

# AGENDA

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Meeting: **Cabinet**  
Place: **Kennet Room - County Hall, Trowbridge BA14 8JN**  
Date: **Tuesday 16 June 2015**  
Time: **10.30 am**

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## **Membership:**

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

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Press enquiries to Communications on direct lines (01225)713114/713115.

All public reports referred to on this agenda are available on the Council's website at [www.wiltshire.gov.uk](http://www.wiltshire.gov.uk)

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## **Part I**

### **Items to be considered while the meeting is open to the public**

**1 Apologies**

**2 Minutes of the previous meetings (*Pages 5 - 14*)**

To confirm and sign the minutes of the Cabinet meetings held on 11 May and 19 May 2015.

**3 Minutes - Capital Assets Committee (*Pages 15 - 18*)**

To receive and note the minutes of the Capital Assets Committee held on 19 May 2015.

**4 Declarations of Interest**

To receive any declarations of disclosable interests or dispensations granted by the Standards Committee.

**5 Leader's announcements**

**6 Public participation and Questions from Councillors**

The Council welcomes contributions from members of the public. This meeting is open to the public, who may ask a question or make a statement. Questions may also be asked by members of the Council. Written notice of questions or statements should be given to Yamina Rhouti of Democratic Services by 12.00 noon on 10 June 2015. Anyone wishing to ask a question or make a statement should contact the officer named above.

**7 Update on Q4 / year end outturns reported as part of the Citizens' Dashboard and refined strategic risk register (*Pages 19 - 34*)**

Report by Maggie Rae, Corporate Director

**8 Revenue Outturns 2014/2015 (*Pages 35 - 54*)**

Report by Carolyn Godfrey, Corporate Director

**9 Capital Monitoring Outturn 2014/2015 (*Pages 55 - 68*)**

Report by Carolyn Godfrey, Corporate Director

**10      Annual Report on Treasury Management 2014-15 (Pages 69 - 84)**

Report by Carolyn Godfrey, Corporate Director

**11      Urgent Items**

Any other items of business, which the Leader agrees to consider as a matter of urgency.

**Part II**

**Items during consideration of which it is recommended that the public  
should be excluded because of the likelihood that exempt  
information would be disclosed**

None

*The items on this agenda reflect the key goals of Wiltshire Council, namely 'To protect those who are most vulnerable', 'To boost the local economy – creating and safeguarding jobs' and 'To support and empower communities to do more for themselves'.*


### CABINET

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DRAFT MINUTES of a MEETING held in KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN on Monday, 11 May 2015.

Cllr Jane Scott OBE	Leader of the Council
Cllr John Thomson	Deputy Leader and Cabinet Member for Communities, Campuses, Area Boards and Broadband
Cllr Fleur de Rhé-Philipe	Cabinet Member for Economic Development, Skills and Strategic Transport
Cllr Keith Humphries	Cabinet Member for Health (including Public Health) and Adult Social Care
Cllr Laura Mayes	Cabinet Member for Children's Services
Cllr Jonathon Seed	Cabinet Member for Housing, Leisure, Libraries and Flooding
Cllr Toby Sturgis	Cabinet Member for Strategic Planning (strategic and development management), Property, Waste and Strategic Housing
Cllr Dick Tonge	Cabinet Member for Finance, Performance, Risk, Systems Thinking, Procurement and Welfare Reform
Cllr Stuart Wheeler	Cabinet Member for Hubs, Governance (including information management), Support Services (HR, Legal, ICT, Business Services, Democratic Services), Heritage & Arts and Customer Care
Cllr Philip Whitehead	Cabinet Member for Highways and Transport
Also in Attendance:	Cllr Jon Hubbard, Cllr Alan MacRae, Cllr Richard Gamble, Cllr Fred Westmoreland, Cllr Jerry Kunkler and Cllr Sheila Parker

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

#### 49 **Apologies**

There were no apologies.

#### 50 **Declarations of Interest**

There were no declarations of interest.

#### 51 **Leader's announcements**

There were no announcements.

#### 52 **Public participation and Questions from Councillors**

The Chair invited any members of the public present to contribute to the debate under the item on the Community Infrastructure Levy.

## **53 Community Infrastructure Levy (CIL)**

Councillor Toby Sturgis, Cabinet Member for Strategic Planning, Development Management, Strategic Housing, Property and Waste, presented the report which informed Cabinet of the Examiner's 'Report on the Examination of the Draft Wiltshire Council Community Infrastructure Levy Charging Schedule' and recommendation that the Charging Schedule be adopted, subject to modifications; as well as the proposed Regulation 123 List, Instalments Policy and Planning Obligations Supplementary Planning Document.

Issues highlighted in the course of the presentation and discussion included: the role of Scrutiny in advising on the rates to be included in the Charging Schedule; the role of s106 agreements that remained; and how the documents had been subject to public consultation; the modifications that had been suggested by the Examiner, and when the Charging Schedule would be reviewed.

The Leader suggested, in response to issues raised in the discussion, that an additional resolution be added to ensure that the issues arising from the report are adequately discussed with the relevant parish and town councils, as well as neighbourhood planning steering groups. A second additional resolution was also added relating to the timescale for review of the Charging Schedule.

### **Resolved**

- (i) To note the content of the Examiner's report on the examination of the Wiltshire CIL Charging Schedule (Appendix 1); and accepts the modifications in the Appendix of the Examiner's Report, which the Examiner considers are necessary to improve clarity.**
- (ii) To recommend to Council that the Wiltshire CIL Charging Schedule proposed in Appendix 3, as amended as set out in (i) above together with the other proposed minor modifications identified in the interest of clarity (Appendix 2), be approved as the appropriate basis for charging CIL in Wiltshire.**
- (iii) To recommend to Council that it adopts the proposed Regulation 123 List at Appendix 5 and the Instalments Policy as set out in Appendix 6 alongside the Wiltshire CIL Charging Schedule in (ii).**
- (iv) To recommend to Council that it adopts the Planning Obligations Supplementary Planning Document as proposed in Appendix 8.**
- (v) That subject to approval of Council, to agree that the Associate Director for Economic Development and Planning, in consultation with the Cabinet Member for Strategic Planning, Development Management, Strategic Housing, Property and Waste and, the Associate Directors of Finance and Legal and Governance, will undertake the final stages associated with the**

**formal adoption and implementation of CIL, including any minor textual changes to documents in the interest of clarity and accuracy.**

- (vi) To recommend to Council that it agrees the proposed implementation date for CIL of Monday 18 May 2015.**
- (vii) That the Associate Director for Economic Development and Planning, in consultation with the Cabinet Member for Strategic Planning, Development Management, Strategic Housing, Property and Waste develop a communication plan for parish and town councils, as well as representatives from neighbourhood planning steering groups, to help clarify their role in relation to CIL and the delivery of local infrastructure;**
- (viii) That the Associate Director for Economic Development and Planning, in consultation with the Cabinet Member for Strategic Planning, Development Management, Strategic Housing, Property and Waste monitors the implementation of CIL to determine whether a review of the Charging Schedule is required. In any event, the need for review will be considered by Cabinet within two years of CIL's implementation in Wiltshire.**

Reason for Decision:

To enable the Council to charge CIL on new development and secure funding through this mechanism to help pay for infrastructure and support the delivery of sustainable development across Wiltshire. From 6 April 2015 the Council has been restricted in the amount of funding it can secure through pooled contributions from developments to pay for infrastructure.

## **54 Urgent Items**

There were no urgent items.

(Duration of meeting: 10.00 - 11.07 am)

These decisions were published on the 20 May 2015 and will come into force on 29 May 2015
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The Officer who has produced these minutes is Yamina Rhouti, of Democratic Services, direct line 01225 718024 or e-mail [yamina.rhouti@wiltshire.gov.uk](mailto:yamina.rhouti@wiltshire.gov.uk)  
Press enquiries to Communications, direct line (01225) 713114/713115

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## CABINET

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DRAFT MINUTES of a MEETING held in KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN on Tuesday, 19 May 2015.

Cllr Jane Scott OBE	Leader of the Council
Cllr John Thomson	Deputy Leader and Cabinet Member for Communities, Campuses, Area Boards and Broadband
Cllr Fleur de Rhé-Philippe	Cabinet Member for Economic Development, Skills and Strategic Transport
Cllr Keith Humphries	Cabinet Member for Health (including Public Health) and Adult Social Care
Cllr Laura Mayes	Cabinet Member for Children's Services
Cllr Jonathon Seed	Cabinet Member for Housing, Leisure, Libraries and Flooding
Cllr Toby Sturgis	Cabinet Member for Strategic Planning (strategic and development management), Property, Waste and Strategic Housing
Cllr Dick Tonge	Cabinet Member for Finance, Performance, Risk, Systems Thinking, Procurement and Welfare Reform
Cllr Philip Whitehead	Cabinet Member for Highways and Transport
Also in Attendance:	Cllr Jon Hubbard, Cllr Alan MacRae, Cllr Richard Gamble, Cllr Jerry Kunkler, Cllr Simon Killane, Cllr Alan Hill, Cllr Anna Cuthbert, Cllr David Jenkins, Cllr Gordon King, Cllr Bill Moss, Cllr John Noeken, Cllr Sheila Parker, Cllr Horace Prickett, Cllr John Walsh, Cllr Bridget Wayman and Cllr Jerry Wickham.

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

### 55 **Apologies**

Apologies were received from Councillor Stuart Wheeler.

### 56 **Minutes of the previous meeting**

The minutes of the meeting held on 21 April 2015 were presented.

### **Resolved:**

**To approve as a correct record and sign the minutes of the meeting held on 21 April 2015.**

**57     Declarations of Interest**

There were no declarations of interest.

**58     Leader's announcements**

The Leader welcomed Councillor Anna Cuthbert, newly elected to Wiltshire Council, and Claire, who is shadowing the Leader, as an apprentice having previously been a looked after child of the authority.

**59     Public participation and Questions from Councillors**

The Leader drew the meeting's attention to the question submitted by David Mannering and responses circulated with the agenda supplement.


In supplement to his question, Mr Mannering reiterated his point that the state of the highways was extremely important to the public and welcomed plans increase in the spending on the roads. However, he was concerned that there was some evidence that the performance of the Council should improve. He felt, in particular, that unclassified roads needed more attention. Furthermore he stated that, as people were being encouraged to cycle more, unclassified roads needed more attention, as cyclists are more affected by road defects than cars and can cause seriously injured as he knows from personal experience within his family: the edges of the highway, which can be ignored, are the most important for cyclists.

The Leader responded that there had been massive disinvestment in the Highways structure, and a backlog built up. In addition, the condition of the highway had suffered following two winters when there was very bad weather. It was acknowledge that the Council was operating with a reduced overall budget, but had managed to invest more within Highways. Furthermore feedback from cycle race organisers had been positive about the condition of Wiltshire's roads.

Councillor Philip Whitehead, the Cabinet Member for Highways and Transport Member, exhorted members of the public to submit information about potholes through the Wiltshire Council app, as some third party websites did not gather enough information to address the issue.

So that the specific concerns raised could be better understood, the Leader requested that the Lead Member and officers to discuss the matter in more detail with Mr Mannering.

**60     Highways Asset Management Policy and Strategy**

 Councillor Philip Whitehead presented the report which provide dan update on progress of implementing the 'Local Highways Investment Fund 2014 – 2020', and asked Cabinet to adopt the Wiltshire Highways Asset Management Policy and Strategy.

In the course of the presentation and the discussion, the issues discussed included: the desire to take an asset management approach; how additional funding had been prioritised; the pattern of investment over the last decade and half; how local Community Area Boards input into prioritisation; how the role of Community Area Transport Groups can be clarified to ensure the expectations of the public are managed; and the relative prioritisation between major routes and other routes.

### **Resolved**

- (i) To note the good progress on implementing the first year of the ‘Local Highways Investment Fund 2014 – 2020’, and welcome the involvement of the Area Boards in identifying local priorities;**
- (ii) To adopt the Wiltshire Asset Management Policy and Strategy, to help guide the delivery of asset management principles with regard to highway infrastructure.**
- (iii) To delegate authority to Philip Whitehead, Cabinet Member for Highways and Transport and Parvis Khansari, Associate Director for Highways and Transport to approve revisions of the Highways Asset Management Policy and Strategy and the emerging detailed plans.**

Reason for Decision:

The condition of the county’s roads is important to the public. This is demonstrated by the results of the Council’s People’s Voice and the National Highways and Transportation (NHT) surveys, which both indicate low levels of public satisfaction with road conditions. In the Council’s consultations on budget setting, expenditure on roads is the service where the public consistently wish to see more spent.

The highway network forms the Council’s largest asset, and it is important that it is maintained in the most cost-effective way in order to show value for money. This includes the use of asset management and whole life costing approaches to inform investment decisions.

The use of asset management principles has been applied for many years in Wiltshire to ensure appropriate investment with longer term planning. The adoption of the proposed policy and strategy will help formalise that process.

### **61 Wiltshire Council Child Sexual Exploitation (CSE) Action Plan**

Councillor Laura Mayes presented the report which presented to Cabinet the Wiltshire Council Child Sexual Exploitation (CSE) Action Plan; and sought Cabinet’s approval of the plan and the proposed monitoring arrangements.

In the course of the presentation and the discussion, the issues discussed included: that the plan sets the responsibilities for different teams within the Council and with partners; how the lessons of CSE in other communities can be learnt; that Taxi Drivers will, when renewing their license, undertake CSE training; that a Scrutiny Task Group, the Executive and CLT be keeping an overview of the plan; and that a review be reported in 6 months.

In response to a issues raised by Councillor Jon Hubbard, Councillor Laura Mayes stated that she wished to work with Scrutiny partners to ensure that targets in the plan were clear and achievable.

In response to a issues raised by Councillor Dick Tonge and Councillor Jon Hubbard, Councillor Laura Mayes stated that the Wiltshire Safeguarding Children's Board was inspected by Ofsted; that, although the Board is independent the Chair's work is supervised and supported by Wiltshire Council.

In response to a issues raised by Councillor Jon Hubbard, the Leader stated that given the Council's successful track record in establishing scrutiny arrangements of external partners, she hoped that a similar approach could be taken with the Wiltshire Safeguarding Children's Board.

In response to a issues raised by Councillor Dick Tonge, Councillor Laura Mayes stated that there was an expectation that police constabularies would work together, and that some central government funding had been identified to address cross-border issues.

### **Resolved**

- (i) To approve the Wiltshire Council Child Sexual Exploitation (CSE) Action Plan attached as appendix 1; and**
- (ii) That plan is owned and monitored by Cabinet and the Corporate Leadership Team.**

Reason for Decision:

To ensure children and young people are protected and supported.

To ensure the Council is discharging its responsibilities related to the prevention, disruption and prosecution of CSE.

To acknowledge that this is a corporate responsibility and involve the whole of the Council

## **62 Mental Health and Wellbeing Strategy and Implementation Plan**

Councillor Keith Humphries presented the report which briefed members on the results of the consultation process for the Joint Mental Health and Wellbeing

Strategy; sought Cabinet's views on the draft implementation plan and approval for delegation of authority to the MH JCB to continue development of the implementation plan; and outlined plans to establish a multi-agency steering group to monitor progress against the strategies aims.

In the course of the presentation and the discussion, the issues discussed included: that one in four people will experience mental health problems at some time; that people are not comfortable talking about mental health issues; that the consultation period had been extended to increase response; that a multi-agency steering group, accountable to the Joint-Commissioning Board, would oversee implementation; how preventative work can be prioritised; how people can be supported in their own communities;

In response to a question from Councillor Gordon King, Councillor Keith Humphries and Maggie Rae clarified that, once further work had been done to identify priorities with partners, the outcomes in the action plan would be agreed.

Councillor John Noeken, on behalf of the Chair of the Health Select Committee, presented the views of the Select Committee who had welcomed the production of the Strategy

### **Resolved**

- (i) To note the information about consultation responses and approve the final strategy for adoption**
- (ii) To review the draft implementation plan (Appendix 2) and delegate responsibility to the Mental Health Joint Commissioning Board (JCB) to approve developments and additions to deliver on the strategy**
- (iii) To approve the establishment of a multi-agency delivery group whose primary role will be the ongoing monitoring of progress against the strategy.**
- (iv) To note that the Mental Health Joint Commissioning Board will monitor the progress of the Implementation Plan.**
- (v) To agree to receive an update report , to include further information on the action plan, n six months.**

Reason for decision:

To update Cabinet on the results of the consultation process and provide the final strategy for approval.

To seek Cabinet views on the draft implementation plan and approval for responsibility to be delegated to the Mental Health JCB to develop the plans for implementation in order to ensure delivery of the strategy.

To outline plans for ongoing monitoring of progress on the strategy.

**63 Urgent Items**

There were no urgent items.

(Duration of meeting: 10.30 - 11.43 am)

These decisions were published on the 29 May 2015 and will come into force on 8 June 2015.
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The Officer who has produced these minutes is Yamina Rhouati, of Democratic Services, direct line 01225 718024 or e-mail [yamina.rhouati@wiltshire.gov.uk](mailto:yamina.rhouati@wiltshire.gov.uk)  
Press enquiries to Communications, direct line (01225) 713114/713115

## **CABINET CAPITAL ASSETS COMMITTEE**


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DRAFT MINUTES of a MEETING held in KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN on Tuesday, 19 May 2015.

Cllr Fleur de Rhé-Philipe	Cabinet Member for Economic Development, Skills and Strategic Transport
Cllr Jane Scott OBE	Leader of the Council
Cllr Toby Sturgis	Cabinet Member for Strategic Planning (strategic and development management), Property, Waste and Strategic Housing
Cllr John Thomson	Deputy Leader and Cabinet Member for Communities, Campuses, Area Boards and Broadband
Cllr Dick Tonge	Cabinet Member for Finance, Performance, Risk, Systems Thinking, Procurement and Welfare Reform

Also in Attendance: Cllr Jonathon Seed and Cllr Richard Clewer

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

### **49 Apologies and Substitutions**

There were no apologies.

### **50 Minutes of the previous meeting**

The minutes of the previous meeting, held on the 11 November 2014, were presented.

#### **Resolved**

**To approve as a correct record and sign the minutes of the meeting held on 11 November 2014.**

### **51 Leader's Announcements**

There were no announcements.

### **52 Declarations of interest**

There were no declarations of interest.

### **53 Public Participation and Questions from Councillors**

There were no questions.

## 54 Council House Building Project - Westbury Extra Care

Councillor Jonathan Seed, Cabinet Member for Housing Leisure, Libraries and Flooding, presented the report which recommended that Cabinet agree to provide funding to support the remodelling of a sheltered scheme in Westbury for the provision of accessible, fit for purpose accommodation for older people in the community and to ensure the building can accommodate the provision of an extra care service that could offer an alternative to residential care.

Issues discussed included: How extra-care housing provided a viable alternative to residential care; the additional services available to the wider community through the scheme; that the Area Board had been made aware of the scheme; that the scheme was in a remodelled building which had placed some constraints on the design; that there is some accommodation available for guests; and that the Council will retain all the allocation rights for the scheme.

### **Resolved**

**To delegate authority to the Associate Director for Adult Care Commissioning and Housing in consultation with the Cabinet Member for Housing (excluding strategic housing), Libraries, Leisure and Flooding to authorise the commitment of grant funding of £625,000 to support the delivery of the project and to sign a funding agreement on behalf of the Council.**

### **Reason for Decision:**

The Westbury scheme will provide good quality, fit for purpose, accessible accommodation for older people with an assessed care need, thus ensuring that they are able to live independently for as long as possible. The scheme will offer an alternative to residential care and will be able to deliver the extra care services outlined in the Older People's Accommodation Development Strategy.

