


CABINET

MINUTES of a MEETING held in KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN on Tuesday, 11 February 2014.

Cllr Keith Humphries	Cabinet Member for Public Health, Protection Services, Adult Care and Housing (exc strategic housing)
Cllr Laura Mayes	Cabinet Member for Children's Services
Cllr Fleur de Rhé-Philippe	Cabinet Member for Economy, Skills and Transport
Cllr Jane Scott OBE	Leader of the Council
Cllr Jonathon Seed	Cabinet Member for Communities, Campuses, Area Boards, Leisure, Libraries and Flooding
Cllr Toby Sturgis	Cabinet Member for Strategic Planning, Development Management, Strategic Housing, Property, Waste
Cllr John Thomson	Deputy Leader and Cabinet Member for Highways and Streetscene and Broadband
Cllr Dick Tonge	Cabinet Member for Finance, Performance, Risk, Procurement and Welfare Reform
Cllr Stuart Wheeler	Cabinet Member for Hubs, Heritage & Arts, Governance (including information management), Support Services (HR, Legal, ICT, Business Services, Democratic Services)

Also in Attendance: Cllr Trevor Carbin, Cllr Tony Deane, Cllr Richard Gamble
Cllr Jon Hubbard, Cllr David Jenkins, Cllr Gordon King
Cllr Jacqui Lay, Cllr Magnus Macdonald, Cllr Alan MacRae
Cllr Horace Prickett, Cllr Roy While and Cllr Philip Whitehead

Key Decisions Matters defined as 'Key' Decisions and included in the Council's Forward Work Plan are shown as 

16 Apologies

All members were present.

17 Minutes of the Previous Meeting

The minutes of the last meeting held on 21 January 2014 were presented.

Resolved:

That the minutes of the meeting held on 21 January 2014 be approved

as a correct record and signed by the Leader subject to the following amendment:

In respect of minute no. 7 - Wiltshire Local Transport Plan 2011-2026: Other Strategies, to include the following sentence at paragraph 4 to be inserted after the first sentence:

‘Cllr Gordon King enquired as to what actions the administration was taking to bring forward a travel plan for the County Hall campus to improve access, particularly for the visiting public and to improve congestion in the car park’.

18 Leader's announcements

Cornwall Council

The Leader welcomed Cllr John Pollard, Leader and Jen Fishwick, Cabinet Manager of Cornwall Council to this meeting.

Flooding

The Leader updated members on the Council's response to the recent and ongoing flooding crisis. The Leader explained that we had escalated our response to the floods given the unprecedented ground water levels in Wiltshire, and with more rain on the way. We were working with our partners through the Local Resilience Forum to deal with issues all over the County, but it was noted that it was especially serious around Salisbury Plain.

The Leader personally thanked the members of staff who had been working 24/7 to help mitigate the problems caused by this extended period of unsettled weather. We had been working around the clock to protect some of the most vulnerable in our communities and would continue to do so.

With the high possibility of further road closures, our website would be kept up to date with accurate information whilst we continue to work with our partners to try and minimise the worsening of the situation and protect as many roads and properties as possible. We would also work with partners eg police and fire to ensure website information provided was consistent, accurate and up to date.

In the discussion which ensued, members noted the good co-operation between authorities in releasing equipment and sandbags to areas most in need. Cllr Macdonald expressed his gratitude for the measures taken to minimise the impact on Bradford on Avon. It was also noted that whilst the Council had taken the necessary steps in the interests of responding quickly to flooding incidents, it would look to recharge works as appropriate to utility companies.

Cllr Seed explained that a press release would be issued today urging motorists to drive safely and sensibly and to show due consideration to other road users

and pedestrians and to not add to the strain on emergency services. He also advised that local MP's would be briefed on the latest position on Friday 14 February 2014.

Members were unanimous in their praise for the staff involved recognising how hard they were working and the challenges they faced.

19 Declarations of interest

No declarations of interest were made.

20 Minutes - Cabinet Capital Assets Committee

The minutes of the Cabinet Capital Assets Committee dated 21 January 2014 were presented.


Resolved:

That the minutes of the Cabinet Capital Assets Committee dated 21 January 2014 be received and noted.

