

AGENDA SUPPLEMENT (1)

Meeting: Overview and Scrutiny Management Committee
Place: The Kennet Room - County Hall, Trowbridge BA14 8JN
Date: Wednesday 1 February 2017
Time: 10.30 am

The Agenda for the above meeting was published on **24 January 2017**. Additional documents are now available and are attached to this Agenda Supplement.

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This Agenda and all the documents referred to within it are available on the Council's website at www.wiltshire.gov.uk

7 **Wiltshire Council's Financial Plan Update 2017/18 (Pages 3 - 8)**

Report of the Financial Planning Task Group

DATE OF PUBLICATION: 30 January 2017

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Wiltshire Council

Overview and Scrutiny Management Committee

1 February 2017

**Report of the Financial Planning Task Group – 27 January 2017:
Financial Plan Update 2017/18**

Issue (page and paragraphs numbers refer to the Budget report)	Further information / Comments
Budget Setting Process	
<p>Budget setting process for 2017/18</p> <ul style="list-style-type: none"> • Councillor briefing 24 Jan • Financial Planning Task Group 27 Jan • OS Management Committee 1 Feb • Trade Union meeting with Group Leaders 3 Feb • OM Management Committee 14 Feb (opposition budget) 	<p>A robust approach involving the political and corporate leadership.</p> <p>The outcome from three stages of scrutiny should mean that full Council is informed when it comes to the debate.</p>
Revenue Budget 2016/17	
<p>(Page 6)</p> <p>The 2016/17 revised revenue budget of £313.950 million is forecast to be balanced with no further need to draw on reserves (para 3.2)</p> <p>Budget monitoring of the capital, Housing Revenue Account (HRA) and schools budgets show they are also on target to be balanced at year end (para 3.3)</p>	<p>The Task Group will scrutinise the final outturn figures once available.</p>
Specific budget areas 2017/18	
<p>(Page 8)</p> <p>Action 2 – Stimulate economic growth</p>	<p>An overall decrease to the Economy & Planning service budget of £0.207M (5%) is proposed in the report. This is in part due to £0.100m of income. However, the outcome of three Local Growth Fund (LGF) bids</p>

	<p>totalling £28M are being pursued and announcements on these schemes are due imminently.</p>
<p>(page 8)</p> <p>Action 3 – Area Boards and working with communities</p> <p>“It is proposed that a further £0.05 million is reduced from this budget, on the basis that sufficient funds remain to deliver the current range of activities.” (page 9)</p>	<p>It was clarified that the youth funds held by Area Boards will reduce by £50k, but the overall spend is considered deliverable due to the balance of locally maintained funds that have not been spent in the last 18 months.</p> <p>Further information was requested and later provided regarding how the “leverage” of youth grant funding (i.e. the amount of further investment in the community it secures) and how the number of young people accessing activities are calculated.</p>
<p>(page 10)</p> <p>Action 5 – Protecting the vulnerable</p> <p>Adults with learning disabilities An overall decrease to the Learning Disability service budget of £0.851M (2%).</p>	<p>Financial (unit cost) and performance benchmarking against other local authorities across the South West has been undertaken and the potential for savings identified. The council is now working to improve its approach to procuring Learning Disabilities services, including reducing the number of different contractors providing separate elements. A pilot of the new approach with 20 complex learning disability cases is underway.</p>
<p>(page 10)</p> <p>Social Care Levy</p> <p>“...the Secretary of State for the Department for Communities and Local Government (DCLG) announced ... scope to bring forward planned three year increases totalling 6% to two years, that is 3% in 2017/18 and 2018/19 with no Levy in 2019/20. This is proposed in the recommendations to Council”</p>	<p>It was noted that care providers sometimes respond to increases in local government funding by seeking equivalent increases in their fees.</p>
<p>(page 11)</p>	<p>Provision of transport for children and young people with SEND is a</p>