Through the development of the site, the Council would benefit from the provision of remodelled housing to meet the needs of the growing older Population in Westbury. Additionally, this development would improve choice and control for older people with an assessed care need and provide a vital community resource, through the refurbished communal areas. Work is being undertaken to determine how these communal areas can be used to offer services to residents and local people in the future.

This development will protect some of the most vulnerable older people by reducing the likelihood of falls and hospital admissions whilst ensuring independence is maintained and also meets a number of the outcomes in the Business Plan.



**55 Urgent items**

There were no urgent items.

(Duration of meeting: 2.00 - 2.07 pm)

These decisions were published on the 19 May 2015 and will come into force on 27 May 2015
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The Officer who has produced these minutes is Will Oulton, of Democratic Services, direct line 01225 713935 or e-mail [william.oulton@wiltshire.gov.uk](mailto:william.oulton@wiltshire.gov.uk)  
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Wiltshire Council

Cabinet

16 June 2015

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**Subject:** Update on Q4 / year end outturns reported as part of the Citizens' Dashboard and refined strategic risk register

**Cabinet member:** Councillor Dick Tonge  
Finance, Performance, Risk, Systems Thinking,  
Procurement and Welfare Reform

**Key Decision:** No

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## Executive Summary

This report provides an update on outturns against the measures and activities compiled and reported through the council's website through the [Citizens' Dashboard](#), as well as the current position regarding the authority's strategic risk register.

Measures have been revised, using information drawn from individual services' delivery planning processes for 2015/16, and will form the basis of the performance framework used to monitor progress against our objectives set out in our [Business Plan](#).

The council's strategic risk register has been refined in the light of work across the council's service areas in reviewing individual service-level risk registers, benchmarking with other authorities and risks identified within the overarching national risk register.

## Proposals

- a) To note updates and outturns against the measures and activities ascribed against the council's key outcomes and
- b) To note updates and outturns to the strategic risk register.

## Reason for Proposal

This framework compiles and monitors outturns in relation to the outcomes laid out in the Business Plan, distilled from individual services' delivery plans. In doing so, it captures the main focus of activities of the council against each outcome.

The strategic risk register captures and monitors significant risks facing the council: in relation to significant in-service risks facing individual areas, in managing its business across the authority generally and in assuring our preparedness should a national risk event occur.

**Maggie Rae**  
Corporate Director

**Subject:** Update on Q4 / year end outturns reported as part of the Citizens' Dashboard and refined strategic risk register

**Cabinet member:** Councillor Dick Tonge  
Finance, Performance, Risk, Systems Thinking,  
Procurement and Welfare Reform

**Key Decision:** No

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### **Purpose of Report**

1. This report provides an update on outturns against the measures and activities compiled and reported through the council's website through the [Citizens' Dashboard](#), as well as the refined strategic risk register.

### **Relevance to the Council's Business Plan**

2. This report updates Cabinet on outturns and significant activities against each of the outcomes contained in the Business Plan.

### **Overview of outturns**

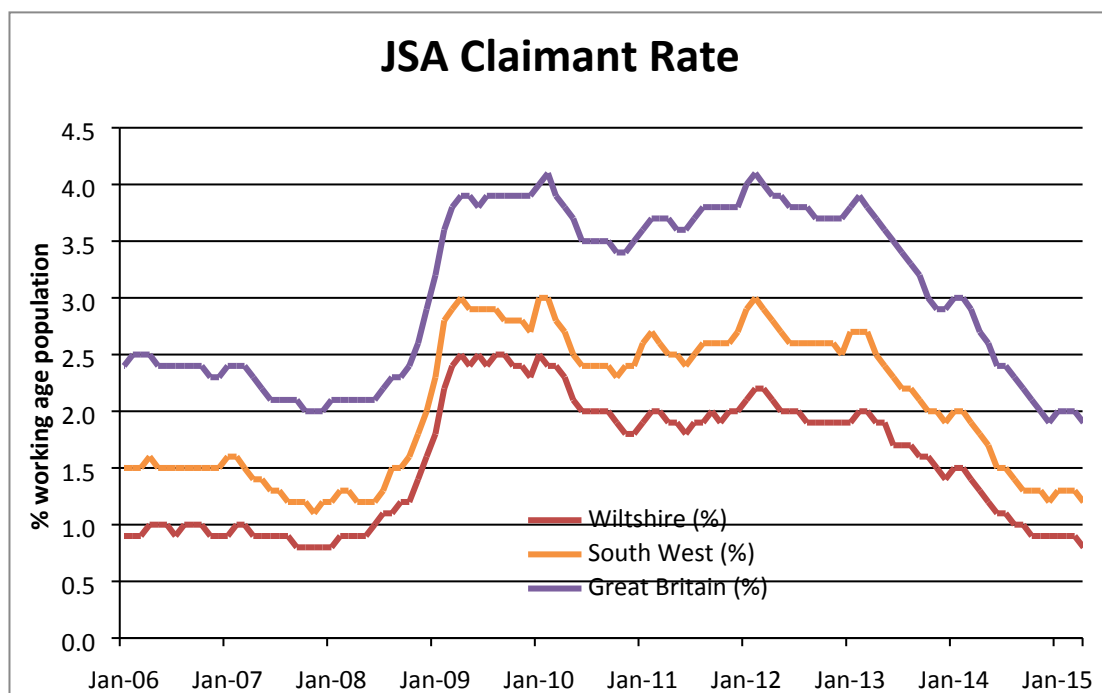
3. The Citizens' Dashboard was developed over the course of the summer 2014 as a more engaging and informative means of publishing activity and prevalence metrics and making links within the Business Plan.
4. The scrutiny Financial Planning Task Group have engaged with both the development of the dashboard and the broader performance and risk frameworks. Both of which were received positively.
5. Measures within the [Citizens' Dashboard](#) have been revised, using information drawn from recent work in updating individual services' delivery plans for 2015/16, and will form the basis of the performance framework used to monitor progress throughout 2015/16 against our objectives set out in our [Business Plan](#).
6. A summary of some key published measures – as well as some supporting information more generally about the theme - is provided below.

### *Outcome 1: thriving and growing local economy*

7. The latest (April 15) figures show the number of people claiming Job Seeker's Allowance (JSA) is now just under 2,400. Whilst this is not an insignificant number, this is less than 1% of the working age population - the lowest level

since the start of 2008. At the same period in the previous year the figure was just over 3,877 people, which represents a drop of 38% in the number of people claiming JSA over the last 12 months.

8. The graph below shows Wiltshire's rate at 0.8%, in relation to the national average of 1.9%



9. By supporting people with training and skills development, attracting employers and investment into the county, supporting existing businesses and providing a comprehensive and efficient planning service, the council has supported the creation of nearly 6,500 new jobs since April 2014.
10. Wiltshire Council, through the Swindon and Wiltshire Local Enterprise Partnership (SWLEP), has to date secured £41.3m Local Growth Fund investment as part of the Swindon and Wiltshire Growth Deal.
11. The initial Growth Deal announced in July 2014 secured:
- £4m for the delivery of Porton Science Park Phase One;
  - £8.8m for dualling the A350 Chippenham bypass;
  - £16m for the redevelopment of Chippenham station, improving parking provision, and
  - £1.4m for improvements to the A429 and other highways improvements related to the expansion of Dyson's facilities in Malmesbury.
12. A second allocation of Local Growth funding was secured in January 2015 providing funds for further enhancements to the A350 - unlocking the West Ashton urban development east of Trowbridge - as well as capacity improvements at Junction 17 of the M4. In addition £2.5m was secured to deliver a Digital Skills and Business Incubation campus in Corsham ensuring the town's position as a fore-runner in the developing digital sector.

13. Included within the Growth Fund investment, £1.4m funding has been secured for the City Deal to develop and extend the skills of armed forces leavers and increase opportunities and take up in the higher education more generally.
14. Programmes such as the Wiltshire Business Support Service and Wiltshire 100, are well integrated with services across the council and we are seeing significant benefits from The Enterprise Network, Superfast Broadband SME support, as well as the impact of funding schemes such as Rural Enterprise Growth and Gateway for Growth.
15. Throughout 2014-15, over 44,000 homes are now able to access SuperFast broadband that wouldn't have been able to access SuperFast broadband without the council's investment and Wiltshire Online. The project as a whole, is on track to have reached 91% of all homes and businesses across Wiltshire by March 2016. The project will also explore alternative technologies for the remaining 9%
16. Through the adoption of the Wiltshire Core Strategy - which sets out key strategic planning policies for managing sustainable development across the county - and by engaging early with developers we promote economic growth to come forward and attract significant inward investment into our communities.
17. Over 630 affordable homes have been completed in Wiltshire over the course of 2014-15.
18. The first of the council's 6 year Local Highways Investment Fund has increased levels of road resurfacing across the county and we have used central government funding to provide additional pothole resources to meet the demand for highway repairs in a timely manner. We continue to review the processes in *the App* to increase usage and improve feedback. All reports – phone, web and mobile devices - now all go on *the App*.
19. Using Local Sustainable Transport Funding (LSTF) for the Trans Wilts Railway Service resulted in actual passenger usage outperforming forecast demand three-fold.
20. 2014/15 was marked by the collapse of a major operator of bus and school contracts, which led to significant increases in costs. Some of these have been offset by subsequent re-tendering of the Salisbury Park and Ride service, which will result in a lower cost through the integration of two of the routes with parallel city bus services.
21. The council repaired over 164km (102 miles) of roads across the county. The average time to repair a defect (including potholes, verge repairs and signage) reported on the road network is 8 days.

*Outcome 2: people working together to solve problems and participate in decisions*

22. During 2014/15, Wiltshire's Area Boards contributed approaching £1.5m to community projects, youth activities and highways improvements (including Community Area Transport Groups (CATGs)).
23. In total, funding has helped lever in monies to deliver projects with a total value of £3.6m over the course of the year. All of the projects supported through Wiltshire's Area Boards are listed [on the council's website](#).

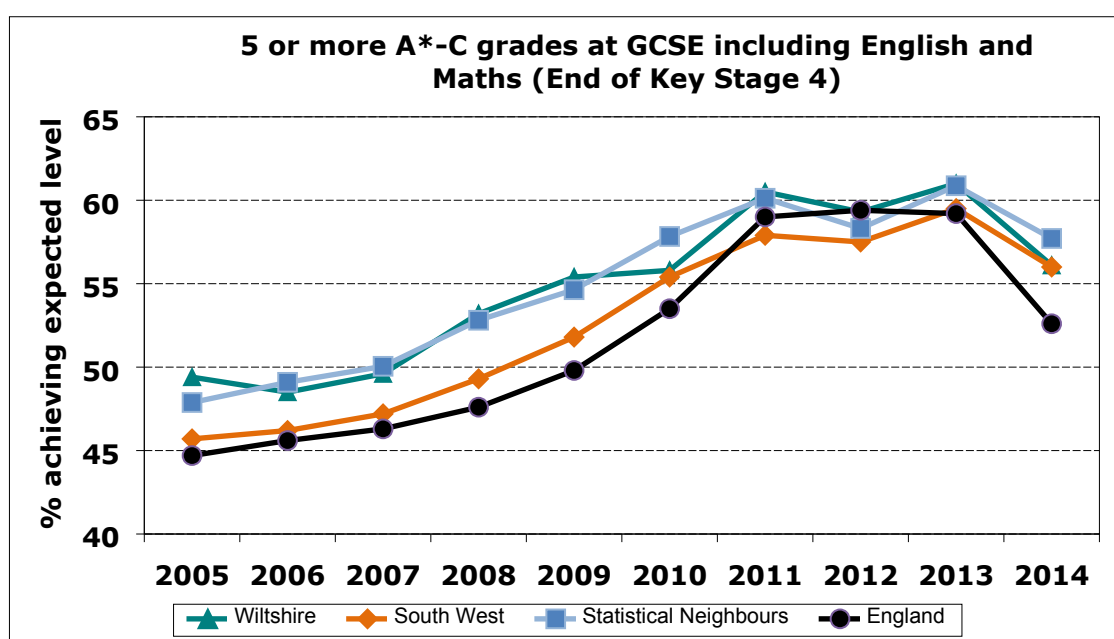
24. Over 10,000 people have signed up to our [Twitter](#) page with almost 800 people currently signed up to our community area network – to receive regular updates on local news and initiatives, events, surveys and opportunities for getting involved in things that are happening in the local community.
25. The council has recorded over 1,100 volunteers helping in the delivery of services run through the council in the last year and volunteers are instrumental in supporting our award winning community campuses
26. A strong sense of community engagement is also evident in maintaining our rights of ways, as well as our countryside sites. Over 2,700 volunteer hours were dedicated to maintaining rights of ways last year and a further 7,600 volunteer hours in maintaining our countryside sites.
27. Since March 2014, a further 16 neighbourhood planning areas have been designated, meaning there are now 36 in Wiltshire. One plan, Malmesbury, has been submitted to the council meaning that it now forms part of the Development Plan for Wiltshire and the policies in the plan will be given full weight when assessing planning applications that affect land covered by the plan.

### *Outcome 3: living in a high quality environment*

28. Over the course of the last 12 months, over 580kg of waste, which has not been recycled or composted, has been collected on average from each household in Wiltshire. 46% of household waste has been recycled or composted and overall, 4 out of 5 tonnes of our total waste were diverted from landfill.
29. The Council is committed to protecting the environment across the county. During 2014/15 we undertook over 2,600 enforcement actions relating to environmental crime (a rise of some 49% compared to the previous year). Enforcement action ranges from issuing warning letters, formal cautions and fixed penalty notices to prosecutions (a single incident can lead to more than one action).
30. The *MyWiltshire* smartphone app is an easy way to report incidents and issues relating to the streetscene (i.e. graffiti, fly-tipping, dog mess, vandalism, street lighting faults, highway defects, rights of way defects, dangerous trees) across Wiltshire. As a result of increased take up of the app by residents, over 18,500 issues or incidents were reported for Wiltshire Council to address in 2014/15.
31. Wiltshire Council processed over 5,300 planning applications over the course of 2014/15. This represents a 9% increase on the previous 12 months.
32. Over the course of the year, 83% of 'major' applications were determined within 13 weeks – significantly better than the national target of 60% and an improvement of 36 percentage points on our performance last year.
33. 72% of 'minor' and 83% of 'other' planning applications were determined within 8 weeks, which represents an improvement of 15 and 17 percentage points respectively.

*Outcome 4: inclusive communities where everyone can achieve their potential*

34. School inspections generally show Wiltshire in a positive light. The proportion of schools deemed 'good' or better by Ofsted is at 87%, compared to 81% across England. This corresponds to 87% of pupils in Wiltshire attending schools that are deemed 'good' or better by Ofsted (compared to 79% across England).
35. Exam results from the summer 2014 show variable outcomes. A level results are in the top quartile with 83% of pupils gaining at least 3 'A' levels.
36. The proportion of pupils in Wiltshire attaining 5+ A\*-C GCSEs (including English and Maths) is reported at 57%. This is a fall of around 5 percentage points on the previous year, but mirrors a fall experienced more widely across England due to a change in the way this statistic is calculated. Wiltshire's outturn is slightly below the average for similar authority areas, but above the national average of 53%.

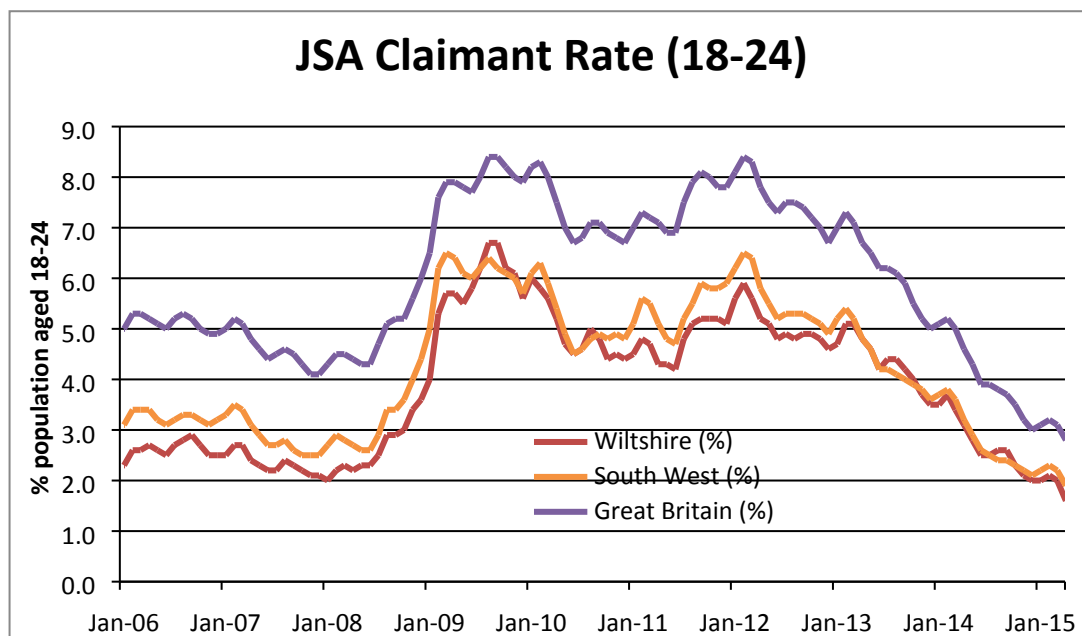


37. Whilst some year on year improvements can be seen across other age groups, Wiltshire is broadly in line with comparators. However, the performance of vulnerable children eligible for free school meals is a concern, for example where 25% attained 5+ A\*-C GCSEs (including English and Maths) compared to 34% across England more generally. This is not a new situation and a range of actions are in place to address this.
38. The transfer from statements of special educational needs to Education, Health and Care Plans began in September and will continue over the next 2 years.
39. Children's centres are now inspected as clusters. Three Wiltshire clusters have been inspected so far – one has been found to be requiring improvement, one good and one outstanding.
40. Work has progressed to reshape the council's early help services and to create a single point of contact. Roles and responsibilities have been modified with new interventions being delivered. This work will include a review of our



referral and assessment forms to help people access the services they need efficiently.

41. The proportion of young people (aged 18-24) claiming JSA has fallen to 1.6% - which equates to 570 young people (April 2015). This is a decrease from 3.1% in April 2014 representing 525 fewer young people. This compares with 1.9% of 18-24 year olds across the South West more generally.



42. We are continuing to prioritise prevention and support in relation to young people not in employment, education or training (NEET). At the end of March 2015, 3.6% of 16-18 year olds we recorded as NEET, down from 4.5% at the end of June 2014.
43. However, 16% of the cohort were 'not known' at the end of March 2015, and we were seeking to reduce this to less than 10% through improving our tracking of these young people, including our information sharing with all relevant providers. We have now achieved this by reducing the level of 'not knowns' to 9.8% as of May 2015.

