



Appendix A

JOINT OVERVIEW & SCRUTINY TRANSITION BOARD

Minutes of the Special Meeting Held at County Hall –17 February 2009

In Attendance

Members
Cllr Anthony Molland WCC – in the Chair
Cllr Ian West WCC
Cllr Chris Humphries WCC
Cllr Mike Hewitt SDC
Cllr Pip Ridout WWDC
Cllr Ray Parsons KDC
Cllr Ricky Rogers WCC

Also in attendance

Cllr Margaret Taylor	WCC
Cllr Roy While	WCC
Cllr Judy Rooke	WCC
Cllr Pat Rugg	WCC
Cllr Margaret White	WCC
Cllr Ernie Clark	WCC
Cllr Andrew Davis	WCC
Cllr Robert Hall	WCC
Cllr Peter Fuller	WCC
Cllr Ross Henning	WCC
Cllr Julian Johnson	WCC
Cllr Bill Moss	WCC
Cllr Patrick Coleman	WCC
Cllr Stewart Dobson	KDC
Cllr Janet Giles	KDC
Cllr Charles Howard	KDC
Cllr Jeffrey Ody	KDC
Cllr Chris Caswill	NWDC
Cllr Richard Britton	SDC
Cllr Cheryl Hill	SDC
Cllr Graham Wright	SDC
Cllr Linda Conley	WWDC
Cllr Graham Hedley	WWDC
Cllr Osborn, Helen	WWDC

Members of the Implementation Executive (IE)

Cllr Jane Scott	WCC – Leader of the Implementation Executive
Cllr John Thomson	WCC

Cllr Mary Douglas	WCC
Cllr Bridget Wayman	WCC
Cllr Nancy Bryant	WCC
Cllr John Noeken	WCC
Cllr Toby Sturgis	WCC
Cllr Mark Baker	WCC
Cllr Fleur de Rhé Philipe	WCC
Cllr Lionel Grundy	KDC
Cllr Allison Bucknell	NWDC
Cllr Rod Eaton	WWDC
Cllr Tony Phillips	WWDC

1. Apologies and Membership

Apologies were received from Christine Reid NWDC, Keith Humphries WWDC and Jonathon Seed KDC.

Pip Ridout WWDC substituted for Keith Humphries WWDC, and Ray Parsons KDC for Jonathon Seed KDC.

2. Chairman's Announcements

The Chairman welcomed all members to this special joint scrutiny meeting to consider and comment upon the budget recommendation of the Implementation Executive (IE) which would be determined at County Council on 24 February. All members of the five authorities had been invited to attend.

The Chairman reported that a summary of the key points made at this meeting would be submitted to County Council on 24 February.

3. Explanation of Proceedings

A report outlining and explaining the proceedings at this meeting had been circulated with the agenda. The Chairman introduced the report and highlighted that discussions would focus on strategic and operational matters, rather than local issues and that each of the budget blocks would be taken in turn.

4. 2009-10 Revenue Budget and Capital Programme

Prior to the special meeting of the JOSTB, a number of reports had been produced and circulated to the IE meetings on 28 January and 11 February.

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 the meeting on 11 February, the Implementation Executive had 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 minutes of the IE meeting on 11 February had also been published prior to this meeting.

The Leader of the IE presented the budget recommendations including the context in which they had been prepared. Members were then invited to question the proposals in detail under each of the main budget blocks.

Resolved

To recommend to the County Council to take into account the main comments made and questions raised by members at the special meeting of the Joint Overview & Scrutiny Transition Board (JOSTB) as set out in the appendix to these minutes when determining the 2009-10 Budget and Council Tax.

(Duration of Meeting: 10:30 – 13:05)

The officer who has produced these minutes is Janine Gassmann, Democratic & Members’ Services, Wiltshire County Council. Direct line: (01225) 713597.

APPENDIX (to JOSTB minutes 17 Feb)

**FEEDBACK FROM THE SPECIAL MEETING OF THE
JOINT OVERVIEW & SCRUTINY TRANSITION BOARD (JOSTB)
ON THE DRAFT 2009-10 BUDGET**

PURPOSE OF THE REPORT

1. To feedback to the County Council the main comments made and questions raised at the special meeting of the Joint Overview & Scrutiny Transition Board (JOSTB) held on 17 February 2009.