21 Public participation

It was noted that no requests for public participation had been received. The Leader did however, explain that as usual at meetings of Cabinet, she would be more than happy to hear from any member of the public present on any of the items on this agenda.

22 Wiltshire Council's Policy on Fees, Charges and Concessions

 Cllr Dick Tonge presented a report which explained proposals to harmonise the setting of fees, charges and concessions across the County. Accordingly, Cabinet's approval was sought on a proposed policy for onward recommendation to Council.

If approved, the proposal would not be applied to the fees and charges initially set as part of the 2014/15 budget process. However, this did not preclude fees and charges being amended during that year as a result of a review of the current charges against the principles set out in the proposed policy.

Cllr Laura Mayes had slight reservations over the wording in the proposed policy which referenced the provision of accommodation for children under section 20 of the Children Act 1989 – paragraph 3 (6) of the policy refers. Cllr Mayes agreed to clarify this further with the relevant Corporate Directors. Cllr Thomson referred to a recent court case which could have implications on the charging policy in this regard and it was agreed that this be referred to the Associate Director, Law and Governance to investigate.

Cllr Jon Hubbard questioned whether the proposed policy should make provision for the Council not providing services where there were commercial alternatives. Cllr Tonge whilst appreciating the point being made, clarified that the proposed policy was for where charges were being made; the decision on whether or not particular services should be provided was a separate issue.

Resolved:


That Cabinet agree the Wiltshire Council Fees, Charges and Concessions Policy and recommend its approval to Council (subject to any clarification required as a result of the points raised in the third paragraph of this minute).

Reason for decision:

To enable the Council to:

- Maintain a consistent approach to setting its fees and charges.
- Deliver the outcomes of its Business Plan through effective pricing, subsidising those areas of strategic need.
- Recover costs and contribute to the medium term financial plan.

23 Wiltshire Council Financial Plan 2014/2015

 The Leader presented the draft Financial Plan for 2014/15 for Cabinet's consideration, agreement and onward recommendation to Council on 25 February 2014.

The Leader explained that once again, in the face of continued reduction in Government grant, increased demand for services particularly children's services and adult care and the Council's commitment to protect front line services as far as possible, it had not been an easy task. She acknowledged that next year was likely to be even more challenging. The proposed budget included savings from services of £25.540 million. Every effort had been made to optimise efficiency savings internally to minimise the impact on the public and maintain a zero increase in council tax.

Cabinet received a report which provided an assessment of draft proposals to Council to set a budget for 2014/15 and the impact on Council Tax, rents, fees and charges, the capital programme, school budgets as well as reserves.

Cllr Dick Tonge presented the Financial Plan and guided members through the document and the detailed financial information in the Budget Book.

It was noted that the specific changes to the Financial Plan also reflected decisions that the Council was already progressing and the Plan thus confirmed the commitments to resource the 12 key actions as detailed in the report presented, in order to ensure delivery.

The budget for 2014/15 would redirect and invest £18.085 million of resources in line with the Business Plan. To date in response to the consultation responses received, investment as set out at Section 7 of the report presented, supported money being directed into the identified priority areas, namely the maintenance of roads, older people and adult social care and affordable housing.

It was noted that £1.994 million net was proposed to safeguard vulnerable Children. Provision was being made for £2.548 million before savings to increase pay by 1%, the first pay rise for staff in five years. The proposals also protected ongoing investment in building more homes and campuses which would help stimulate the local economy. £10.481 million of new capital money would be invested in Highways in 2014/15 and £45 million over the next four years. Aligned to the Business Plan the budget would also safeguard the commitment to Military Civil Integration and creating / protecting jobs.

Cllr Roy While, presented the report of the Special meeting of the Overview and Scrutiny Management Committee held on 5 February to consider its response to the budget proposals. Cllr While guided Cabinet through the key points raised by the Committee and acknowledge the challenges faced by Cabinet in drawing up a budget in difficult financial circumstances.