#### *Outcome 5: healthy, active and high quality lives*

44. The latest average figures (covering the period 2010-12) shows that male healthy life expectancy has improved recently (to 67.3 years), while for females healthy life expectancy has remained steady (at 67.9 years). Wiltshire's healthy life expectancy is significantly better than the national averages of 63.4 years for men and 64.1 for women. We continue to monitor the causes of premature mortality and ill health in the population to help focus the health promotion and prevention strategies and work which we undertake in the council and in conjunction with NHS Wiltshire CCG.
45. The [NHS Health Check programme](#) aims to help prevent heart disease, stroke, diabetes, kidney disease and certain types of dementia. Everyone between the ages of 40-74, who has not already been diagnosed with one of these conditions, is invited (every five years) to have a check to assess their

risk of heart disease, stroke, kidney disease and diabetes and will be given support and advice to help them reduce or manage that risk. Over the course of the last 12 months, nearly 14,500 people received their 5 yearly NHS health check.

46. Reducing obesity is a priority both nationally and in Wiltshire. An estimated 62% of adults have a body mass index (BMI) greater than, or equal to, 25 and are classified as overweight (including obese). This is slightly lower than the national average of 64%.
47. Wiltshire Council's Adult Care Services have supported just over 20,000 residents between April 2014 and March 2015. Of this, just under a third (6,400 people) were in receipt of some form of long-term support.
48. Over the course of the previous 12 months, 2,800 individuals who were supported by Adult Care Services were rehabilitated to the extent that they no longer needed support – representing 14% of all those supported.
49. During the year over 1,700 carers were supported to continue in their caring roles.
50. Through our Supported Living programme, the proportion of people supported with a learning disability who live in their own home or independently has grown to over 75%.
51. Across Wiltshire, latest feedback shows that nearly 9 out of 10 (87%) of people using social care feel that the council is enhancing the quality of life by receiving self-directed support, which includes direct payments.
52. Help to live at Home is designed to help people who are frail, sick or disabled live at home for as long as it is safe and it helps people to continue to look after themselves in their own home. Over 55% of people who use Wiltshire Council's Help to live at Home services have their needs met within the first 6 weeks.
53. Help to live at Home supports self-funders as well as those eligible for council-funded support. The care providers supporting Help to live at Home are motivated to deliver on people's individual support plans and outcomes, not just providing the care. The numbers receiving Help to live at Home at any one time have been consistently above 1,000 over the last year.
54. Through our raising awareness campaign, the number of safeguarding alerts has increased. However, through council activity introduced to support providers with increased training and qualitative monitoring, the number of those alerts turning into full scale investigations has dropped by around 3%.

#### *Outcome 6: protected from harm and feel safe*

55. Within children's social care, we are continuing to work to improve recruitment and retention of social workers and to reduce individuals' caseloads to a maximum of 18 cases per social worker. Numbers of permanent social workers are increasing and caseloads are currently at an average of 25 overall although caseloads in the safeguarding and assessment teams are higher and it is a priority to reduce these.
56. The number of referrals to Children's services have been relatively stable throughout the year, although the last quarter for the year (Jan-Mar) saw an increase of nearly a third to just over 1,340.

57. At the end of March, just over 400 young people were subject to a Child Protection Plan. This has increased in the last quarter of the year and represents a prevalence rate (per 10,000) slightly higher than we would expect in an area such as Wiltshire.
58. Just over a quarter of assessments are taking longer than 45 days to complete. This has been recognised as an issue – partly due to capacity – and we are working to improve the timeliness of assessments and are starting to see improvements in this area.
59. The number of children in care has remained relatively stable at just over 400 – at rate comparable with other similar areas. Services for care leavers are being targeted for improvement, particularly in relation to education, employment and training. For 2014/15, just over half of 19-21 year old care leavers are now in employment, education or training, compared to just over a third the previous year. Actions from the recent LAC diagnostic peer review have been incorporated into the LAC improvement plan.
60. There is a programme of regular, in-depth manager led audits in order to check quality and inform practice development. There is also rigorous review through the scrutiny safeguarding task group which reviews progress and appropriately raises issues to be addressed.
61. The council's emphasis on tackling child sexual exploitation continues and a joint multi-agency team is being formed. Development of a strategy, ways of working, learning from other areas and building a dataset are underway. Currently, there are a relatively small number of children and young people identified as at risk of child sexual exploitation.
62. The council are working with the Local Adults Safeguarding Board to implement the key around safeguarding issues arising from the Care Act
63. The Supreme Court ruling around Deprivation of Liberty Standards (DoLS) is being managed by Adult Care. Additional funding in 2015/16 will support the council to reduce the waiting time for DoLS applications .
64. Adult Care is managing a greater number or more complex safeguarding referrals. During 2015/16 further work will be undertaken to understand the monitor the increased number and complexity of referrals, working with the Care Partnership, HealthWatch and the local safeguarding board.
65. The number of people killed or seriously injured on Wiltshire's roads has increased since last year, although we have seen a general decline over the last decade or so. The council continues to provide a targeted programme of road safety education, for example, seeing more than 3,600 children participating in road safety training such as Walk Safe, Bikeability and Safe Scooting Skills.

### **Strategic Risk Register**

66. Risk management is a cornerstone of good corporate governance and the council's risk management arrangements involve the creation of risk registers at a strategic level, service level and individual project levels.
67. The strategic risk register is the vehicle by which the council aims to identify and address any potential risks to the organisation and the delivery of its functions which therefore need to be managed strategically.

68. The council does not exist in a vacuum and the political, economic and financial environment in which it operates is constantly changing. Individual service and the strategic risk registers are therefore live documents, updated frequently to reflect any new or emerging risks facing the council and its service areas.
69. The strategic risk register has been reviewed and revised in the light of recent work updating individual services' delivery plans for 2015/16 and benchmarking with other authorities.
70. Using the same convention as applied to performance and activity metrics, risks are drawn from those identified in service delivery plans – where they will be routinely monitored in-service. These risks are either captured as:
- *Critical service risks*: significant single service risks, which, should they be realised will have a significant impact on the organisation as a whole.
  - *Composite strategic risks*: risks which are significant within a number of service areas although individually would not significantly impact on the organisation as a whole. These risks are compiled into a single strategic composite risk (owned by the most appropriate service) and included within the strategic risk register. The ongoing monitoring of these risks therefore is drawn from the updates to the individual service level risks.
- The recording of these risks is a new approach recently introduced, to ensure that service updates to these risks are more readily captured within the overall composite risk, and the supporting information and process for capturing progress is in development.
- *National risks*: These risks mirror the most significant risks on the Cabinet Office's [national risk register](#) and is Wiltshire's response should these be realised. These are typically captured within the [Wiltshire Community Risk Register](#) managed by the [Local Resilience Forum](#).
71. The current edition of the strategic risk register contains:
- a. 2 critical service risks relating to safeguarding in adults and children's social care;
  - b. 5 composite risks relating to staff capacity, finance, contract management, health and safety and information governance.
  - c. 5 risks drawn from the key national risks and form part of the Wiltshire Local Resilience Forum's risk register that articulates the county's preparedness in relation to each of these events.
72. The community risk register is currently being refreshed to reflect the updated national risk register and will be published on the forum's website in due course.
73. The simplified version of the current strategic risk register is provided in appendix 1.
74. Each risk is fully defined by the responsible service who assess the cause, event and effect that make up the identified risk and scored for impact and likelihood to give an overall score. A risk is scored twice; firstly as inherent (the current level of risk) and then as residual (the risk once all described mitigating actions are in place). The actions described are RAG'd based on

progress towards completion. This RAG guides the reader of the register to understand the true risk.

- 75. Of the 12 risks cited on the strategic risk register, 2 have a residual score of 12: pandemic flu outbreak and flooding. Both of these are drawn from the national risk register and feature on the Wiltshire Community Risk Register. Progress towards the associated actions are 'green'.
- 76. 7 risks are scored as 8 (or 'amber'). 3 of these relate to national risks: electrical failure, terrorist attacks and poor air quality events. The remaining 4 relate to safeguarding children, budget management, contract management and information governance.
- 77. Further detail and commentary is provided in the register.

### **Safeguarding Implications**

- 78. A number of indicators are regularly analysed which directly relate to the safeguarding of children and adults.

### **Public Health Implications**

- 79. Not applicable as no decision is required.

### **Environmental and Climate Change Considerations**

- 80. Not applicable as no decision is required.

### **Equalities Impact of the Proposal**

- 81. Not applicable as no decision is required.

### **Risk Assessment**

- 82. Not applicable as no decision is required.

### **Risks that may arise if the proposed decision and related work is not taken**

- 83. Not applicable as no decision is required.

### **Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

- 84. Not applicable as no decision is required.

### **Financial Implications**

- 85. Not applicable as no decision is required.

### **Legal Implications**

- 86. Not applicable as no decision is required.

## **Options Considered**

87. Not applicable as no decision is required.

## **Conclusions**

88. This report brings together updates on outturns published through the Citizen's Dashboard, as well supplementary commentary to provide further context around the council's activities in these areas.
89. The performance monitoring framework has been refreshed for 2015/16 and updated measures and activities are included in this report.

**Robin Townsend**

**Associate Director, Corporate Function, Procurement & Programme Office**

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*Report Author:*

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22<sup>nd</sup> May 2015

## **Appendices**

- Appendix 1: Strategic Risk Register (Mar 15)

## Wiltshire Council Strategic Risk Register (2014/15: Q4)

Risk short name	Primary Risk Category	Mitigation Actions	Q4 Inherent Impact	Q4 Inherent Likelihood	Risk Rating	Q4 Residual Impact	Q4 Residual Likelihood	Risk Rating	Q4 RAG	Q4 Comments
<b>Critical Service Risks</b>										
<b>Safeguarding Children</b>	Service Disruption	<ul style="list-style-type: none"> <li>Stable workforce</li> <li>Skilled and experienced workforce</li> <li>Increase social worker retention</li> <li>Reduction in use of agency social workers</li> <li>Permanent, experienced managers</li> <li>Clear training pathway</li> <li>Reduction in bureaucracy in order to increase amount of time spent with family / intervening</li> </ul>	4	3	12	4	2	8	Amber	<p>Actions and timescales are as detailed in Safeguarding and Child Protection Improvement plan. These should reduce risk.</p> <p>RAG is amber until sufficient actions are delivered, resulting in expected improved impact on practice.</p>
<b>Safeguarding Adults</b>	Reputation	<ul style="list-style-type: none"> <li>Regular update training sessions for investigating managers and investigating officers.</li> <li>Updated Care First documents in line with the Care Act guidance</li> <li>Robust case file audit system in place</li> <li>Central safeguarding adults triage process</li> <li>Updated policy and procedures</li> </ul>	4	2	8	4	1	4	Amber	<p>Recent reporting indicates a 38% increase in alerts to the safeguarding team which is putting considerable strain on the resources of that team and the operational teams. This will be closely monitored over the next period.</p>
<b>Composite Corporate Risks</b>										
<b>Staff capacity: Recruitment and Retention</b>	Staffing/ People	<ul style="list-style-type: none"> <li>Development of a corporate workforce action plan for delivering the people strategy.</li> <li>Strategic HR project managers reviewing the impact of service reviews and the corporate redundancy programme with service managers.</li> <li>Review of pay and reward policies to aid retention of staff.</li> <li>Job family modelling to provide workforce flexibility and clear progression to aid recruitment and retention workforce.</li> <li>New careers website.</li> <li>Social work microsite.</li> </ul>	3	2	6	2	1	2	Green	<p>Action plan is currently on track. Next quarter's review will include the impact of the new GROW system.</p>

Risk short name	Primary Risk Category	Mitigation Actions	Q4 Inherent Impact	Q4 Inherent Likelihood	Risk Rating	Q4 Residual Impact	Q4 Residual Likelihood	Risk Rating	Q4 RAG	Q4 Comments
Budget management	Reputation	<ul style="list-style-type: none"> <li>Budgetary control</li> <li>Due diligence in setting the budget</li> <li>Timeliness of reporting</li> <li>Competencies of the team and budget managers being invested in</li> </ul>	4	3	12	4	2	8	Amber	Whilst the budget monitoring in 2014/15 was within a margin of less than 1% different from projections throughout the year, the Council is continuing to work continually on improving its budget monitoring, including a competency framework and improved reporting in 2015/16.
Contract management	Service delivery	1. Maintain strategic oversight on contract monitoring arrangements – develop a central repository of contracts and monitoring arrangements within 2. Create a corporate requirement on contract management to ensure consistency and escalation processes for emerging issues 3. A greater involvement from procurement in oversight of contract management to ensure greater visibility of emerging issues at earliest stage 4. To make better use of appropriate contract and management skills within the new structure 5. Further actions to be developed and refined alongside new procurement structure	4	3	12	4	2	8	Amber	The establishment of the central procurement team is being progressed and expected to be completed within this calendar year which will enable the mitigating actions to be progressed.
Corporate Health, Safety & Wellbeing	Health & Safety	<ul style="list-style-type: none"> <li>Workplace Health Charter being developed.</li> <li>Rationalisation of L&amp;D commissioning and provision</li> <li>Research and planning for campaign to heighten awareness of violence to staff risks</li> <li>Additional support for mental health issues</li> <li>Review of OH Services</li> <li>Audit programme</li> <li>Depression Health campaign</li> <li>Review and consolidation of corporate and service risks</li> </ul>	3	3	9	2	2	4	Green	



Risk short name	Primary Risk Category	Mitigation Actions	Q4 Inherent Impact	Q4 Inherent Likelihood	Risk Rating	Q4 Residual Impact	Q4 Residual Likelihood	Risk Rating	Q4 RAG	Q4 Comments
Information Governance	Reputation	A detailed action plan is being developed	4	3	12	4	2	8	Amber	A detailed action plan is being developed to prioritise and implement the recommendations from the Information Commissioner's Office's recent voluntary audit over the next 12 months.
<b>National Level Risks</b>										
Pandemic influenza	Health & Safety	<ul style="list-style-type: none"> <li>Local Resilience Forum and Local Health Resilience Partnership pandemic influenza plans.</li> <li>Excess Deaths Plan</li> <li>Business Continuity Plan</li> </ul>	4	3	12	4	3	12	Green	These risks are developed from those on the Wiltshire & Swindon's Community Risk Register managed by the Local Resilience Forum and will be refined with forum partners in due course.
Flooding	Health & Safety	<ul style="list-style-type: none"> <li>Wiltshire Council Flood Response Plan</li> <li>LRF Severe Weather Plan</li> <li>Wiltshire Flooding Strategy</li> <li>Flood Operational Working Groups</li> <li>Wiltshire Council Welfare Plan</li> </ul>	4	3	12	4	3	12	Green	
Widespread electricity failure (NEW 2015)	Health & Safety	<ul style="list-style-type: none"> <li>Local Resilience Forum Emergency Telecoms and Procedures</li> <li>Fuel Supply Disruption Plan</li> <li>Guide</li> <li>Business Continuity Plan</li> </ul>	4	2	8	4	2	8	Green	
Catastrophic terrorist attacks	Health & Safety	<ul style="list-style-type: none"> <li>Operation Argus training for staff</li> <li>Operation Griffin training with staff</li> <li>Post Room training</li> <li>Bomb alarm health and safety training</li> <li>Health and Safety procedures.</li> <li>Training for event staff</li> <li>Health and Safety training on bomb alerts</li> </ul>	4	2	8	4	2	8	Green	
Poor air quality events (NEW 2015)	Health & Safety	<ul style="list-style-type: none"> <li>wiltshireairquality.org.uk/</li> <li>Health Community Response Plan</li> <li>Public messaging by use of social media and communications during poor air quality events</li> </ul>	4	3	12	4	2	8	Green	

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**Wiltshire Council**

**Cabinet**

**16 June 2015**

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**Subject: Revenue Outturns 2014/2015**

**Cabinet Member: Councillor Dick Tonge**  
**Finance, Performance, Risk, Systems Thinking,**  
**Procurement & Welfare Reform**

**Key Decision: No**

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## **Executive Summary**

To advise Cabinet of the final (unaudited) General Revenue Fund (GRF) and Housing Revenue Account (HRA) outturn positions as at 31 March 2015 for the financial year 2014/2015. The year end positions are an underspend of £0.278 million and a small overspend of £0.056 million (GRF and HRA respectively). This is an improvement from the forecast position at period 9, and in line with the projections of the Section 151 Officer. In the case of the HRA this reflects additional works and will be funded from the reserves.

## **Proposal**

That Cabinet note the report showing an outturn for the General Revenue Fund and HRA, subject to external audit, of an underspend of £0.278 million and a small overspend of £0.056 million (GRF and HRA respectively). Cabinet should note appropriate transfers to General Revenue Fund and Earmarked reserves at set out in Sections 24-29 of this report, and use of the HRA reserves.

## **Reasons for Proposals**

That Cabinet approve the final revenue outturns for 2014/2015.

**Carolyn Godfrey**  
**Corporate Director**

## Wiltshire Council

### Cabinet

16 June 2015

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**Subject:** Revenue Outturns 2014/2015

**Cabinet Member:** Councillor Dick Tonge  
Finance, Performance, Risk, Systems Thinking, Procurement  
& Welfare Reform

**Key Decision:** No

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### Purpose of Report

1. To advise Cabinet of the (unaudited) General Revenue Fund and Housing Revenue Account outturn positions for financial year 2014/2015.

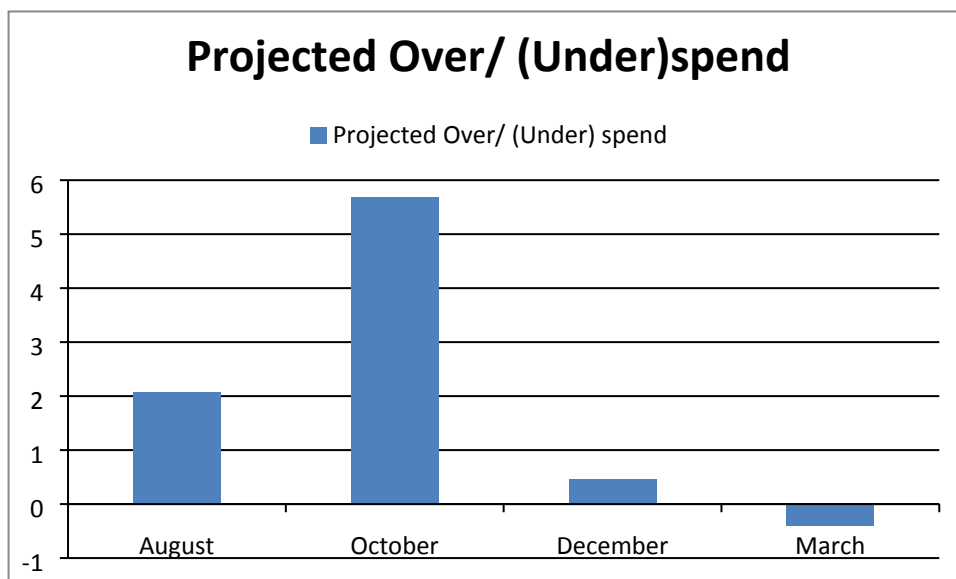
### Summary

2. The final outturn position is as follows:

	Revised Budget £ million	Outturn Position for Year £ million	Overspend/ (Underspend) for Year £ million	Overspend/ (Underspend) reported at period 9 £ million	Movement since period 9 £ million
General Revenue Fund Total	333.063	332.785	(0.278)	0.881	(1.159)
Housing Revenue Account (HRA)	(1.322)	(1.266)	0.056	(0.500)	0.556

3. The final unaudited outturn position on the general revenue fund is an underspend of £0.278 million. This represents an improvement of £1.159 million on the budget monitoring position reported to Members for period 9, and is in line with the forecast reported by the Section 151 Officer to Council in February 2015.
4. The HRA was originally projected to return £1.322 million to HRA reserves. The final unaudited outturn position on the HRA is an overspend of £0.056 million, which gives a final return to reserves of £1.266 million.
5. This is summarised and tied back to the period 9 monitoring report in Appendix C and more detailed reasons are noted in the following sections.