<p>SEN Transport</p> <p>“Over the last two years the Council has seen a significant pressure on its budget from the increased cost of children with special educational needs and adults with learning disabilities. This is due to a mix of higher need, complexity of cases and changes to Government policy, especially around new statutory requirements for the 18-25 age group which also impact on transport demand.”</p>	<p>statutory requirement, but interpretation of the eligibility criteria is locally determined and may provide opportunities for savings.</p> <p>The council is also seeking efficiencies through greater alignment of children's and adults transport.</p>
<p>(page 13)</p> <p>Action 8 – Delegate Land and services</p> <p>“The Council has a strategy agreed with our local partners and continues to commit to and deliver on this policy.”</p>	<p>Savings achieved through delegating land and services are included under the Highways & Transport service savings (page 47).</p>
<p>(page 13)</p> <p>Action 9 – Community Campus / Hub Centres</p> <p>“Work is currently underway to assess the feasibility to progress the delivery of community hubs in Royal Wotton Bassett, Tidworth, and Devizes.”</p>	<p>It was reported that the approach to Community Campuses is shifting towards restoring and making better use of existing buildings rather than new developments.</p> <p>In the 2017-21 council a review of the leisure strategy may be prudent to ensure it is realistic against the available financial envelope.</p>
<p>(page 13)</p> <p>Action 10 – Public Health</p> <p>“The Public Health Grant funding of £18.269 million will be directed to care through early intervention and prevention to reduce higher future health demands on the council and improve health outcomes for the Wiltshire population.”</p>	<p>Some other areas are further ahead with CCG-local authority joint working and the pooling of CCG, adult social care and public health budgets. Wiltshire needs to move in this direction to achieve the efficiencies required by the demographic and financial challenges.</p>
<p>(page 14)</p> <p>Action 12 – Developing our workforce</p> <p>“The budget includes a provision of £2.344 million to fund the nationally agreed pay increase in pay and the new Apprenticeship Levy. The Council is investing in</p>	<p>It was reported that the council’s use of apprenticeships needs to be increased from the current 30 to 106 to achieve 100% reimbursement of the Apprenticeships Levy and it is planned to increase the number across the organisation during 2017-18.</p>

<p>apprenticeships in response to the Levy. Over the last three years the Council has employed 49 apprentices, with one recently winning national recognition for her work.”</p>	
<p>(page 29)</p> <p>Rents Setting 2017/18</p> <p>“...rents [for social housing] will be reduced by 1% per annum for the next four years (from April 2016 to March 2020) ...This will have an impact on the future years’ level of reserves to carry out repairs and maintenance.” (para 8.12)</p> <p>“...This equates to an average actual rent reduction of £0.90 per week. This will now apply to all properties in 2017/18.” (para 8.13)</p> <p>“Service charges including those for sheltered accommodation (many of which are for utilities) are also proposed to increase by 2%, the same increase as garage rents.” (para 8.15)</p>	<p>The 1% decrease in social housing rents would exceed the impact of the 2% increase to service charges. 515 units would receive an average service charge increase of £0.27 a week.</p>
<p>(page 34)</p> <p>Staff savings</p> <p>“A target of £3.575 million of staff savings are still being finalised. These cover all areas of the organisation both in terms of grades and services.” (para 9.9)</p>	<p>It was reported that the savings represent 2% of staffing against an annual staff turnover of 10% and represents just over 120 posts (with an average salary of £30k).</p> <p>Significant controls on recruitment have been in place for 6 months and management will now consider what vacancies can be deleted without service impacts, which are currently staffed through agency etc.</p> <p>The impact of removed posts is assessed and some are later reinstated for service delivery reasons.</p>
<p>(page 34)</p> <p>Administration savings</p>	<p>This also includes removing duplication of tasks and finding efficiencies by using technology.</p>

<p>“Further appraisal of administration will target £0.800 million of savings from a review of administrative staffing operational structures including vacancies, staff turnover and recruitment.” (para 9.9)</p>	
<p>(page 38)</p> <p>Assessment of reserves</p> <p>“The Council’s General Fund estimated reserve at 31 March 2016 based on the forecast outturn, at Section 3 of this report from the current forecast outturn is circa £11.2 million. This means the General Fund Reserve is in line with the revised recommended level, and future use of these funds are seen as a matter of last recourse given the low levels compared to other councils.” (para 11.3)</p>	<p>Given the low levels compared to other councils, the task group would monitor any future use of reserves.</p>

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