The report also detailed the various forms of consultation undertaken on the budget which included a household survey, details of which were presented; a meeting with trade unions; a meeting with non-domestic rate-payers had been arranged; People's Voice; a very well attended budget consultation event on 10 February with various sectors and ages of the community and the Wiltshire Council's Housing Board on 27 January, the minutes of which were presented.

Cllr Jon Hubbard commented that works to highways should also include residential and rural roads. Cllr John Thomson explained that Area Boards would be involved in prioritising works to rural roads and footpaths in their respective areas.

Cllr Thomson referred to concessionary fares which cost the Council £4.2 million and was well received. There was an argument that the scheme should be targeted with some of the funds directed towards provision for youth facilities.

Cllr David Jenkins commented on the high collection levels of council tax and asked what the administration attributed this to. Cllr Tonge explained that this was down to improved efficiencies and taking a prudent approach on anticipated levels. He did acknowledge that nationally, debt levels were on the increase and this could well impact on future collection levels.

Cllr Tonge paid tribute to the immense hard work on the budget by officers and thanked Michael Hudson and his team.

Resolved:

That Cabinet recommend to Council that it:

- a. Endorses the update of the Financial Plan for 2014/15.**
- b. Approve the savings and investment proposals summarised at Sections 9 and 7 respectively of this report and at Appendix 1, to provide a net revenue budget for 2014/15 of £333.063 million.**
- c. To:**
 - i. Freeze Wiltshire Council's element of the Band D council tax for 2014/15 £1,222.43, as calculated in accordance with statute, as set out in Section 10 of this report.**
 - ii. Set the Council's total net expenditure budget for 2014/15 at £333.063 million.**
 - iii. Set a 3.7% increase for dwelling rents in accordance with rent restructuring;**
 - iv. Set the HRA Budget for 2014/15 (original) as set out at Appendix 1G of this report;**
 - v. That all other service charges related to the HRA be increased by 3.7%, and Garages rents to be increased by 2%**
 - vi. Approve the Capital programme proposed at Appendix 1F of this report.**
 - vii. Set the changes in fees and charges set out in detail at Section 8 of and at Appendix 1H of this report.**

Reason for decision:

To enable the Council to:

Set its revenue, capital, housing revenue accounts, fees and charges, levels of reserves and resultant Council Tax 2014/15 to then issue Council Tax and rent bills. Provide the council with a strong business and financial plan for sustainable delivery for the remaining years of those plans.

24 Treasury Management Strategy 2014/15

Councillor Dick Tonge, presented a report which set out the proposed Treasury Management Strategy for 2014-15 for approval by Cabinet and onward recommendation to Council.

The report set out:

- a) the Prudential and Treasury Indicators (Prls and Trls) for the next three years;
- b) other debt management decisions required for 2014-15 that do not feature within the Prls or Trls, as shown in paragraphs 3.11 to 3.20;
- c) the Annual Investment Strategy for 2014-15 (only one change from 2013-14 as detailed in paragraph 3.23 of the report); and
- d) the updated Treasury Management Practices.

Cllr Tonge explained that whereas he was aware that some authorities had chosen to sell on their Icelandic bank debts, this Council had not given we were classified as preferred creditors.

Resolved:

That Cabinet recommend to Council to:

- a) **adopt the Prudential and Treasury Indicators (Appendix A of the report presented);**
- b) **adopt the Annual Investment Strategy, including the proposed increase in the lending limit associated with Government backed UK banks (Appendix B of the report presented);**
- c) **adopt the updated Treasury Management Practices (TMPs) (Appendix C of the report presented);**
- d) **delegate to the Associate Director, Finance, Revenues & Benefits and Pensions the authority to vary the amount of borrowing and other long term liabilities within both the Treasury Indicators for the Authorised Limit and the Operational Boundary;**
- e) **authorise the Associate Director, Finance, Revenues & Benefits and Pensions to agree the restructuring of existing long-term loans where savings are achievable or to enhance the long term portfolio;**
- f) **agree that short term cash surpluses and deficits continue to be managed through temporary loans and deposits; and**

- g) agree that any 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 Associate Director, Finance, Revenues & Benefits and Pensions the authority to select such funds.**

Reason for decision:

To enable the Council to agree a Treasury Management Strategy for 2014/15 and set Prudential Indicators that comply with statutory guidance and reflect best practice.