6. The graph below shows how the forecast outturn position has improved during budget monitoring reports to Cabinet this year. The graph shows a clear improvement in the position towards the end of the financial year, following strong financial management throughout the Council.



7. This outturn shows an improvement on figures in the financial plan. The financial plan will be updated to reflect this during budget setting 2016/2017.
8. The Housing Revenue Account (HRA) was £0.056 million overspent following greater repairs and maintenance work undertaken towards year end. This is explained further in paragraph 22, and will be funded from HRA reserves.

### **General Fund Monitoring Details**

9. The overall outturn position by service areas is set out in Appendix C.
10. A summary of the Service Area movements from period 9 monitoring is set out in Appendix D. As with reports during the year, this report targets service areas with large variances at year end.

**Adult Social Care Operations and Commissioning (Including Older People (£0.472 million under), Other Vulnerable Adults (£1.653 million over), Mental Health and Resources (1.076 million over), Strategy & Commissioning (£1.643 million under))**  
**Total for area £0.614 million net overspend**

11. 2014/2015 has continued to see an increase in demand on Adult Social Care, in particular the care of the most vulnerable with both Other Vulnerable Adults (£1.653 million) and Mental Health (£1.076 million) overspending due to this and the increased complexity of care. However, overall compensating actions to address these increases was taken during the year to deliver a net £0.614 million overspend.
12. The improved position is due to a number of factors, the key ones being:
  - +£0.391 million of Delayed Transfer of Care grant monies (in total £0.580 million of grant was awarded as a one off with the balance of £0.189 million funding Health activities within step up and step down beds to help with pressures on the Better Care Fund).
  - +£1.425 million Improved outturn in older people, in part arising from continued care at home costing less than residential care.
13. Within the specific services there are a few issues:
  - **Older People** (OP) – the outturn was slightly worse than forecast as it bore the cost of a review team that assessed packages of care in order to drive cost out of the system. The main areas identified by this team were savings were found however benefited the Learning Disabilities Without that reporting anomaly OP would have been as forecast.
  - **Other Vulnerable Adults** (OVA) –the over spend is due to more (both cost and volume) packages of care being allocated to OVA.
  - **Mental Health** (MH) – the main over spend against MH is down to the increasing value of contracts commissioned which increased in 2014/2015. The value of these contracts will be reviewed against the budget available for 2015/2016.

**Learning Disabilities and Special Educational Needs & Disabilities (SEND) - £1.378 million overspend**

14. Disabilities services cover two areas; services to adults with learning disabilities and the 0-25 Service for children and young people with SEN and disabilities. The 0-25 Services for Children and young people with SEN and disabilities overspent by £1.378 million. The additional £1.378 million came from an increase in costs chargeable to schools and funded from the Dedicated Schools Grant (DSG), SEN Transport and an increase in care packages. An action plan is already in place and agreed by Schools Forum to make changes to claw back the overspend in DSG in 2015/2016. Whilst a review of Adult Care packages identified savings, a further whole life review of care will now take place in 2015/2016 to assess and keep on track this years' spending.

**Children's Social Care £0.036 million underspend**

15. Children's Social Care budgets underspent by £0.036 million, an improvement of £0.286 million compared with the forecast at period 9. This takes in to account a transfer from reserves of £0.900 million as previously agreed by Cabinet which has been used to fund the social work agency staff and recruitment strategy actions agreed by Cabinet in October 2014. The improvement results from an improvement in the number of Looked After Children (LACs), as well as recovery actions taken within Children's Services including one off release of balance sheet reserves, transport efficiencies and a reduction in the actual cost of placements compared with the forecast.

**School Effectiveness and Commissioning & Performance £0.346 million underspend and £0.580 million underspend**

16. School Effectiveness budgets underspent by £0.346 million and Commissioning & Performance budgets underspent by £0.580 million. The improvement across both areas results from planned recovery actions taken within Children's Services, including release of balance sheet reserves and a decision not to request roll forward of a payment by results grant which by its very nature, is received very late in the financial year. Savings plans for the 15/16 budget included reduction of posts and so where natural wastage occurred in 14/15, these posts were not filled and part year savings made.

**Development Services £1.015 million net underspend**

17. Development Services final outturn was an underspend of £1.015 million. This compares to a forecast at month 9 of £0.503 million. This is largely due to overachievement of additional Planning income arising from a number of large scale developments.

## **Waste £3.243 million net overspend**

18. Waste final outturn was an overspend of £3.243 million. This compares to a forecast at month 9 of £2.500 million. The additional £0.743 million overspend has mainly increased from the Period 9 projection due to:
- The unforeseen closure of Aylesford Newsprint paper mill due to liquidation impacted £0.210 million more than forecast at Period 9 - this was flagged as a risk in the Period 9 budget report;
  - Changes in the Environment Agency rules part way through 2014/15 meant the method of treatment of street sweeper waste was no longer sufficient to avoid additional landfill tax, as a result there was unforeseen higher cost of treatment of this waste stream to avoid landfill tax; also the wood waste sub-contract was re-let in year and unfortunately the gate fee increased (£0.27 million additional cost);
  - Increased tonnage to landfill meant we paid an additional £0.06 million in landfill tax; and
  - Higher than forecast payments for the mechanical biological treatment plant due to payment for contracted tonnage which increased in the last three months to avoid payments in lieu, as well as an additional cost of refining the treated waste to form solid recovered fuel (£0.160 million).

## **Libraries, Arts, Heritage & Culture £0.559 million net overspend**

19. The overspend in the service area was driven by a number of factors. The main variances are:
- Income across the whole of the Libraries and Heritage service was under the budgeted amount for the financial year (£0.155 million); and
  - The Community governance budget was overspent due to saving targets not being achieved within 2015/2016 (£0.135 million).

## **Revenues & Benefits – Subsidy £1.602 million net underspend**

20. This area includes the housing benefit payments made to claimants and the reimbursements from central government. The net figure of payments out is £119 million. The final outturn position was £1.602 million underspend. This is a year-end calculation and cannot be predicted due to complexity, but reflects higher performance by the Revenues & Benefits team, in particular the level of accuracy of processing and recovery of overpayments.

## **Legal & Governance £0.950 million net overspend**

21. The overspend is due to a significant increase in demand for legal services across the council, which has largely been met in-house to minimise external legal spend. This has, however, resulted in additional agency locum costs due to difficulties in recruiting to permanent posts. Steps have been taken to address the situation for 2015-16. The increased demand for legal support has been driven by an increase



in the volume and complexity of work in delivering the Business Plan, particularly in areas such as child and adult social care, development and spatial planning, property, contracts and procurement, waste and highways.

### **Corporate £3.600 million net underspend**

22. Corporate as a whole is reporting an underspend of £3.600 million. The main significant underspends are:
- There is an underspend of £2.590 million on Capital Financing due to increased capital re-programming into 2015/2016. This is higher than the £1.590 million previously reported at period 9 due to further reprogramming of the capital programme, as well as the decision not to refinance a £12 million loan that matured. The capital outturn report is also on this agenda.
  - Corporate Levies show extra income of £1.135 million. This is due to over achievement of income and underspend against the carbon reduction schemes and lower than forecast pension back funding costs arising from changes in the contribution to the pension fund.

### **Housing Revenue Account**

23. The HRA is reporting a small overspend of £0.056 million. This allows a return to reserves of 1.266 million. The overspend has arisen due to the forecast underspends in the repairs and maintenance function not materialising due to the level of work carried out in the final quarter of the year, although Housing management have worked with the contractors during the year to bring spend in on line.

### **Reserves**

24. The tables below shows the year end outturn position on the general revenue fund balance and estimated earmarked reserves held by the council.
25. As there is an overall improvement in the outturn position from that reported at period 9, subject to audit, this means that the year end balance on the General Revenue Fund reserves is slightly better than forecast to Council in February 2015.
26. The movements on the general revenue fund reserve has been reflected in the figures in this report.

<b>General Revenue Fund Reserve</b>	<b>£ million</b>	<b>£ million</b>
Balance as at 1 April 2014		(11.865)
Underspend at year end	(0.278)	
Extra funding grant from central government	(0.004)	
Total movement in year		(0.282)
<b>Forecast Balance 31 March 2014</b>		<b>(12.147)</b>

27. The final position shows General Revenue Fund Reserves at the year end of £12.067 million, compared to £10.965 million in the financial plan reported to Council in February 2014, this is due to less need to draw down reserves for non-delivery of savings. The report "Wiltshire Council's Financial Plan Update 2015/16" that went to Cabinet on 10 February 2015 gives full details of the risk assessment of General Revenue Fund Reserves.
28. In addition to General Revenue Fund Reserves, the Council also has a number of ring fenced earmarked reserves. These are held for specific reasons. Earmarked Reserves are reviewed regularly as part of closedown process.
29. Below is a list of current Earmarked Reserves:

<b>Earmarked Reserves</b>	<b>Opening Balance 01-Apr-14</b>	<b>Drawdown/ (Deposits)</b>	<b>Closing Balance 31-Mar-15</b>
Schools PFI Reserve	(4.499)	0.083	(4.416)
Insurance Reserve	(4.150)	0.835	(3.315)
Schools Balances	(10.040)	0.316	(9.724)
Transformation Reserve	(0.228)	0.228	0.000
Housing Reserve	(0.042)	0.042	0.000
Criminal Records Bureau System Reserve	(0.008)	0.008	0.000
Elections Reserve	(0.165)	(0.165)	(0.330)
Street Lighting Reserve	(0.100)	0.100	0.000
Area Board Reserve	(0.185)	(0.006)	(0.191)
Energy Efficiency Reserve	(0.039)	0.039	0.000
Digital Inclusion Reserve	(0.183)		(0.183)
Housing PFI Reserve	(3.186)	0.094	(3.092)
Action 4 Wiltshire Reserve	(0.180)		(0.180)
Transformation Reserve	(1.336)	0.600	(0.736)
Business Plan Priority Funding Reserve	(0.860)	0.719	(0.141)
Economic Development & Planning Reserve		(0.011)	(0.011)
Revenue Grants Reserve	(9.254)	3.736	(5.518)
<b>Forecast Balance 31 March 2014</b>	<b>(34.455)</b>	<b>6.618</b>	<b>(27.837)</b>

### **Main Consideration for the Council**

30. To note the unaudited outturn for 2014/2015 and consider the Council's reserve position.

### **Safeguarding Implications**

31. None have been identified as arising directly from this report.

### **Public Health Implications**

32. None have been identified as arising directly from this report.

### **Corporate Procurement Implications**

33. None have been identified as arising directly from this report.

### **Equalities Impact of the Proposal**

34. No equality and diversity issues have been identified or arising from this report.

### **Environmental and Climate Change Considerations**

35. None have been identified as arising directly from this report.

### **Legal Implications**

36. None have been identified as arising directly from this report.

### **Risk Assessment**

37. During the year, the Council has faced significant service financial pressures. Actions to manage these pressures have been agreed previously and work has been undertaken to manage the financial position.
38. The Council has identified in its corporate risk register various elements which have been covered in previous monitoring reports, most notably the impact the current economic climate has on the Council's finances.

### **Financial Implications**

39. These have been examined and are implicit throughout the report.

**Michael Hudson**  
**Associate Director, Finance**

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## **Background Papers**

None

For reference:

2013-2017 Business Plan  
Wiltshire Council's Financial Plan Update 2015/2016 Cabinet 10 February 2015  
Budget Monitoring Cabinet Period 5 23 September 2014  
Budget Monitoring Cabinet Period 7 16 December 2014  
Budget Monitoring Cabinet Period 9 10 February 2015

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## **Appendices:**

Appendix A: Revenue Budget Movements 2014/2015  
Appendix B: Service Area Movements 2014/2015  
Appendix C: Detailed Service Area Budget Statements  
Appendix D: Outturn Variance Movements

## Wiltshire Council Revenue Budget Movements 2014/2015

Service	Original Budget	Structural Changes	Revised Original Budget	In Year Virements to Period 4	Revised Budget Period 4	In Year Virements to Period 7	Revised Budget Period 7	In Year Virements to Period 9	Revised Budget Period 9	Structural Changes Period 9-12	In Year Virements to Period 12	Revised Budget Period 12	Major Virements See Appendix B
£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
<b>Adult Social Care Operations</b>													
Older People	51.025	0.000	51.025	0.045	51.070	(0.579)	50.491	0.135	50.626		0.000	50.626	
Other Vulnerable Adults	9.016	0.000	9.016	0.648	9.664	0.000	9.664	0.000	9.664		0.000	9.664	
Mental Health	21.602	0.000	21.602	(1.872)	19.730	0.050	19.780	0.000	19.780		0.000	19.780	
<b>Adult Care Commissioning, Safeguarding &amp; Housing</b>													
Resources, Strategy & Commissioning	1.618	0.000	1.618	2.445	4.063	0.000	4.063	(0.125)	3.938		(1.070)	2.868	*
Housing Services	4.887	0.000	4.887	0.000	4.887	(0.145)	4.742	0.000	4.742		0.137	4.879	
<b>Public Health &amp; Public Protection</b>													
Public Health Grant	0.000	0.000	0.000	0.250	0.250	0.000	0.250	0.000	0.250		(0.600)	(0.350)	*
Other Public Health & Public Protection	3.075	0.216	3.291	0.060	3.351	0.000	3.351	0.000	3.351		(0.014)	3.337	
Leisure	2.194	(0.052)	2.142	(0.075)	2.067	(0.100)	1.967	0.000	1.967		0.045	2.012	
<b>Children's Social Care, Integrated Youth &amp; Preventative Services &amp; 0-25 SEN/Disability Service</b>													
Children's Social Care	30.332	0.000	30.332	1.606	31.938	0.754	32.692	0.005	32.697		(0.336)	32.361	
0-25 Service, Disabled Children & Adults	13.038	(0.162)	12.876	(0.098)	12.778	0.217	12.995	0.040	13.035		1.963	14.998	*
Integrated Youth & Preventative Services	2.982	(0.347)	2.635	(0.093)	2.542	0.327	2.869	0.001	2.870		0.109	2.979	
<b>Learning Disability</b>													
Learning Disability	39.964	0.000	39.964	1.938	41.902	0.000	41.902	(0.011)	41.891		1.082	42.973	*
<b>Quality Assurance, Commissioning &amp; Performance, School &amp; Early Years Effectiveness</b>													
School Effectiveness	3.227	0.000	3.227	0.198	3.425	(0.861)	2.564	(0.030)	2.534		0.224	2.758	
Business & Commercial Services	(0.861)	0.000	(0.861)	0.000	(0.861)	0.861	0.000	0.000	0.000		0.000	0.000	
Safeguarding	1.236	0.000	1.236	0.098	1.334	0.023	1.357	0.003	1.360		0.087	1.447	
Funding Schools	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		(0.369)	(0.369)	
Commissioning & Performance	7.565	0.509	8.074	0.053	8.127	0.222	8.349	0.502	8.851		(0.332)	8.519	
<b>Economic Development &amp; Planning Services</b>													
Economy & Regeneration	3.245	(0.005)	3.240	0.775	4.015	0.707	4.722	0.000	4.722		0.033	4.755	
Development Services	0.723	0.000	0.723	(0.074)	0.649	0.000	0.649	0.000	0.649		0.000	0.649	
<b>Highways &amp; Transport</b>													
Highways (previously Highways Strategic Services)	5.672	0.000	5.672	0.178	5.850	0.000	5.850	0.000	5.850	11.465	(0.009)	17.306	
Transport (previously Public Transport)	10.322	0.000	10.322	0.204	10.526	0.000	10.526	0.000	10.526	7.862	(0.145)	18.243	
Education Transport	7.862	0.000	7.862	(0.150)	7.712	0.000	7.712	0.000	7.712	(7.862)	0.150	0.000	
Local Highways & Streetscene	9.741	0.000	9.741	1.724	11.465	0.000	11.465	0.000	11.465	(11.465)	0.000	0.000	
Car Parking	(5.941)	0.000	(5.941)	0.000	(5.941)	0.000	(5.941)	0.000	(5.941)		0.000	(5.941)	
<b>Environment &amp; Leisure</b>													
Waste	31.978	0.000	31.978	0.000	31.978	0.000	31.978	0.000	31.978		0.102	32.080	
Environment Services	5.961	(0.216)	5.745	0.052	5.797	0.000	5.797	0.000	5.797		(0.092)	5.705	
<b>Communications, Community Area Boards, Libraries, Arts, Heritage &amp; Culture</b>													
Communications	1.644	0.000	1.644	0.128	1.772	0.020	1.792	0.005	1.797		0.144	1.941	
Libraries, Arts, Heritage & Culture	4.954	0.057	5.011	0.104	5.115	0.928	6.043	0.181	6.224		(0.134)	6.090	
<b>Corporate Function &amp; Procurement</b>													
Corporate Function & Procurement	4.956	2.419	7.375	0.052	7.427	(0.364)	7.063	(0.070)	6.993	(1.073)	0.013	5.933	
<b>Finance</b>													
Finance, Revenues & Benefits, & Pensions	3.178	0.000	3.178	(0.071)	3.107	0.000	3.107	0.000	3.107		(0.016)	3.091	
Revenues & Benefits - Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000	0.000	
<b>Legal &amp; Governance</b>													
Legal & Governance	2.710	0.000	2.710	0.000	2.710	0.000	2.710	0.000	2.710		(0.165)	2.545	
<b>People &amp; Business Services</b>													
Human Resources & Organisational Development	4.079	0.000	4.079	0.182	4.261	0.020	4.281	0.175	4.456		(0.020)	4.436	
Business Services	2.016	1.576	3.592	0.075	3.667	0.000	3.667	0.047	3.714		0.835	4.549	*
Strategic Asset & Facilities Management	14.515	0.000	14.515	0.061	14.576	(1.490)	13.086	(0.078)	13.008		0.000	13.008	
Information Services	11.946	0.000	11.946	0.000	11.946	0.000	11.946	0.000	11.946		0.000	11.946	
<b>Corporate Directors</b>													
Corporate Directors	0.592	0.000	0.592	0.000	0.592	0.113	0.705	0.071	0.776		0.000	0.776	
Transformation	3.827	(3.995)	(0.168)	0.036	(0.132)	0.920	0.788	0.000	0.788	(0.775)	(0.013)	0.000	
Members	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.848	0.000	1.848	
<b>Corporate</b>													
Movement on Reserves	3.200	0.000	3.200	(7.888)	(4.688)	(0.700)	(5.388)	(0.472)	(5.860)		(0.782)	(6.642)	*
Capital Financing	24.099	0.000	24.099	0.000	24.099	0.100	24.199	0.000	24.199		0.000	24.199	
Restructure & Contingency	0.070	0.000	0.070	(0.591)	(0.521)	(1.023)	(1.544)	(0.379)	(1.923)		0.649	(1.274)	*
General Government Grants	(17.429)	0.000	(17.429)	0.000	(17.429)	0.000	(17.429)	0.000	(17.429)		(1.494)	(18.923)	*
Corporate Levies	8.243	0.000	8.243	0.000	8.243	0.000	8.243	0.000	8.243		0.018	8.261	
<b>2014/2015 Budget Requirement</b>	<b>333.063</b>	<b>0.000</b>	<b>333.063</b>	<b>0.000</b>	<b>333.063</b>	<b>0.000</b>	<b>333.063</b>	<b>(0.000)</b>	<b>333.063</b>	<b>0.000</b>	<b>(0.000)</b>	<b>333.063</b>	
HRA Budget	(1.322)	0.000	(1.322)	0.000	(1.322)	0.000	(1.322)	0.000	(1.322)		0.000	(1.322)	
	<b>331.741</b>	<b>0.000</b>	<b>331.741</b>	<b>0.000</b>	<b>331.741</b>	<b>0.000</b>	<b>331.741</b>	<b>(0.000)</b>	<b>331.741</b>	<b>(0.000)</b>	<b>331.741</b>		

More details are given of major virements and structural movements in Appendix B. These areas are marked above with \*

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## Major Virements between Services Areas from Period 9 to Outturn

APPENDIX B

Net virements over £500,000

### Resources, Strategy & Commissioning

Release of funding for LD commissioning

Other budget realignments

**In Year Virements period 9-12**

### Public Health Grant

Ear Marked Reserves Roll forward of Grants

**In Year Virements period 9-12**

### 0-25 Service: Disabled Children & Adults

Release of Ear Marked Reserves bought forward and DSG realignment

Ear Marked Reserves Roll forward of Grants

Other budget realignments

**In Year Virements period 9-12**

### Learning Disability

Release of funding for LD commissioning

**In Year Virements period 9-12**

### Business Services

Withdrawal of Insurance Ear Marked Reserves

**In Year Virements period 9-12**

### Movement on Reserves

Release and roll forward of Ear Marked Reserves

**In Year Virements period 9-12**

### Restructure & Contingency

Release of redundancy reserve to service areas

Release and roll forward of Ear Marked Reserves

**In Year Virements period 9-12**

### General Government Grants

Ear Marked Reserves Roll forward of Grants

**In Year Virements period 9-12**

£m
(1.082)
0.012
(1.070)
(0.600)
(0.600)
2.192
(0.190)
(0.039)
1.963
1.082
1.082
0.835
0.835
(0.782)
(0.782)
(0.344)
0.993
0.649
(1.494)
(1.494)

Please note, these are only the service movements over £500,000. The sum of all virements balances to zero.