RECOMMENDATION TO COUNTY COUNCIL

2. To recommend to the County Council to take into account the main comments made and questions raised by members at the special meeting of the Joint Overview & Scrutiny Transition Board (JOSTB) as detailed in paragraphs 5-11 when determining the 2009-10 Budget and Council Tax.

BACKGROUND

3. Following a recommendation from the Budget Scrutiny Task Group in 2006, a joint scrutiny meeting was included the annual budget setting process as an opportunity for non-executive members to consider and comment on the executive's draft budget.
4. This year's joint scrutiny exercise was hosted by the Joint Overview & Scrutiny Transition Board (JOSTB) on 17 February. Using the Implementation Executive's budget recommendations to County Council and reports published during the budget setting process, all non-executive members of the five authorities were invited to raise questions and comments in relation to the departmental budget blocks and to other cross cutting issues.

FEEDBACK FROM THE SPECIAL MEETING OF THE JOSTB

5. Budget & Council Tax Setting Process 2009-10 – Executive Rationale

The Leader of the Implementation Executive (IE) presented the IE's budget recommendations to County Council and set out a number of the key considerations the executive had to take into account in recommending the budget proposal as follows:

- i. Consolidation of budgets of five authorities into one for Wiltshire Council;
- ii. Maintain current service levels, despite receiving the lowest increase in Government grant settlement nationally, and recommending a low council tax increase of 3.5%;
- iii. Protection of the levels of support for the voluntary sector;
- iv. Reflection of residents' priorities in the budget as identified from the various consultation exercises.

The Leader also reported that the One Council for Wiltshire savings for 2009-10 were confirmed as £8.565m, rather than the £6.63m originally anticipated, and that expenditure in the areas of highways maintenance and services for children and elderly people had been increased to reflect resident's priorities.

6. Department for Children & Education

In response to a number of members' questions and comments, the executive provided the following responses:

- (i) Funding for schools would be provided through the Dedicated Schools Grant and Wiltshire Council would provide no additional funding for schools in its first year due to an exceptionally tight budget.
- (ii) There had been an increase of children being referred into care and contingency was built in to the budget for looked-after children and child protection, and the in-house foster care service would be strengthened further to help minimise reliance on high-cost external residential placements.
- (iii) The bid for a fourth service director post in the directorate had been created in order to improve commissioning with partner organisations and overall performance and efficiency of the department. This would deliver savings in the long term.
- (iv) A sum of £7.25m was earmarked in the Capital Programme to contribute to the construction costs of new academy schools in Salisbury. As the Department for Children, Schools and Families (DCSF) would cover the main construction and running costs for these schools, this would be cost-neutral to the future budget for Wiltshire Council.
- (v) In response to questions in relation to teenage pregnancy and obesity, the Leader highlighted that it was envisaged that Area Boards would play a key role in both these and other LAA targets at a local level.

7. Department for Community Services

In response to a number of members' questions and comments, the executive provided the following responses:

- (i) An underspend had been achieved on the Supporting People budget which would be re-invested in other service areas. The Supporting People Grant for 2009-10 had decreased, however, the service had been reviewed and funding was sufficient. It was reiterated that the Development Services budget line included provision for community grants and projects but additional information on this would be provided following the meeting.
- (ii) The number of delayed transfers of care in the County was currently amongst the lowest in the South West which demonstrated the success of partnership working in the County. The recently established neighbourhood teams continued to work together with reablement

Teams towards enabling patients to be looked after in their homes rather than in hospitals.

- (iii) In a recent pilot project, personalised budgeting for older people were being explored. This pilot was still at an early stage in its development and following a review of its progress, decisions would be made on how to roll out this scheme across the County.
- (iv) The performance on enabling elderly people to continue to live in their own homes was anticipated to improve in the current year, and the voluntary sector was being actively engaged to meet this target.
- (v) The £1.15m staffing efficiencies listed at the top of Appendix F to report V of the budget booklet would be achieved through the “Focus Project”, the reduction of one finance officer and a simplified structure of the homecare/re-enablement service.
- (vi) The £200k decrease in the Community Safety budget line was due to the amalgamation of the previously separate district and County community safety teams. It did not represent a decrease in funding at the point of delivering.

