10 within the legal parameters.

203. Estimate of Dedicated Schools Grant 2009-10 and Implications for the Schools' Budget

The Implementation Executive considered the joint report of the Corporate Director, Children & Education and the Chief Financial Officer which summarised the current position in respect of the estimated level of Dedicated Schools Grant (DSG) and the implications on the overall schools budget for 2009/10.

IE members suggested that a seminar be held in the new Council on schools' budget and asked that specific terminology be clarified for similar reports in the future.

Resolved:

a) To note the estimated DSG for 2009/10 and the implications for the funding of priorities within the Schools Budget.

b) To agree the funding priorities recommended by Schools Forum.

Reasons for Proposal:

To set the budget and Council Tax for 2008/09 and to take in to account cost pressures and priorities within the schools' budget.

204. Revised Draft Corporate Plan 2009-10

The Implementation Executive considered the report of the Service Director, Policy, Research & Communications with the revised Corporate Plan 2009-10 attached to it. The Corporate Plan would set out priorities and actions for Wiltshire Council in the first year. Longer term priorities and actions would be determined by the new Council.

Members commented on the presentation of the five councils' past achievements and Wiltshire Council's future aspirations in the draft document and also on a number of listed facts and targets which needed further clarification.

Resolved

To recommend the draft Corporate Plan 2009-10 for the new Council for adoption by the County Council.

Reason for Proposal

The new council needed to set out its vision, goals and priorities and the actions it will take to deliver these goals and priorities. The first year Corporate Plan also reflected the targets set out in the Local Area Agreement (LAA) for Wiltshire, which had been agreed and monitored by the Government. The Corporate Plan would be assessed by the Audit Commission as part of Wiltshire Council's Direction of Travel and its Comprehensive Area Assessment (CAA).

205. Local Area Agreement (LAA) Annual Refresh and Review 2008-09

The Implementation Executive considered the report of the Service Director, Performance & Risk which included proposals for the review of the LAA prior to Government's deadline on 2 March. The Service Director introduced the report and highlighted that only two of the 15 targets in need of review had been agreed so far.

Members flagged up a number of concerns in relation to indicators two and eleven. Considerable progress was needed in the next two weeks and after approval by the County Council and being signed of, the Leader requested that the final LAA should be brought back to the IE.

Resolved

To approve the latest position on the refreshed LAA targets and to recommend to the County Council to also approve the latest position and that it delegates authority to the Leader of the Council to finalise the refreshed Local Area Agreement.

Reason for Proposal

To keep members informed about progress in negotiating a “refreshed” LAA and to seek delegated authority for the Leader of the Council to agree the final version of the refreshed LAA targets for submission of the refreshed LAA by the Government deadline of 2 March 2009.

206. Outline Work Programme

The Implementation Executive received the Outline Work Programme of future business and commented as follows:

- a further report was requested on the possible future redundancy costs for the interim chief officer for Salisbury City Council.
- the work programme should be reviewed to reduce the number of items.
- the IE supported the use of officer delegated powers to harmonise the North and West Wiltshire Leisure contracts.

The meeting closed at 6.00pm.