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## Wiltshire Council Revenue Budget Monitoring Statement

31-Mar-15

		<i>Original Budget</i>	<i>Revised Budget Including Virements</i>	<i>Actual Position 31 March 2015</i>	<i>Variation for Year: Overspend / (Underspend)</i>	<i>Variation as % of Revised Budget: Overspend / (Underspend)</i>
		<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	
<b><u>Adult Social Care Operations</u></b>						
Older People	Gross Costs	60.993	62.134	63.928	1.794	2.9%
	Income	(9.968)	(11.508)	(13.774)	(2.266)	19.7%
	Net	<b>51.025</b>	<b>50.626</b>	<b>50.154</b>	<b>(0.472)</b>	<b>(0.9%)</b>
Other Vulnerable Adults	Gross Costs	9.603	10.252	12.126	1.874	18.3%
	Income	(0.587)	(0.588)	(0.809)	(0.221)	37.6%
	Net	<b>9.016</b>	<b>9.664</b>	<b>11.317</b>	<b>1.653</b>	<b>17.1%</b>
Mental Health	Gross Costs	25.241	22.979	24.714	1.735	7.6%
	Income	(3.639)	(3.199)	(3.858)	(0.659)	20.6%
	Net	<b>21.602</b>	<b>19.780</b>	<b>20.856</b>	<b>1.076</b>	<b>5.4%</b>
<b><u>Adult Care Commissioning, Safeguarding &amp; Housing</u></b>						
Resources, Strategy & Commissioning	Gross Costs	1.695	3.750	2.113	(1.637)	(43.7%)
	Income	(0.077)	(0.882)	(0.888)	(0.006)	0.7%
	Net	<b>1.618</b>	<b>2.868</b>	<b>1.225</b>	<b>(1.643)</b>	<b>(57.3%)</b>
Housing Services	Gross Costs	7.848	9.538	9.720	0.182	1.9%
	Income	(2.961)	(4.659)	(4.483)	0.176	(3.8%)
	Net	<b>4.887</b>	<b>4.879</b>	<b>5.237</b>	<b>0.358</b>	<b>7.3%</b>
<b><u>Public Health &amp; Public Protection</u></b>						
Public Health Grant	Gross Costs	14.587	14.837	14.062	(0.775)	(5.2%)
	Income	(14.587)	(15.187)	(14.591)	0.596	(3.9%)
	Net	<b>-</b>	<b>(0.350)</b>	<b>(0.529)</b>	<b>(0.179)</b>	<b>51.1%</b>

		<i>Original Budget</i>	<i>Revised Budget Including Virements</i>	<i>Actual Position 31 March 2015</i>	<i>Variation for Year: Overspend / (Underspend)</i>	<i>Variation as % of Revised Budget: Overspend / (Underspend)</i>
		<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	
Other Public Health & Public Protection	Gross Costs	4.234	4.224	4.354	0.130	3.1%
	Income	(1.159)	(0.887)	(1.081)	(0.194)	21.9%
	Net	<b>3.075</b>	<b>3.337</b>	<b>3.273</b>	<b>(0.064)</b>	<b>(1.9%)</b>
Leisure	Gross Costs	7.890	7.075	6.682	(0.393)	(5.6%)
	Income	(5.696)	(5.063)	(4.886)	0.177	(3.5%)
	Net	<b>2.194</b>	<b>2.012</b>	<b>1.796</b>	<b>(0.216)</b>	<b>(10.7%)</b>
<b><u>Children's Social Care, Integrated Youth &amp; Preventative Services &amp; 0-25 SEN/Disability Service</u></b>						
Children's Social Care	Gross Costs	32.208	34.335	34.280	(0.055)	(0.2%)
	Income	(1.876)	(1.974)	(1.955)	0.019	(1.0%)
	Net	<b>30.332</b>	<b>32.361</b>	<b>32.325</b>	<b>(0.036)</b>	<b>(0.1%)</b>
0-25 Service: Disabled Children & Adults	Gross Costs	34.802	36.819	40.526	3.707	10.1%
	Income	(21.764)	(21.821)	(24.150)	(2.329)	10.7%
	Net	<b>13.038</b>	<b>14.998</b>	<b>16.376</b>	<b>1.378</b>	<b>9.2%</b>
Integrated Youth & Preventative Services	Gross Costs	7.614	7.638	7.785	0.147	1.9%
	Income	(4.632)	(4.659)	(4.814)	(0.155)	3.3%
	Net	<b>2.982</b>	<b>2.979</b>	<b>2.971</b>	<b>(0.008)</b>	<b>(0.3%)</b>
<b><u>Learning Disability</u></b>						
Learning Disability	Gross Costs	42.481	45.490	46.675	1.185	2.6%
	Income	(2.517)	(2.517)	(3.702)	(1.185)	47.1%
	Net	<b>39.964</b>	<b>42.973</b>	<b>42.973</b>	<b>(0.000)</b>	<b>(0.0%)</b>
<b><u>Quality Assurance, Commissioning &amp; Performance, School &amp; Early Years Effectiveness</u></b>						
School Effectiveness	Gross Costs	7.122	6.495	7.948	1.453	22.4%
	Income	(3.895)	(3.737)	(5.536)	(1.799)	48.1%
	Net	<b>3.227</b>	<b>2.758</b>	<b>2.412</b>	<b>(0.346)</b>	<b>(12.5%)</b>
Business & Commercial Services	Gross Costs	(0.841)	-	-	-	
	Income	(0.020)	-	-	-	
	Net	<b>(0.861)</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Safeguarding	Gross Costs	1.389	1.617	1.616	(0.001)	(0.1%)
	Income	(0.153)	(0.170)	(0.147)	0.023	(13.5%)
	Net	<b>1.236</b>	<b>1.447</b>	<b>1.469</b>	<b>0.022</b>	<b>1.5%</b>
Funding Schools	Gross Costs	280.049	150.516	196.851	46.335	30.8%
	Income	(280.049)	(150.885)	(197.220)	(46.335)	30.7%
	Net	<b>-</b>	<b>(0.369)</b>	<b>(0.369)</b>	<b>-</b>	<b>-</b>
Commissioning & Performance	Gross Costs	31.326	33.120	32.920	(0.200)	(0.6%)
	Income	(23.761)	(24.601)	(24.981)	(0.380)	1.5%
	Net	<b>7.565</b>	<b>8.519</b>	<b>7.939</b>	<b>(0.580)</b>	<b>(6.8%)</b>
<b><u>Economic Development &amp; Planning Services</u></b>						
Economy & Regeneration	Gross Costs	3.615	5.584	5.675	0.091	1.6%
	Income	(0.370)	(0.829)	(1.222)	(0.393)	47.4%
	Net	<b>3.245</b>	<b>4.755</b>	<b>4.453</b>	<b>(0.302)</b>	<b>(6.4%)</b>
Development Services	Gross Costs	5.132	5.315	5.497	0.182	3.4%
	Income	(4.409)	(4.666)	(5.863)	(1.197)	25.7%
	Net	<b>0.723</b>	<b>0.649</b>	<b>(0.366)</b>	<b>(1.015)</b>	<b>(156.4%)</b>

## Wiltshire Council Revenue Budget Monitoring Statement

31-Mar-15

		<i>Original Budget</i>	<i>Revised Budget Including Virements</i>	<i>Actual Position 31 March 2015</i>	<i>Variation for Year: Overspend / (Underspend)</i>	<i>Variation as % of Revised Budget: Overspend / (Underspend)</i>
		<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	
<b><u>Highways &amp; Transport</u></b>						
Highways	Gross Costs	18.734	20.401	20.609	0.208	1.0%
	Income	(3.321)	(3.095)	(3.266)	(0.171)	5.5%
	Net	<b>15.413</b>	<b>17.306</b>	<b>17.343</b>	<b>0.037</b>	<b>0.2%</b>
Transport	Gross Costs	22.440	21.067	22.406	1.339	6.4%
	Income	(4.256)	(2.824)	(3.952)	(1.128)	39.9%
	Net	<b>18.184</b>	<b>18.243</b>	<b>18.454</b>	<b>0.211</b>	<b>1.2%</b>
Car Parking	Gross Costs	1.725	1.725	1.736	0.011	0.6%
	Income	(7.666)	(7.666)	(7.647)	0.019	(0.2%)
	Net	<b>(5.941)</b>	<b>(5.941)</b>	<b>(5.911)</b>	<b>0.030</b>	<b>(0.5%)</b>
<b><u>Waste &amp; Environment</u></b>						
Waste	Gross Costs	35.828	35.489	38.067	2.578	7.3%
	Income	(3.850)	(3.409)	(2.744)	0.665	(19.5%)
	Net	<b>31.978</b>	<b>32.080</b>	<b>35.323</b>	<b>3.243</b>	<b>10.1%</b>
Environment Services	Gross Costs	7.351	7.292	7.406	0.114	1.6%
	Income	(1.390)	(1.587)	(1.514)	0.073	(4.6%)
	Net	<b>5.961</b>	<b>5.705</b>	<b>5.892</b>	<b>0.187</b>	<b>3.3%</b>
<b><u>Communications, Community Area Boards, Libraries, Arts, Heritage &amp; Culture</u></b>						
Communications	Gross Costs	1.749	2.033	2.217	0.184	9.1%
	Income	(0.105)	(0.092)	(0.045)	0.047	(51.1%)
	Net	<b>1.644</b>	<b>1.941</b>	<b>2.172</b>	<b>0.231</b>	<b>11.9%</b>
Libraries, Arts, Heritage & Culture	Gross Costs	6.567	7.813	8.234	0.421	5.4%
	Income	(1.029)	(1.723)	(1.585)	0.138	(8.0%)
	Net	<b>5.538</b>	<b>6.090</b>	<b>6.649</b>	<b>0.559</b>	<b>9.2%</b>
<b><u>Corporate Function &amp; Procurement</u></b>						
Corporate Function & Procurement	Gross Costs	6.912	6.543	8.115	1.572	24.0%
	Income	(0.610)	(0.610)	(2.256)	(1.646)	269.8%
	Net	<b>6.302</b>	<b>5.933</b>	<b>5.859</b>	<b>(0.074)</b>	<b>(1.2%)</b>
<b><u>Finance</u></b>						
Finance, Revenues & Benefits, & Pensions	Gross Costs	15.885	15.201	15.874	0.673	4.4%
	Income	(12.707)	(12.110)	(12.678)	(0.568)	4.7%
	Net	<b>3.178</b>	<b>3.091</b>	<b>3.196</b>	<b>0.105</b>	<b>3.4%</b>

		<i>Original Budget</i>	<i>Revised Budget Including Virements</i>	<i>Actual Position 31 March 2015</i>	<i>Variation for Year: Overspend / (Underspend)</i>	<i>Variation as % of Revised Budget: Overspend / (Underspend)</i>
		<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	
Revenues & Benefits - Subsidy	Gross Costs	118.775	118.775	118.378	(0.397)	(0.3%)
	Income	(118.775)	(118.775)	(119.980)	(1.205)	1.0%
	Net	-	-	(1.602)	(1.602)	
<b><u>Legal &amp; Governance</u></b>						
Legal & Governance	Gross Costs	4.476	4.464	6.209	1.745	39.1%
	Income	(1.766)	(1.919)	(2.714)	(0.795)	41.4%
	Net	2.710	2.545	3.495	0.950	37.3%
<b><u>People &amp; Business Services</u></b>						
Human Resources & Organisational Development	Gross Costs	5.820	6.059	5.904	(0.155)	(2.6%)
	Income	(1.741)	(1.623)	(1.901)	(0.278)	17.1%
	Net	4.079	4.436	4.003	(0.433)	(9.8%)
Business Services	Gross Costs	5.521	6.513	6.784	0.271	4.2%
	Income	(1.929)	(1.964)	(2.077)	(0.113)	5.8%
	Net	3.592	4.549	4.707	0.158	3.5%
Strategic Asset & Facilities Management	Gross Costs	15.891	16.416	17.207	0.791	4.8%
	Income	(2.903)	(3.408)	(4.116)	(0.708)	20.8%
	Net	12.988	13.008	13.091	0.083	0.6%
Information Services	Gross Costs	12.248	14.425	14.932	0.507	3.5%
	Income	(0.302)	(2.479)	(3.186)	(0.707)	28.5%
	Net	11.946	11.946	11.746	(0.200)	(1.7%)
<b><u>Corporate Directors</u></b>						
Corporate Directors	Gross Costs	0.619	0.803	0.822	0.019	2.4%
	Income	(0.027)	(0.027)	(0.044)	(0.017)	63.0%
	Net	0.592	0.776	0.778	0.002	0.3%
Members	Gross Costs	1.848	1.848	2.057	0.209	11.3%
	Income	-	-	-	-	
	Net	1.848	1.848	2.057	0.209	11.3%
<b><u>Corporate</u></b>						
Movement on Reserves		3.200	(6.642)	(6.648)	(0.006)	0.1%
Capital Financing		24.099	24.199	21.609	(2.590)	(10.7%)
Restructure & Contingency		0.070	(1.274)	(1.187)	0.087	(6.8%)
General Government Grants		(17.429)	(18.923)	(18.879)	0.044	(0.2%)
Corporate Levys		8.243	8.261	7.126	(1.135)	(13.7%)
	Net	18.183	5.621	2.021	(3.600)	(64.0%)
<b>Wiltshire Council General Fund Total</b>	<b>Gross Costs</b>	<b>877.560</b>	<b>754.206</b>	<b>816.450</b>	<b>62.244</b>	<b>8.3%</b>
	<b>Income</b>	<b>(544.497)</b>	<b>(421.143)</b>	<b>(483.665)</b>	<b>(62.522)</b>	<b>14.8%</b>
	<b>Net</b>	<b>333.063</b>	<b>333.063</b>	<b>332.785</b>	<b>(0.278)</b>	<b>(0.1%)</b>
Housing Revenue Account (HRA)	Gross Costs	24.561	24.561	24.536	(0.025)	(0.1%)
	Income	(25.883)	(25.883)	(25.802)	0.081	(0.3%)
	Net	(1.322)	(1.322)	(1.266)	0.056	(4.2%)
<b>Total Including HRA</b>	<b>Gross Costs</b>	<b>902.121</b>	<b>778.767</b>	<b>840.986</b>	<b>62.219</b>	<b>8.0%</b>
	<b>Income</b>	<b>(570.380)</b>	<b>(447.026)</b>	<b>(509.467)</b>	<b>(62.441)</b>	<b>14.0%</b>
	<b>Net</b>	<b>331.741</b>	<b>331.741</b>	<b>331.519</b>	<b>(0.222)</b>	<b>(0.1%)</b>

# Wiltshire Council Forecast Variance Movements

Appendix D

	Variance Reported for Period 7 £m	Movement in Period	Variance Reported for Period 9	Movement in Period	Variance Reported for Period 12
<b><u>Adult Social Care Operations</u></b>					
Older People	1.013	(0.013)	1.000	(1.472)	(0.472)
Other Vulnerable Adults	1.509	(0.509)	1.000	0.653	1.653
Mental Health	1.179	(0.879)	0.300	0.776	1.076
<b><u>Adult Care Commissioning, Safeguarding &amp; Housing</u></b>					
Resources, Strategy & Commissioning	(2.411)	0.000	(2.411)	0.768	(1.643)
Housing Services	0.267	(0.267)	0.000	0.358	0.358
<b><u>Public Health &amp; Public Protection</u></b>					
Public Health Grant	0.000	0.000	0.000	(0.179)	(0.179)
Other Public Health & Public Protection	0.000	(0.050)	(0.050)	(0.014)	(0.064)
Leisure	(0.260)	0.000	(0.260)	0.044	(0.216)
<b><u>Children's Social Care, Integrated Youth &amp; Preventative Services &amp; 0-25 SEN/Disability Service</u></b>					
Children's Social Care	0.330	(0.080)	0.250	(0.286)	(0.036)
0-25 Service: Disabled Children & Adults	0.000	0.000	0.000	1.378	1.378
Integrated Youth & Preventative Services	(0.045)	0.295	0.250	(0.258)	(0.008)
<b><u>Learning Disability</u></b>					
Learning Disability	0.816	(0.016)	0.800	(0.800)	0.000
<b><u>Quality Assurance, Commissioning &amp; Performance, School &amp; Early Years Effectiveness</u></b>					
School Effectiveness	0.000	0.000	0.000	(0.346)	(0.346)
Safeguarding	0.000	0.000	0.000	0.022	0.022
Funding Schools	0.000	0.000	0.000	0.000	0.000
Commissioning & Performance	0.278	(0.178)	0.100	(0.680)	(0.580)
<b><u>Economic Development &amp; Planning Services</u></b>					
Economy & Regeneration	0.000	0.080	0.080	(0.382)	(0.302)
Development Services	0.000	(0.503)	(0.503)	(0.512)	(1.015)
<b><u>Highways &amp; Transport</u></b>					
Highways Strategic Services	0.050	(0.750)	(0.700)	0.737	0.037
Public Transport	0.071	0.000	0.071	0.140	0.211
Car Parking	0.150	0.000	0.150	(0.120)	0.030
<b><u>Environment &amp; Waste</u></b>					
Waste	2.700	(0.200)	2.500	0.743	3.243
Environment Services	0.211	(0.411)	(0.200)	0.387	0.187
<b><u>Communications, Community Area Boards, Libraries, Arts, Heritage &amp; Culture</u></b>					
Communications	0.000	(0.050)	(0.050)	0.281	0.231
Libraries, Arts, Heritage & Culture	0.000	0.000	0.000	0.559	0.559
<b><u>Corporate Function &amp; Procurement</u></b>					
Corporate Function & Procurement	0.000	0.000	0.000	(0.074)	(0.074)
<b><u>Finance</u></b>					
Finance, Revenues & Benefits, & Pensions	0.000	(0.100)	(0.100)	0.205	0.105
Revenues & Benefits - Subsidy	(0.250)	0.000	(0.250)	(1.352)	(1.602)
<b><u>Legal &amp; Governance</u></b>					
Legal & Governance	0.500	(0.250)	0.250	0.700	0.950
<b><u>People &amp; Business Services</u></b>					
Human Resources & Organisational Development	0.000	(0.100)	(0.100)	(0.333)	(0.433)
Business Services	0.000	0.000	0.000	0.158	0.158
Strategic Asset & Facilities Management	0.087	0.000	0.087	(0.004)	0.083
Information Services	0.000	(0.400)	(0.400)	0.200	(0.200)
<b><u>Corporate Directors</u></b>					
Corporate Directors	0.000	0.000	0.000	0.002	0.002
Members	0.200	0.000	0.200	0.009	0.209
<b><u>Corporate</u></b>					
Movement on Reserves	0.900	0.000	0.900	(0.906)	(0.006)
Capital Financing	(1.000)	0.000	(1.000)	(1.590)	(2.590)
Restructure & Contingency	(0.636)	(0.047)	(0.683)	0.770	0.087
General Government Grants	0.000	0.000	0.000	0.044	0.044
Corporate Levys	(0.350)	0.000	(0.350)	(0.785)	(1.135)
<b>TOTAL FORECAST VARIANCE MOVEMENT</b>	<b>5.309</b>	<b>(4.428)</b>	<b>0.881</b>	<b>(1.159)</b>	<b>(0.278)</b>
HRA Budget	(0.500)	0.000	(0.500)	0.557	0.057

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**Wiltshire Council**

**Cabinet**

**16 June 2015**

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Subject: **Capital Monitoring Outturn 2014/2015 (as at 31 March 2015)**

Cabinet member: **Councillor Dick Tonge  
Finance, Performance, Risk, Systems Thinking,  
Procurement & Welfare Reform**

Key Decision: **No**

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## **Executive Summary**

The report details changes to the budget made since the 2014/2015 budget was set in February 2014 over and above the changes detailed in the Period 9 report.