8. Department for Transport, Environmental & Leisure

In response to a number of members’ questions and comments, the executive provided the following responses:

- (i) Due to the recent severe weather, the damage to roads across the County had increased but the funding for repairs had been covered. A new and more sustainable road surface had been trialled, the use of which was now extended across the whole County. The material was more cost-intense but also more resistant. Procedure cost had also been decreased due to a close working relationship with parish stewards.
- (ii) Provisions for waste disposal and collection would be harmonised in the new Council, including the realisation of potential savings, with a current focus on maintaining services.
- (iii) In a joint project, Wiltshire Council and the PCT would from 1 April jointly fund free swimming passes for the under 16s and the over 60s in addition to a government grant.
- (iv) The Travelwise service would continue to be funded from the department’s base budget, but there was no longer the need to employ a development officer for this service.

9. Department for Economic Development, Planning & Housing

In response to a number of members’ questions and comments, the executive provided the following responses:

- (i) The new economic development service had been set up and staff were in post with a budget provision of over £3m.
- (ii) Affordable housing projects in 2009-10 would be funded from any underspends from the district councils, the Homes & Communities Agency and through a number of PFI projects. The 2008-09 target for affordable housing had been exceeded. 500 affordable housing units had been provided in the current year but due to the difficulty in predicting the outcome of section 106 contributions, it was difficult to predict the number of units to be delivered in the next year.
- (iii) In the current economic climate, the demand for temporary accommodation and homelessness support was rising and building contractors were facing difficulties. This would have an impact on performance.
- (iv) The Salisbury Housing Revenue Account (HRA) 30 Year Business Plan, including its financial implications for Wiltshire Council, was currently under review and would be developed within the next six months. This would be influenced by the Government's national review of the HRA subsidy system.
- (v) The majority of funding for a unified IT system for the department would come from an ear-marked Planning Delivery Grant reserve. Additional information on this would be provided following the meeting.
- (vi) The majority of staff had received confirmation of their roles within the Housing Directorate and the structure contained more posts than current number of housing officers.
- (vii) The impact of the £200k efficiency savings achieved by the Housing Directorate moving to One Council had been significantly reduced by an accounting adjustment to fund staff from the 2009-10 revenue budget, which had previously been resourced through capital budgets in the districts.

10. **Department of Resources & Chief Executive**

In response to a number of members' questions and comments, the executive provided the following responses:

- (i) The Leader reported that membership of the Local Government Association (LGA) and also the County Councils' Network would be ceased in the first year of Wiltshire Council due to the cost involved and levels of support received from the LGA.
- (ii) Work was ongoing in the area of telephony, especially within the Bourne Hill project, including funding.
- (iii) The completion of the Property Strategy was deferred as more work had been required to gather information from district councils in terms of a list of assets and figures. The consultants were currently pulling

together data on this and would produce a report. Any savings identified would be additional to the One Council for Wiltshire savings as this area had not been incorporated into the original bid. An update report on the Property Strategy would be considered by JOSTB on 27 February.

- (iv) The increase in the budget for the legal department was due to changes in the procedure of providing legal advice. Additional information on this would be provided following the meeting.
- (v) As a consequence of the economic downturn, the Council would see a reduction of approximately £3m in investment income in 2009-10. Despite falling interest rates, the cost of the Council's borrowing, being mainly long-term borrowing, remained at 4.45%. Also, with the Council being a floor authority, its grant settlement for 2009-10 did not contain provision for capital borrowing. Therefore this would be funded from the council tax increase.
- (vi) Government advised that the loss of funds in the Icelandic banks should not be taken into account in local authority budgets in 2009-10. It was anticipated that funds could be recovered in the future, but the interest earned on those funds would be lost.

11. Major Projects & Cross Cutting Areas

In response to a number of members' questions and comments, the executive provided the following responses:

- (i) In relation to the risks connected with the robustness of estimates and adequacy of reserves, the general reserve included provision to mitigate currently unforeseen risks or cost pressures in 2009-10.
- (ii) The Chief Financial Officer highlighted that risks were associated with a number of services where staff, financial support and operations were not going to merge until 2009-10.
- (iii) Scrutiny in the new Council would carefully monitor how the £4m from the general reserve and other one-off funding, including One Council for Wiltshire savings from 2010-11, would be used in 2009-10.

CONCLUSION

- 12. County Council is requested to take into account this summary of the main points made at the special meeting of the JOSTB when determining the budget and council tax for 2009-10

Tony Molland
Chairman – Joint Overview & Scrutiny Transition Board