25 Budget Monitoring

(a) Revenue Budget Monitoring

Cllr Dick Tonge presented a report which advised members of the revenue budget monitoring position as at the end of Period 9 (end of December 2013) for the financial year 2013/2014 with suggested actions as appropriate.

It was noted that a forecast overspend was not unusual at this time of the year and action would be taken to correct that ensured a balanced budget at year end. Action was currently being assessed to identify areas where savings could be made and progress suggested that the full amount would be managed within budget. To date this work had identified ways to save £2 million.

On 20 January 2014, the Council received approval of its request from central Government for a £2.8 million capitalisation directive to capitalise expenditure relating the voluntary redundancy scheme. This was included in these figures.

Overall therefore the forecasts suggested a £0.449 million overspend if no further action was taken. This represented 0.1% of the Council's net budget. An updated position would be reported to Cabinet in the next quarter. The year-end general fund reserves balance was projected to be £7.840 million, rising to £11.3 million at the start of April 2014. This was in line with the Council's Financial Plan and recommendations by the Section 151 Officer.

Resolved:

That Cabinet note the outcome of the period 9 (end of December 2013) budget monitoring and approve the transfer of £1.5 million from earmarked Reserves to the General Fund.

Reason for decision:

To inform effective decision making and ensure a sound financial control environment.

(b) Capital Monitoring Period 9 2013/2014 (as at 31 December 2013)

Cllr Dick Tonge presented a report which detailed changes to the budget made since the 2013/2014 budget was set in February 2013, and amended as part of the period 4 and the period 7 reports. The report reflected the position of the 2013/2014 spend against budget as at Period 9 (as at 31 December 2013).

Resolved:


That Cabinet:

- a) **Note the general budget additions for grants and revenue contributions of £0.352 million as per appendix B and to note the Period 9 position of the Capital Programme in Appendix A; and**
- b) **Note the reprogramming of £16.248 million between 2013/2014 and 2014/2015, and the returning of £0.034 million of budgets no longer required to Central Funding in Appendix A and B.**

Reason for decision:

To advise Cabinet of the position of the 2013/2014 capital programme as at Period 9 (31 December 2013), including highlighting of budget changes.

26 **Arrangements to be put in place following the end of the Department for Education Trial on permanent exclusion and alternative provision**

 Cllr Richard Gamble, Portfolio Holder for schools, skills and youth presented a report to enable the Council to make a decision as to what arrangements should be put in place once the Department for Education Trial on permanent exclusion and alternative provision comes to an end in June 2014.

The background to the trial was outlined. It was noted that the responsibility under S.19 of the Education Act to provide suitable education for permanently excluded pupils would revert to the Council. The issue for the Council was how best to fulfil this responsibility. A number of options were put forward for Cabinet's consideration, namely :

- The Council should end the devolution of funds to schools and return to fulfilling the responsibility itself directly;

- The Council could commission a third party – an existing alternative provider or an academy trust to make the provision on its behalf or
- The council could continue to devolve funding to schools and replace the Power To Innovate with a service level agreement through which secondary schools agree to provide suitable education for those pupils permanently excluded or at risk of permanent exclusion in line with section 19 of the Education Act for a specified period.

The implications of each of these options were outlined to Cabinet.

Resolved:

To continue the present devolution of funding to secondary schools replacing the Power To Innovate Order with a service level agreement under which secondary schools undertake to provide suitable education in accordance with section 19 of the Education Act for those pupils permanently excluded or at risk of permanent exclusion for the period 1 April 2014 to 31 March 2017.

Reasons for decision:

There is evidence that the current system of devolved funding is working effectively. All the secondary schools currently involved in the Trial wish to continue with this arrangement and the one school that did not take part would like now to do so. Any change would cause a considerable degree of turbulence to a very vulnerable group of young people. All other possible alternatives appear to be more expensive and less effective.

27 Urgent Items

There were no urgent items.

(Duration of meeting: 10.30 am - 12.18 pm)

These decisions were published on the 14 February 2014 and will come into force on 24 February 2014

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