The report reflects the final position of the 2014/2015 spend against budget.

## **Proposals**

- a) To note the budget movements undertaken to the capital programme (shown in Appendices A and B) and the final outturn position of the Capital Programme in appendix A 2014/2015.
- b) To also note the total reprogramming of £29.030 million 2014/2015 and 2015/2016.
- c) To propose that in light of the level of capital reprogramming year on year a review of the whole capital programme 2015/2016 be carried out to be completed by September 2015.

## **Reason for Proposals**

To inform Cabinet of the position of the 2014/2015 capital programme as at Outturn (31 March 2015), including highlighting any budget changes.

**Michael Hudson**  
**Associate Director Finance**

## **Wiltshire Council**

### **Cabinet**

**16 June 2015**

---

Subject: **Capital Monitoring Outturn 2014/2015 (as at 31 March 2015)**

Cabinet member: **Councillor Dick Tonge**  
**Finance, Performance, Risk, Systems Thinking,  
Procurement & Welfare Reform**

Key Decision: **No**

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### **Purpose of Report**

1. To inform Cabinet on the final outturn position of the 2014/2015 Capital Programme, including highlighting budget changes. A budget monitoring report to members is taken to Cabinet Capital Assets Committee quarterly in September, December, February and June. This report focuses on major variations in budget.

### **Budget Movements**

2. The original budget for 2014/2015 was presented to the Council as part of the budget meeting on 25 February 2014. Since that date there have been a number of changes to the budget for 2014/2015, largely due to reprogramming of budget from 2013/2014 and also into 2015/2016. Additional funding has also been made available from grant announcements and other various sources. The changes to the budget since it was last amended in the Period 9 monitoring report are summarised in the table below, a fuller breakdown of the changes made at a scheme by scheme level is attached as Appendix A.



**Breakdown of Budget Amendments from Period 9 Budget to Outturn  
Budget (as at 31 March 2015)**

	<b>£m</b>	<b>Notes</b>
<b>Budget Period 9 2014/2015</b>	<b>136.151</b>	
<b>Additions/amendments to the Capital Programme 2014/2015 since Period 9 Budget</b>		
Amendments to the 2014/2015 Budget Period 9	(12.098)	See Appendix A for further details
Additional Budgets added to Programme since Period 9	3.248	See Appendices A and B section 1 and 3 for further details
Budgets reprogrammed from 2014/2015 into 2015/2016 since Period 9	0.529	See Appendices A and B section 2 for further details
<b>Final Budget 2014/2015</b>	<b>127.830</b>	

3. The budget additions shown above largely reflect increases in funding being available and brought into the programme under the Chief Financial Officer delegated authority. They largely comprise of additional grants from Central Government, Section 106 contributions and other contributions used to finance capital spend within the capital programme. Further information on the budget movements at an individual scheme level is shown in Appendix A and in further detail in Appendix B.
4. The budgets that have been reprogrammed into 2015/2016 are shown in further detail in Appendices A and B, and are also explained in the narrative for schemes in Appendix C.

**Summary of Position as at 31 March 2015**

5. The current budget for the year 2014/2015 is £127.830 million. Actual spend on schemes as at 31 March 2015 was £98.577 million. A full breakdown of these figures is attached in Appendix A.
6. This represents a net underspend for the 2014/2015 financial year of £29.253 million.
7. A total of £29.030 million has been reprogrammed into 2015/2016 as part of this report to match planned expenditure.

8. The reprogramming of capital budgets is reflected in the outturn position of the Capital Financing budgets line. This revenue budget is £2.590 million underspent at the year end, a change of £1.590 million from the last revenue report.
9. Further information on the movements undertaken and the final position of some of the larger schemes is set out in Appendix C, along with updates on the capital receipts received during 2014/2015.

### **Risks Assessment**

10. The capital budget for 2014/2015, as detailed in this report, has been revised to £127.830 million. Within any capital programme there are a number of potential risks such as from cost overruns or lower than expected levels of capital receipts. Such issues will be highlighted as soon as they establish themselves through the quarterly reporting process. Members may wish to bear in mind that the capital programme has been set for four years and therefore risks will be appraised over the whole period.

### **Equality and Diversity Impact of the Proposal**

11. None have been identified as arising directly from this report.

### **Financial Implications**

12. This is a report from the Chief Finance Officer and the financial implications are discussed in the detail of this report.

### **Legal Implications**

13. None have been identified as arising directly from this report.

### **Public Health Implications**

14. None have been identified as arising directly from this report.

### **Environmental Implications**

15. Wiltshire Council is included in the Carbon Reduction Commitment (CRC); the UK's mandatory climate change and energy saving scheme. The objectives of the scheme are to improve energy efficiency and reduce carbon dioxide emissions. The majority of the Council's carbon footprint comes from energy use in buildings. Capital schemes therefore have the potential to greatly increase or decrease carbon emissions, for example schemes making council buildings more energy efficient will reduce the Council's carbon footprint. There are no direct impacts of this report, however there are a number of schemes in the capital programme that are planned to enable energy efficiency benefits for the council.

## **Safeguarding Implications**

16. None have been identified as arising directly from this report.

## **Background Papers and Consultation**

None

**Michael Hudson**  
**Associate Director Finance**

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[Michael.hudson@wiltshire.gov.uk](mailto:Michael.hudson@wiltshire.gov.uk)

Report Author: Stuart Donnelly, Principal Accountant.

## **Appendices:**

Appendix A – Capital Programme Budget Movements since Period 9 and  
Final Spend 2014/2015

Appendix B – Delegated authority for budget movements

Appendix C – Narrative on specific schemes

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# Capital Programme Budget Movements since Period 9 and Final Spend 2014/2015

Scheme Name	2014/2015 Budget Breakdown									
	Period 9 Budget	Changes to the Programme from Budget Setting approved by Cabinet	Budget Movements between Schemes	Additional Budgets added to Programme (Section 1 Appendix B)	Budgets reprogrammed from 2014/2015 into 2015/2016 (Section 2 Appendix B)	Final Budget 2014/2015	Total Spend 2014/2015	Total Spend 2014/2015	Underspend (Return to Central Funding)	Overspend
	£m	£m	£m	£m	£m	£m	£m	%	£m	£m
<b>Education Schemes</b>										
Sarum Academy Salisbury	1.004		(0.009)			0.995	0.603	60.60%		0.392
Basic Need	5.712		(0.001)		(0.162)	5.549	3.292	59.33%		2.258
Schools Maintenance & Modernisation	4.791				(0.053)	4.738	4.148	87.55%		0.591
Devolved Formula Capital	0.897			0.010		0.907	0.903	99.56%		0.004
Access and Inclusion	0.527					0.527	0.348	66.03%		0.179
DCSF Targeted Capital 14-19 SEN	0.387					0.387	0.378	97.67%		0.009
New Schools	9.113			0.020	(0.550)	8.583	5.627	65.56%		2.955
School Expansions & Replacements	0.865		0.001			0.866	0.820	94.69%		0.046
Early Years & Childcare	0.270					0.270	0.144	53.33%		0.125
Other Education Schemes	0.094		0.009		(0.003)	0.100	0.057	57.00%		0.042
Universal Infant Free School Meals Capital 2014-15	1.292					1.292	1.062	82.20%		0.230
<b>Total Education Schemes</b>	<b>24.952</b>	<b>0.000</b>	<b>0.000</b>	<b>0.030</b>	<b>(0.768)</b>	<b>24.214</b>	<b>17.382</b>	<b>71.78%</b>	<b>0.000</b>	<b>0.000</b>
<b>Highways Schemes</b>										
Integrated Transport	2.943		(0.200)	0.163		2.906	2.575	88.61%		0.331
Structural Maintenance (Grant & Council Funded)	21.003	(3.000)	(1.390)	0.002	0.600	17.215	17.205	99.94%		0.010
Highways Severe Weather Recovery Scheme	1.105					1.105	1.147	103.80%		
Pothole Fund Grant	3.063					3.063	3.156	103.04%		
Bowerhill Portal Way Improvement Works	1.027					1.027	0.248	24.15%		0.779
Highway flooding prevention and Land Drainage schemes	1.000		1.061	0.282		2.343	2.427	103.59%		
Aldbourne Flood Alleviation Scheme	0.150					0.150	0.150	100.00%		
Flooding Repair & Renewal	0.024			0.312		0.336	0.336	100.00%		
A350 Chippenham (Pinch Point)	1.905		1.331	0.580		3.816	3.815	99.97%		
Bridges	2.546		(1.000)	0.090		1.636	1.278	78.12%		0.096
Local Sustainable Transport Fund	0.810		0.200	0.637	(0.002)	1.645	1.622	98.60%		0.024
Street Lighting	1.172				0.134	1.306	1.348	103.22%		
Salisbury Market Place (Inc New Canal and Blue Boar Row)	0.016					0.016	0.253	1581.25%		(0.237)
<b>Total Highways Schemes</b>	<b>36.764</b>	<b>(3.000)</b>	<b>0.002</b>	<b>2.066</b>	<b>0.732</b>	<b>36.564</b>	<b>35.560</b>	<b>97.25%</b>	<b>0.000</b>	<b>(0.237)</b>
<b>Campus and Operational Delivery Schemes</b>										
Hub Programme Office Rationalisation	1.593					1.593	1.471	92.34%		0.121
Operational Estate	0.858					0.858	0.643	74.94%		0.215
Depot & Office Strategy	0.501					0.501	(0.018)	-3.59%		0.519
Campus - Live Schemes	29.870	(8.000)				21.870	10.143	46.38%		11.722
Campus - In Development	0.047					0.047	0.052	110.64%		0.000
<b>Total CAOD Schemes</b>	<b>32.869</b>	<b>(8.000)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>24.869</b>	<b>12.291</b>	<b>49.42%</b>	<b>0.000</b>	<b>0.000</b>
<b>Other Property Schemes</b>										
Buildings Repair & Maintenance	2.831			0.015		2.846	2.162	75.97%		0.684
<b>Total Property Schemes</b>	<b>2.831</b>	<b>0.000</b>	<b>0.000</b>	<b>0.015</b>	<b>0.000</b>	<b>2.846</b>	<b>2.162</b>	<b>75.97%</b>	<b>0.000</b>	<b>0.684</b>
<b>Housing Schemes</b>										
Disabled Facilities Grants	2.560					2.560	2.505	97.85%		0.055
Other Housing Grants	0.500					0.500	0.001	0.20%		0.499
Affordable Housing including Commuted Sums	0.003	(0.003)		0.053		0.053	0.053	100.00%		
Gypsies and Travellers Projects	2.756					2.756	2.212	80.26%		0.544
New Housing	0.043	(0.043)				0.000	0.013	0.00%		(0.013)
HRA - Refurbishment of Council Stock	9.869					9.869	8.783	89.00%		1.086
Council House Build Programme	0.000	0.407				0.407	0.472	115.97%		(0.065)
Extra Care Programme	0.000	0.940				0.940	0.330	35.11%		0.610
Other - Housing Strategic Economic Plan	0.000	0.100				0.100	0.000	0.00%		0.100
Sheltered Housing	0.000	0.500				0.500	0.001	0.20%		0.499
Social Care Infrastructure & Strategy	0.500	(0.495)		0.019		0.024	0.047	195.83%		(0.023)
Complex Needs Bungalows	0.000			0.580		0.580	0.167	28.79%		0.413
<b>Total Housing Schemes</b>	<b>16.231</b>	<b>1.406</b>	<b>0.000</b>	<b>0.652</b>	<b>0.000</b>	<b>18.289</b>	<b>14.584</b>	<b>79.74%</b>	<b>0.000</b>	<b>0.000</b>

# Capital Programme Budget Movements since Period 9 and Final Spend 2014/2015

Scheme Name	2014/2015 Budget Breakdown										
	Period 9 Budget	Changes to the Programme from Budget Setting approved by Cabinet	Budget Movements between Schemes	Additional Budgets added to Programme (Section 1 Appendix B)	Budgets reprogrammed from 2014/2015 into 2015/2016 (Section 2 Appendix B)	Final Budget 2014/2015	Total Spend 2014/2015	Total Spend 2014/2015	Underspend (Return to Central Funding)	Overspend	Budget Transfer to 2015/2016
	£m	£m	£m	£m	£m	£m	£m	%	£m	£m	£m
Waste Schemes											
Waste Transformation	0.761					0.761	0.674	88.57%			0.087
Waste Management	0.057					0.057	0.039	68.42%			0.018
Total Waste Schemes	0.818	0.000	0.000	0.000	0.000	0.818	0.713	87.16%	0.000	0.000	0.105
ICT Schemes											
SAP Development	0.127					0.127	0.292	229.92%			(0.165)
SAP Hardware Insourcing & Support	1.151					1.151	0.870	75.59%			0.281
ICT Schemes	0.000					0.000	0.863	0.00%			(0.863)
Next Generation Network	0.380					0.380	0.020	5.26%			0.360
Windows 8.1	0.130					0.130	0.032	24.62%			0.098
Total ICT Schemes	1.788	0.000	0.000	0.000	0.000	1.788	2.077	116.16%	0.000	0.000	(0.289)
Other Schemes											
Carbon Reduction Schemes	2.110					2.110	0.553	26.21%			1.558
Oil to Biomass Schemes	1.728					1.728	0.762	44.10%			0.966
Area Boards and LPSA PRG Reward Grants	0.838		(0.002)			0.836	0.821	98.21%			0.015
Other Economic Development Schemes	0.189			0.382		0.571	0.391	68.48%			0.181
Growth Fund (inc Porton Science Park)	0.246					0.246	0.018	7.32%			0.229
Strategic Economic Plan	0.000		(0.133)		0.133	0.000	0.000	0.00%			
Corsham Mansion House	0.000		0.001			0.001	0.001	100.00%			
A350 West Ashton/Yarnbrook Junction Improvements	0.000		0.117			0.117	0.117	100.00%			
LTB Scheme A350 North of Chippenham Bypass	0.000				0.226	0.226	0.226	100.00%			
A350 Dualling Chippenham Bypass	0.000				0.040	0.040	0.040	100.00%			
M4 Junction 17	0.000		0.015			0.015	0.015	100.00%			
Rural Estates	0.344					0.344	0.190	55.23%			0.154
Wiltshire Online	6.530			0.003		6.533	6.531	99.97%			0.003
Fleet Vehicles	4.004	(2.504)				1.500	0.941	62.73%			0.559
Passenger Transport Capital	0.413					0.413	0.422	102.18%		(0.009)	
Other Schemes including cross cutting systems	0.175			0.100		0.275	0.109	39.64%		(0.059)	0.224
Public Health Schemes	0.259					0.259	0.127	49.03%			0.132
Learning Management System	0.131					0.131	0.131	100.00%			
Fitness Equipment for Leisure Centres	0.273				0.166	0.439	0.412	93.85%			0.028
UTC - Wilton Rd Police Station Site	2.000					2.000	2.000	100.00%			
Churchyards & Cemeteries	0.658					0.658	0.001	0.15%			0.657
Total Other Schemes	19.898	(2.504)	(0.002)	0.485	0.565	18.442	13.808	74.87%	0.000	(0.068)	4.706
Total 2014/2015 Programme	136.151	(12.098)	0.000	3.248	0.529	127.830	98.577	77.12%	0.000	(0.305)	29.559

## CHIEF FINANCE OFFICER (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME

Cabinet Meeting  
Financial Year:

16 June 2015

2014/2015

### SECTION 1 - DELEGATED CFO POWERS

"Adjustment/addition of scheme in the capital programme which has no effect on the net funding position of the programme  
i.e. Additional resources available in the form of Grant, Section 106 contributions etc which fund the addition, "

<b>Project Name:</b>	<b>Devolved Formula Capital</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	10,389		
<b>Funding Source:</b>	Grant received from Education Funding Agency higher than original estimate		
<b>Project Name:</b>	<b>New Schools</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	10,000		
<b>Funding Source:</b>	Revenue contribution from Early Years & Childcare towards the Pre School at Salisbury Greentrees		
<b>Project Name:</b>	<b>New Schools</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	10,000		
<b>Funding Source:</b>	Contribution from Lyneham Pre-School towards the Pre-School at Salisbury Greentrees		
<b>Project Name:</b>	<b>Integrated Transport</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	162,725		
<b>Funding Source:</b>	Contributions from Developers, Town & Parish Councils towards Integrated Transport Works Schemes		
<b>Project Name:</b>	<b>Structural Maintenance</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	2,223		
<b>Funding Source:</b>	Contributions from Parish Councils and New Forest NPA to rights of way structural maintenance schemes		
<b>Project Name:</b>	<b>Highway flooding prevention and Land Drainage schemes</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	282,000		
<b>Funding Source:</b>	Grant received from the Environment agency towards emergency repairs on damaged drains		
<b>Project Name:</b>	<b>Flooding Repair &amp; Renewal</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	311,631		
<b>Funding Source:</b>	Q2, Q3, Q4 Grant received from DEFRA towards capital flooding repairs and renewal		
<b>Project Name:</b>	<b>A350 Chippenham (Pinch Point)</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	579,566		
<b>Funding Source:</b>	Contributions towards the A350 Pinch point works from Commuted Sums and Developer Deposits		
<b>Project Name:</b>	<b>Bridges</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	89,537		
<b>Funding Source:</b>	Contributions from Swindon Borough Council and Somerset County Council towards capital works on Wiltshire Bridges		
<b>Project Name:</b>	<b>Local Sustainable Transport Fund</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	32,871		
<b>Funding Source:</b>	Contributions from Hampshire County Council, Trowbridge Town Council, and Salisbury BID towards local sustainable transport projects		
<b>Project Name:</b>	<b>Local Sustainable Transport Fund</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	603,901		
<b>Funding Source:</b>	Grant received from the Department of Transport for Local Sustainable Transport schemes		
<b>Project Name:</b>	<b>Buildings Repair &amp; Maintenance</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	15,000		
<b>Funding Source:</b>	Contribution from Wiltshire Police towards capital works at Bourne Hill		

## CHIEF FINANCE OFFICER (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME

Cabinet Meeting  
Financial Year:

16 June 2015

2014/2015

<b>Project Name:</b>	<b>Affordable Housing including Commuted Sums</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	53,000		
<b>Funding Source:</b>	Commuted sums received for the Affordable Housing project; Easterton Square (Sherston)		
<b>Project Name:</b>	<b>Social Care Infrastructure &amp; Strategy</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	18,500		
<b>Funding Source:</b>	Grant from the Department of Health for Capital Schemes to help those with Autism		
<b>Project Name:</b>	<b>Complex Needs Bungalows</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	580,000		
<b>Funding Source:</b>	Grant from the Department of Health for complex needs social care bungalows		
<b>Project Name:</b>	<b>Other Economic Development Schemes</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	382,216		
<b>Funding Source:</b>	Rural Growth Network grant received towards rural economic development capital schemes		
<b>Project Name:</b>	<b>Wiltshire Online</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	3,173		
<b>Funding Source:</b>	Receipts received from sales of reconditioned laptops		
<b>Project Name:</b>	<b>Other Schemes including cross cutting systems</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	100,000		
<b>Funding Source:</b>	Draw from reserves innovation fund for Website project		
	<b>3,246,732</b>	<b>Total Delegated Changes Approved by Section 151 Officer</b>	

### SECTION 2 - DELEGATED CFO POWERS

*"Schemes within the capital programme which require the reprogramming of expenditure between years due to scheme not progressing as originally anticipated or other circumstances"*

<b>Project Name:</b>	<b>Basic Need</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	(161,792)	161,792	
<b>Notes:</b>	Reprogramming of Schemes to match anticipated expenditure between financial years		
<b>Project Name:</b>	<b>Schools Maintenance &amp; Modernisation</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	(53,081)	53,081	
<b>Notes:</b>			
<b>Project Name:</b>	<b>New Schools</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	(550,000)	550,000	
<b>Notes:</b>			
<b>Project Name:</b>	<b>Other Education Schemes</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	(3,296)	3,296	
<b>Notes:</b>			
<b>Project Name:</b>	<b>Structural Maintenance (Grant &amp; Council Funded)</b>		
<b>Budget Change:</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
	600,000	(600,000)	
<b>Notes:</b>			



## CHIEF FINANCE OFFICER (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME

Cabinet Meeting  
Financial Year:

16 June 2015

2014/2015

Project Name:	Local Sustainable Transport Fund		
Budget Change:	2014/2015	2015/2016	2016/2017
	(1,500)	1,500	
Notes:			
Project Name:	Street Lighting		
Budget Change:	2014/2015	2015/2016	2016/2017
	134,000	(134,000)	
Notes:			
Project Name:	Strategic Economic Plan		
Budget Change:	2014/2015	2015/2016	2016/2017
	133,641	(133,641)	
Notes:			
Project Name:	LTB Scheme A350 North of Chippenham Bypass		
Budget Change:	2014/2015	2015/2016	2016/2017
	225,989	(225,989)	
Notes:			
Project Name:	A350 Dualling Chippenham Bypass		
Budget Change:	2014/2015	2015/2016	2016/2017
	39,800	(39,800)	
Notes:			
Project Name:	Fitness Equipment for Leisure Centres		
Budget Change:	2014/2015	2015/2016	2016/2017
	166,455	(166,455)	
Notes:			
	-530,216	Total Re-programming between years	

### SECTION 3 - REQUESTS TO CABINET FOR ADDITIONAL RESOURCES

*"Adjustment/addition of scheme to the capital programme which places an additional funding requirement on the programme"*

Project Name:			
Budget Change:	2014/2015	2015/2016	2016/2017
Funding Source:			
Project Name:			
Budget Change:	2014/2015	2015/2016	2016/2017
Funding Source:			
Project Name:			
Budget Change:	2014/2015	2015/2016	2016/2017
Funding Source:			
	0	Total requests for additional resources	

In the exercise of my delegated powers (Section 1 and 2), I hereby authorise the amendments to the Capital Programme summarised above.

CHIEF FINANCE OFFICER: Michael Hudson

DATE: June 2015

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**Further Information on Schemes in the Capital Programme and Funding Sources as at Outturn (31 March 2015)**

**Education Schemes**

1. Basic Need schemes ensure every child has a school place in Wiltshire. The £2.258 million variation is to be reprogrammed from 2014/2015 to 2015/2016, this represents schemes that are at varying stages of completion with some in the planning and early development stages, some with work on site, and some with final accounts due to be settled. The majority of spend relates to the large extension schemes at Amesbury Primary and Wellington Academy (which also accounts for £0.960 million of the budget reprogramming). Significant work is due to continue at Wellington Academy along with schemes at Pembroke Park and Bulford Kiwi Schools in 2015/2016.
2. Schools Maintenance and Modernisation; the outturn position shows a variation of £0.591 million to be reprogrammed from 2014/2015 into 2015/2016. £0.108 million of this relates to maintenance schemes with the 2015/2016 programme of planned works now agreed. £0.483 million of the variation relates to modernisation schemes with a significant scheme at the Minster Primary School due for completion in 2015/2016.
3. The New Schools programme outturn for 2014/2015 shows variation of £2.955 million to be reprogrammed into 2015/2016. The majority of the spend relates to the new schools; Castlemead Primary in Trowbridge and Wellington Primary in Tidworth. £1.354 million of the variation relates to Greentrees Primary with the new build due to complete in 2015/2016. A further large scheme is in progress to re-site Forest and Sandridge Primary School in Melksham due to complete in 2015/2016.

**Highways Schemes**

4. Highways schemes in 2014/2015 progressed well with a variation in budget overall of £1.240 million. Significant increased expenditure compared to previous years was planned and carried out in 2014/2015 with £17.205 million spent on Structural Maintenance schemes. Budgets and schemes continue to be managed on a priority basis with the small overspends on Highways Severe Weather Recovery Schemes, Pothole Schemes, Highway Flooding Prevention and Land Drainage Schemes, and Street Lighting being covered by decreasing expenditure on Bridges Schemes.
5. Salisbury Market Place shows an overspend due to the enhanced scope of the project to incorporate more areas of the City, to include New Canal and Blue Boar Row areas, including enhanced street furniture and street lighting works across the site.

**Campus and Operational Delivery Schemes**

6. Corsham Campus is partially open following completion of phase 1 in August 2014. Phase 2, including the swimming pool, new fitness suite area and health suite will open this summer. Salisbury and Tisbury are both in build phase and are planned

to open autumn and winter 2015 respectively. The other four approved campuses are currently being reassessed to ensure that the whole programme is delivered within the approved budget allocation of £64.489m. The Campus Live Schemes and Campus in Development Schemes show a budget variation of £11.722m at Outturn. This budget variation will be reprogrammed from 2014/2015 into 2015/2016 and re-profiled in line with the reassessment.

### **Housing Schemes**

7. The Council House Build Programme, Extra Care and Sheltered Housing schemes commenced in 2015/2016. Gypsy & Traveller Phase 1 is forecasting a programme overspend, negotiations with the contractor and SSE continues in order to finalise the position. This is due to a combination of issues including decant costs, wayleaves and prolongation. Phase 2 is currently on hold and under review. Housing Schemes show a budget reprogramming of £3.705 million into 2015/2016. Full details will be reported in the first 2015/2016 monitoring report when the position is firmer.

### **ICT Schemes**

8. ICT schemes show a budget variation of £(0.289) million due to £0.863 million of ICT expenditure on hardware and software being transferred into the capital programme after a full review of ICT spend. ICT schemes will be reviewed and budgets re-profiled in 2015/2016 and future years to absorb this cost.

### **Funding of the Capital Programme**

9. The capital programme is funded by 3 principal sources; grants & contributions, capital receipts and borrowing.
10. Grants and Contributions received in 2014/2015 total £29.310 million of which the areas with the largest portion of grants are once again the Education and Highways areas. A total of £37.173 million of grants were used in 2014/2015 to finance the capital expenditure making it the largest funding source of the capital programme.
11. As at the end of the 2014/2015 financial year £8.483 million of gross income has been received from Capital Receipts from the proceeds of fixed asset sales. These include general asset disposals and sales under the Council Housing Right to Buy (RTB) scheme. A total of £11.315 million of capital receipts were used in 2014/2015 to finance capital expenditure.
12. A total of £33.411 million in capital expenditure was financed through borrowing as at Outturn. The previous estimate as at the Month 9 Capital Monitoring Report of the amount of borrowing that would be required in 2014/2015 was circa £50 million. As there has been significant reprogramming of expenditure from 2014/2015 into 2015/2016 this has reduced the amount of borrowing required. Underspending on borrowing has a positive impact on the general fund revenue account as shown by the £2.590 million underspend in 2014/2015 on the Capital Financing Budget.

**Wiltshire Council**

**Cabinet**

**16 June 2015**

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**Subject: Annual Report on Treasury Management 2014-15**

**Cabinet member: Councillor Richard Tonge**  
**Finance, Performance, Risk, Systems**  
**Thinking, Procurement and Welfare Reform**

**Key Decision: No**

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## **Executive Summary**

In accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) (the accountancy body for the public services) Prudential Code for Capital Finance in Local Authorities 2003 (The Prudential Code), the Council adopted a Treasury Management Strategy (TMS) for 2014-15, including a set of Prudential and Treasury Indicators (PrIs/TrIs) and an Annual Investment Strategy (AIS) at its meeting on 25 February 2014. The Strategy report can be found in the Cabinet meeting on 11 February 2014 agenda in the reports pack at the following [link](#), Item 9, Pages 201 to 283. This report shows how the Council has performed against the strategy.

The treasury strategy was adhered to in 2014-15; the average long term borrowing rate was 3.823%; and the return on short term investments was 0.60%. In November 2014 the Council sold its remaining claim in Landsbanki. The sale means that Wiltshire Council recovered 96% of the amount that was originally deposited. It has recovered £8.5 million (94%) of deposits with Heritable Bank, and we continue to review this position, with any need for write off already having been provided for.

## **Proposals**

The Cabinet is asked to consider and note:

- a) Prudential Indicators, Treasury Indicators and other treasury management strategies set for 2014-15 against actual positions resulting from actions within the year as detailed in Appendix A; and
- c) investments during the year in the context of the Annual Investment Strategy as detailed in Appendix B.

**Reasons for Proposals**

To give members of the Cabinet an opportunity to consider the performance of the Council against the parameters set out in the approved Treasury Management Strategy for 2014-15.

This report is required by the Prudential Code for Capital Finance in Local Authorities and the CIPFA Code of Practice for Treasury Management in the Public Services.

**Carolyn Godfrey**  
**Corporate Director**

**Subject:** Annual Report on Treasury Management 2014-15

**Cabinet member:** Councillor Richard Tonge  
Finance, Performance, Risk, Systems  
Thinking, Procurement and Welfare Reform

**Key Decision:** No

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## **1. Background & Purpose of Report**

- 1.1 In accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) (the accountancy body for the public services) Prudential Code for Capital Finance in Local Authorities 2003 (The Prudential Code), the Council adopted a Treasury Management Strategy (TMS) for 2014-15, including a set of Prudential and Treasury Indicators (PrIs/TrIs) and an Annual Investment Strategy (AIS) at its meeting on 25 February 2014. The Strategy report in the Cabinet 11 February 2014 agenda reports pack can be found at the following [link](#), Item 9, Pages 201 to 283.
- 1.2 A quarterly report for the period from 1 April to 31 December 2014 was submitted to Cabinet on 17 March 2015. This report covers the whole financial year ended 31 March 2015.

## **2. Main Considerations for the Cabinet**

- 2.1 This report reviews:
- a) PrIs, TrIs and other treasury management strategies set for 2014-15 against actual positions resulting from actions within the year (see Appendix A); and
  - b) investments during the year in the context of the Annual Investment Strategy (see Appendix B).
- 2.2 There were no opportunities to restructure Public Works Loan Board (PWLB) loans in 2014-15, mainly because of the continuing high level of premiums payable for early repayment, together with the availability of favourable interest rates at the appropriate maturity levels.

## **Review of Prudential and Treasury Indicators and Treasury Management Strategy for 2014-15**

2.3 The detail of the review is given in Appendix A. The Cabinet is asked to note that:

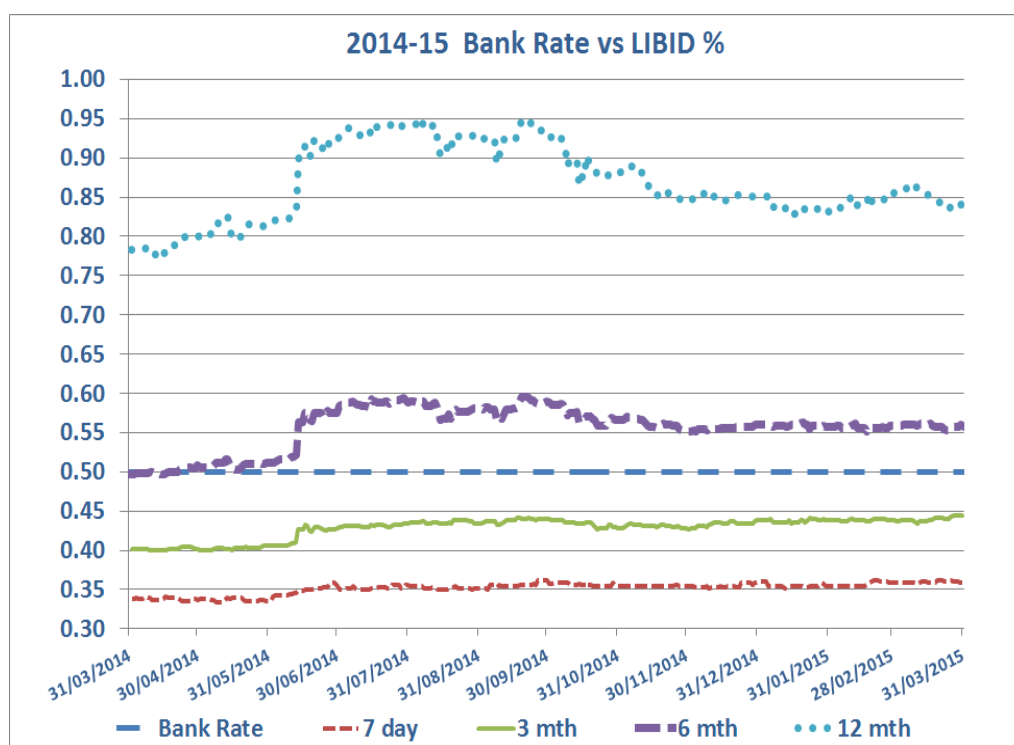
- a) all action has been within the approved PrIs and TrIs;
- b) as members are aware, the Council has sold its remaining claim in one of the Icelandic banks (Landsbanki), for which sale proceeds of £1.210 million were received. No further repayments have been received during the financial year. Total recoveries since the banks failed in 2008 now stand at approximately £11.4 million.
- c) the average interest rate for long term debt has increased slightly (from 3.787%) to 3.823%, the very minor increase being due to the maturity of two PWLB loans during the year. The amount of loans outstanding has reduced by £12 million between 1 April 2014 and 31 March 2015 as a result of the maturities and the loans have not (currently) been refinanced;
- d) short term cash deficits and surpluses were managed through temporary loans and deposits with a return on short term investments of 0.60% (an increase from 0.50% in 2013-14, reflecting slight increases in the market during the year). This compares with the average market rate, based on the Average 3 Month LIBID Rate for 2014-15 (London Interbank Bid Rate, i.e. the rate at which banks are prepared to borrow from other banks) of 0.43% (0.39% for 2013-14); and
- e) mid/longer term “special tranche rate” investments were placed with Lloyds Banking Group (in May 2014 for nine months, at 0.80% and in November 2014 for 12 months, at 1.00%), taking advantage of favourable (although reduced slightly from previous rates available in 2013-14) rates, whilst ensuring security and liquidity.

## **Review of Investment Strategy**

2.4 This review is detailed in Appendix B. The Cabinet is asked to note that:

- a) the financial year 2014-15 continued the challenging investment environment of previous years, namely low investment returns.
- b) Bank Rate remained at its historic low of 0.5% throughout the year; it has now remained unchanged for six years. Market expectations as to the timing of the start of monetary tightening started the year at quarter one 2015 but then moved back to around quarter three 2016 by the end of the year. Deposit rates remained depressed during the whole of the year, primarily due to the effects of the Funding for Lending Scheme.
- c) as can be seen from the chart below, interest (investment) rates remained relatively low/flat during the financial year, as measured by the London Interbank Bid (LIBID) rate (i.e. the bid rate that banks are willing to pay for deposits in the London interbank market).





- d) during the financial year the Council was able to take the opportunity presented by longer term (four to 12 months) investment rates to invest surplus cash balances at optimum rates, whilst maintaining its approved strategy, including security and liquidity and credit rating criteria.

## 2.5 Change to Treasury Management Strategy 2015-16

Following changes by the rating agencies as a result of 'bail in' regulations, the Associate Director Finance has taken the delegated decision (as agreed/conferred in the Treasury Management Strategy (TMS) presented to Council on 24 February 2015 - TMS 2015/16 Para 11.1 b) of the main report) to make a minor amendment to the Council's Strategy as a result of the changes in the minimum requirements for high credit quality. The amendment will remove the minimum requirement in paragraph 28 in Appendix B of the Main Strategy relating to the support rating, retaining the other additional minimum requirements as in paragraph 28.

## 3. Safeguarding Implications

- 3.1 None have been identified as arising directly from this report.

## 4. Public Health Implications

- 4.1 None have been identified as arising directly from this report.

## 5. Corporate Procurement Implications

- 5.1 None have been identified as arising directly from this report.

## 6. Equalities Impact of the Proposal

6.1 None have been identified as arising directly from this report.

## **7. Environmental and Climate Change Considerations**

7.1 None have been identified as arising directly from this report.

## **8. Risks Assessment and Financial Implications**

8.1 The primary treasury management risks to which the Council is exposed are adverse movements in interest rates and the credit risk of counterparties.

8.2 Investment counterparty<sup>1</sup> risk is controlled by assessing and monitoring the credit risk of borrowers as authorised by the Annual Investment Strategy. Appendix B of this report details action taken in 2014-15.

8.3 At 31 March 2015, the Council's average interest rate in respect of long term debt was 3.823%, which remains relatively low, in comparison with other local authorities.

8.4 It is also considered important to ensure that there is an even spread of loans to avoid the prospect of a number of high value loans maturing in any one year, which may need to be re-financed at a time when interest rates are high. A summary of the present loan maturity profile is shown in Appendix C (i).

8.5 Returns on short term investments have not moved significantly, mainly as a result of the volatility of the market following the 'credit crunch' starting in October 2008 and are likely to continue at near current levels for some time. The costs of borrowing for this Council have remained at similar levels because the loan profile is almost entirely at fixed maturity rates (despite the unexpected change of policy on PWLB lending arrangements in October 2010, when new borrowing rates increased by 0.75% to 0.85%, without an associated increase in early redemption rates). The investment rate of return for the year was 0.60%, against the average borrowing rate of 3.823%.

8.6 The original market expectation at the beginning of 2014-15 was for the first increase in Bank Rate to occur in quarter 1 2015 as the unemployment rate had fallen much faster than expected through the Bank of England's initial forward guidance target of 7%. In May, however, the Bank revised its forward guidance. A combination of very weak pay rises and inflation above the rate of pay rises meant that consumer disposable income was still being eroded and in August the Bank halved its forecast for pay inflation in 2014 from 2.5% to 1.25%.

8.7 Expectations for the first increase in Bank Rate therefore started to recede as growth was still heavily dependent on buoyant consumer demand. During the second half of 2014 financial markets were caught out by a halving of the oil price and the collapse of the peg between the Swiss franc and the euro. Fears also increased considerably that the European Central Bank (ECB) was going to do too little too late to ward off the threat of deflation and recession in the Eurozone. By the end of 2014, it was clear that inflation in the UK was going to

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<sup>1</sup> A Counterparty is a term most commonly used in the financial services industry to describe a legal entity, unincorporated entity or collection of entities (e.g. lender/borrower) to which an exposure to financial risk might exist.

head towards zero in 2015 and possibly even turn negative. This made it clear that the MPC would have great difficulty in starting to raise Bank Rate in 2015 while inflation was around zero and so market expectations for the first increase receded back to around quarter 3 of 2016.

- 8.8 PWLB rates have fallen during the year, however, they are expected to rise steadily over the next three years as the Bank Rate rises and the UK economy continues to improve.

## **9. Legal Implications**

- 9.1 None have been identified as arising directly from this report.

## **10. Options Considered**

- 10.1 The availability of any longer term investment opportunities, such as those offered by “special tranche rates”, is continually monitored.
- 10.2 Also any options available to provide savings from rescheduling long term borrowing are continually assessed in liaison with our treasury advisers.

## **11. Conclusion**

- 11.1 Cabinet is asked to note the report as shown in the Executive Summary to this report.

**Michael Hudson**  
**Associate Director, Finance**

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## **Background Papers**

The following unpublished documents have been relied on in the preparation of this Report: NONE

## **Appendices**

- Appendix A Review of Prudential and Treasury Indicators for 2014-15
- Appendix B Review of Investment Strategy for 2014-15
- Appendix C Summary of Long Term Loans, Temporary Loans and Deposits for 2014-15

## REVIEW OF PRUDENTIAL AND TREASURY INDICATORS FOR 2014-15

- Where appropriate the figures shown in this report are consistent with the PrI and TrI estimates in the Strategy for the next three years, as reviewed and reported as part of the 2014-15 budget process.

### Prudential Indicators

#### PrI 1 - Capital Expenditure

- The table below shows the original and revised estimate of capital expenditure against the actual for the year 2014-15:

	<b>2014-15 Original Estimate £ million</b>	<b>2014-15 Revised Estimate £ million</b>	<b>2014-15 Actual Outturn £ million</b>
General Fund	132.1	120.0	89.8
Housing Revenue Account	10.2	16.0	8.8

- The actual capital spends have increased from those reported in the December quarterly report because of additional capital expenditure incurred between the end of December 2014 and the end of March 2015.
- The Capital Programme has been actively managed throughout the year and the revised capital budget (capital outturn position for 2014-15) is £128.0 million. Further breakdown of these figures will be presented in the capital outturn report, which will be taken to the Cabinet Capital Assets Committee at its meeting on 16 June 2015.

#### PrI 2 – Ratio of Financing Costs to Net Revenue Stream

- PrI 2 expresses the net costs of financing as a percentage of the funding receivable from the Government and council tax payers (General Fund) and rents receivable (HRA). The net cost of financing includes interest and principal repayments for long and short term borrowing, as well as other credit-like arrangements, netted off by interest receivable from cash investments.

	<b>2014-15 Original Estimate</b>	<b>2014-15 Revised Estimate</b>	<b>2014-15 Actual</b>
General Fund	7.1%	6.5%	6.3%
Housing Revenue Account	14.7%	14.9%	14.8%

- In terms of the General Fund slight differences between budgeted and actual costs led to a minor decrease in actual ratio when compared with the revised estimate. The actual ratio is also slightly lower than the revised estimate and the figure reported in the December 2014 quarterly report, reflecting a higher level of investment income than anticipated.

Prl 3 – Estimate of Incremental Impact of Capital Investment Decisions on the Council Tax

7. This indicator is only relevant during budget setting, as it reflects the impact on the Band D Council Tax, or average weekly housing rents in respect of the HRA, caused by any agreed changes in the capital budget.

Prl 4 – Gross Borrowing and the Capital Financing Requirement

8. Prl 4 measures the so called “Golden Rule” which ensures that borrowing is only for capital purposes. The table below shows the original and revised estimate for 2014-15 compared with the actual position at the year end.

	<b>2014-15 Original Estimate £ million</b>	<b>2014-15 Revised Estimate £ million</b>	<b>2014-15 Actual £ million</b>
CFR – General Fund	438.7	384.0	369.1
CFR – HRA	122.6	122.6	122.6
Gross Borrowing – Gen Fund	305.1	243.1	233.1
Gross Borrowing – HRA	118.8	118.8	118.8
<b>CFR not funded by gross borrowing – Gen Fund</b>	<b>133.6</b>	<b>140.9</b>	<b>136.0</b>
<b>CFR not funded by gross borrowing – HRA</b>	<b>3.8</b>	<b>3.8</b>	<b>3.8</b>

9. The Capital Financing Requirement (CFR) increases whenever capital expenditure is incurred. If resourced immediately (from capital receipts, direct revenue contributions or capital grant/contributions) the CFR will reduce at the same time that the capital expenditure is incurred, with no net increase in CFR.
10. Where capital expenditure is not resourced immediately, there is a net increase in CFR, represented by an underlying need to borrow for capital purposes, whether or not external borrowing actually occurs. The CFR may then reduce over time by future applications of capital receipts, capital grants/contributions or further charges to revenue.
11. This Prl is necessary, because under an integrated treasury management strategy (in accordance with best practice under the CIPFA Code of Practice on Treasury Management in the Public Services), borrowing is not associated with particular items or types of expenditure, whether revenue or capital
12. The difference between actual external (gross) borrowing (£233.1 million) and the CFR (CFR not funded by gross borrowing above) is capital expenditure met by internal borrowing, i.e. funded from the Council’s own funds, such as reserves and balances and working capital (an accounting term for the difference, at a point in time, between what the Council owes and what is owed to it).

13. Internal borrowing is cheaper than external borrowing (see paragraph 8.5 of the main report), however, the ability to borrow internally will depend upon the sufficiency of reserves, balances and working capital. The sufficiency needs to be monitored and projections carried out to indicate where any adverse movements are expected, that could jeopardise the Council's cash flow position, making it necessary to replace internal with external borrowing.

Prl 5 – Compliance with CIPFA Code of Practice for Treasury Management in the Public Services ("The Code")

**In the past year the Council was, and is expected to continue to be, fully compliant with the CIPFA Code of Practice for Treasury Management in the Public Services.**

14. This Code of Practice has been complied with during 2014-15.

### **Treasury Management Indicators within the Prudential Code**

Trl 1 – Authorised Limit for External Debt

<b>Authorised Limit</b>	<b>2014-15 £ million</b>	<b>2015-16 £ million</b>	<b>2016-17 £ million</b>	<b>2017-18 £ million</b>
Borrowing – General Fund	471.2	448.2	488.7	492.5
Borrowing – HRA	123.2	123.2	123.2	123.2
<b>Total Borrowing</b>	<b>594.4</b>	<b>571.4</b>	<b>611.9</b>	<b>615.7</b>
Other Long Term Liabilities	0.2	0.2	0.2	0.2
<b>TOTAL</b>	<b>594.6</b>	<b>571.6</b>	<b>612.1</b>	<b>615.9</b>

15. This Authorised Limit was not exceeded at any time during the year, as maximum borrowing was below the (lower) Operational Boundary.

Trl 2 – Operational Boundary for External Debt

<b>Operational Boundary</b>	<b>2014-15 £ million</b>	<b>2015-16 £ million</b>	<b>2016-17 £ million</b>	<b>2017-18 £ million</b>
Borrowing – General Fund	459.7	437.2	476.7	480.5
Borrowing – HRA	123.2	123.2	123.2	123.2
<b>Total Borrowing</b>	<b>582.9</b>	<b>560.4</b>	<b>599.9</b>	<b>603.7</b>
Other Long Term Liabilities	0.2	0.2	0.2	0.2
<b>TOTAL</b>	<b>583.1</b>	<b>560.6</b>	<b>600.1</b>	<b>603.9</b>

16. This Trl is for gross borrowing and was set at a limit that would allow the Council to take its entire financing requirement as loans if this was the most cost effective alternative. The limit on HRA borrowing is capped in 2014-15 at £123.2 million. The limits, which have not been exceeded during the period covered by this report, are set to anticipate expected expenditure. The maximum gross borrowing during the year being £364.0 million (£245.2 million on General Fund and £118.8 on HRA) at the beginning of the financial year up to 31 May 2014. Between 1 June 2014 and 31 March 2015 two fixed rate PWLB loans (totalling £12 million) have matured and not been refinanced.

### Trl 3 – External debt

	<b>31/3/14 Actual £ million</b>	<b>31/3/15 Expected £ million</b>	<b>31/3/15 Actual £ million</b>
Borrowing – General Fund	245.2	246.1	233.1
Borrowing – HRA	118.8	118.8	118.8
<b>Total Borrowing</b>	<b>364.0</b>	<b>364.9</b>	<b>351.9</b>
Other Long Term Liabilities	£0.2	0.2	£0.2
<b>TOTAL</b>	<b>364.2</b>	<b>365.1</b>	<b>352.1</b>

17. This Trl shows the gross External Debt outstanding at year end. The actual borrowing figure is outstanding long term borrowing as shown in Appendix C (i). Actual borrowing was less than expected at the end of 2014-15, mainly due to the decision not to refinance maturing loans at this time.
18. There were no additional long term loans taken during the year.

### Treasury Management Indicators within the Treasury Management Code

Trl 4a and 4b – Upper Limit on Fixed Interest Rate Exposures and Interest Rate Exposures, respectively

**The Council's upper limit for fixed interest rate exposure for the period 2014-15 to 2017-18 is 100% of net outstanding principal sums.**

**The Council's upper limit for variable interest rate exposure is 47% for 2014-15, 50% for 2015-16, 52% for 2016-17 and 54% for 2017-18 of net outstanding principal sums.**

19. All loans and investments are at fixed rates of interest.

### Trl 5 – Maturity Structure of Borrowing

<b>Limits on the Maturity Structure of Borrowing</b>	<b>Upper Limit</b>	<b>Lower Limit</b>	<b>Actuals 31/3/15  Next Call Date</b>	<b>Actuals 31/3/15  Contracted Maturity</b>
Maturing Period:				
- under 12 months	15%	0%	20.7%	3.4%
- 12 months and within 24 months	15%	0%	3.4%	3.4%
- 2 years and within 5 years	45%	0%	6.5%	6.5%
- 5 years and within 10 years	75%	0%	11.9%	11.9%
- 10 years and above	100%	0%	57.5%	74.8%

20. In addition to the main maturity indicators it is considered prudent that no more than 15% of long term loans should fall due for repayment within any one financial year. Using CIPFAs guidance notes, it is recommended that treasury

reports show LOBOs at the next call date, however, the Code states that LOBOs should be shown in the accounts disclosure notes when “the counterparty could first require payment”. This would ordinarily be the maturity date (further details are shown in Appendix C(i)).

21. Applying the CIPFA recommendation, for the treasury report, the actual maximum percentage falling due for repayment in any one year is currently 20.7% (£73 million) in 2015-16. This takes it, temporarily, over the 15% and in excess of the upper limit on the maturity structure of borrowing. However, this is not the case if the alternative (contracted maturity date) is applied. Nearly 85% of the £73 million shown as maturing in 2015-16, by the recommended method, relates to LOBO loans. Through call options, the lender has the right to change the interest rate at various points, in which case the Council will repay the loans and consider whether it needs to refinance them. In the current interest rate climate (where interest rates are expected to remain low for some time – Bank Rate is not anticipated to rise until at least quarter 1 2016 and the Bank of England has stated that it expects to raise rates slowly) they are extremely unlikely to be called. The average interest rate on present long-term debt is 3.823%, which continues to be relatively low when compared with other local authority borrowing rates.

Trl 6 – Total Principal Sums invested for periods longer than 364 days

22. This Trl is covered by the Annual Investment Strategy, which is detailed in Appendix B.

### **Other Treasury Management issues**

#### ***Short Term Cash Deficits and Surpluses***

23. It was agreed, as per the approved Strategy, that temporary loans and deposits would be used to cover short term cash surpluses and deficits that arise during the year. Such borrowing or investments would be made to specific dates at fixed rates, with reference to cash flow requirements. Investments have also been placed in Money Market Funds during the year.
24. Any outstanding temporary loans and/or deposits are summarised in Appendix C (ii).

#### ***Icelandic Bank Deposits***

25. During 2014-15 the Council received no further repayments from the administrators of Heritable Bank.
26. In terms of Heritable Bank, the Council is in the same position as it was at the end of the previous financial year, a total recovery of around £8.5 million, 94% (of the original investment of £9 million) from the administrators. This may be the last payment, although the final position still remains unconfirmed (by the administrators). Further repayments from the administrators of Heritable Bank are dependent on the outcome of ongoing legal proceedings. At this time the quantum and timing of any repayments are unknown. Further progress reports from the administrators are awaited.



27. In November 2014 the Council sold its remaining claim in Landsbanki. The sale means that Wiltshire Council has recovered 96% of the amount that was originally deposited with LBI in 2008. Wiltshire Council is now no longer a creditor of LBI.
28. The only deposit now treated as outstanding with Icelandic banks is the element remaining in Iceland in an escrow account, pending review of Icelandic capital controls and is shown in Appendix C (ii).
29. The initial investments in Icelandic banks amounted to a total of £12 million and total recoveries since the banks failed in 2008 now stand at approximately £11.4 million. Depending on the outcome in respect of Heritable, as above, this could be the final recoverable amount.

### ***Longer Term Cash Balances***

30. The tight monetary conditions have continued through 2014-15 without much upward movement in the deposit rates for all types of investments (short/medium and long term). As a result opportunities for an increased return by longer term investment of the more permanent cash surpluses, such as reserves and balances have been limited.
31. However, there have been continuing opportunities for investment, within the Councils approved Treasury Management Strategy, in (UK 'Government backed') banks which have offered "special tranche rates" for twelve months.
32. Further "special tranche rate" investments were placed with Lloyds Bank for nine months at 0.80% (in May 2014) and 12 months (in November 2014) at 1.00% during the year, further details of the 12 month deposit are shown in Appendix C(ii).

## REVIEW OF INVESTMENT STRATEGY FOR 2013-14

1. All investments of surplus cash balances were placed to ensure:
  - a) the security of capital, deposits only being placed with financial institutions which met the **high credit ratings** laid down in the approved Strategy;
  - b) the liquidity of investments, all deposits being placed for fixed periods at fixed rates of interest; and
  - c) all such investments were in sterling and in “Specified Investments”, as prescribed in the DCLG Guidance on Local Government Investments (the “Guidance”).
2. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.
3. Details of the deposits outstanding at the end of the year, totalling £42.870 million, are shown in Appendix C (ii). These deposits represent the Council’s reserves both long term, such as the PFI and Insurance funds, and short term such as creditors or payments in advance and include the small deposit that remains in Iceland, which is currently held subject to the, awaited, relaxation of currency controls.
4. The opportunity was taken to place a proportion of these deposits in longer term investments for nine and 12 months during the year, taking advantage of higher interest rates available for the longer maturity period. These are shown within general deposits in Appendix C (ii).
5. The Council contracts with a treasury adviser, regularly reviewing credit ratings of potential organisations and their respective country's ratings, together with other 'tools' used to assess the credit quality of institutions such as credit default swaps. The Council uses this information to assess institutions with which it may place deposits or from which it may borrow, including interest rate forecasts for both borrowing and investment, together with setting a 'benchmark' borrowing rate. The Council's investment policy is 'aimed' at the prudent investment of surplus cash balances to optimise returns whilst ensuring the security of capital and liquidity of investments. However, the Council, like any other organisation, can be exposed to financial risk, which is negated as far as possible by the foregoing measures.

**SUMMARY OF LONG TERM BORROWING 1 APRIL - 31 MARCH 2015****Loans Raised During the Period**

Date Raised	Lender	Amount (£m)	Type	Interest rate (%)	Maturity date	No. of years
No Loans were raised during the period						
	<b>Total</b>	0.000				

Average period to maturity (years) 0.00

Average interest rate (%) 0.00

\* Loans taken to restructure \*\* Loans taken for purchases instead of leasing

**Maturity Profile at 31 March 2015**

Year	Amount (£m)					% age		Average rate (%)	
	PWLB	Market Loans (LOBO)		Total					
		Next Call Date	Contracted Maturity	Next Call Date	Contracted Maturity	Next Call Date	Contracted Maturity	Next Call Date	Contracted Maturity
	(A)	(B)	(C)	(A)+(B)	(A)+(C)				
1 to 5 years	46.825	61.000	-	107.825	46.825	30.6	13.3	3.860	3.192
6 to 15 years	91.123	-	-	91.123	91.123	25.9	25.9	3.139	3.139
16 to 25 years	78.500	-	-	78.500	78.500	22.3	22.3	3.928	3.928
26 to 50 years	74.500	-	45.000	74.500	119.500	21.2	34.0	4.497	4.460
Over 50 years	-	-	16.000	-	16.000	-	4.5	-	4.298
Totals	290.948	61.000	61.000	351.948	351.948	100.0	100.0	3.823	3.823

Average period to maturity (years) 15.13 22.28

CIPFAs Guidance Notes on Treasury Management in the Public Services recommends that the Treasury Management Strategy Reports include LOBO (Lender Option Borrower Option) loans at the earliest date on which the lender can require payment, deemed to be the next 'call date'. At that date the lender may choose to increase the interest rate and the borrower (the Council) may accept the new rate or repay the loan (under the current approved Treasury Management Strategy, the Council would repay the loan). Whether or not the lender chooses to exercise their right to alter the interest rate will depend on market conditions (interest rates). Current market conditions, where interest rates are predicted to remain low for some time, indicate that it is highly unlikely that lenders will call the loans in the immediate future.

The alternative method of determining the maturity profile of LOBO loans, based on contracted maturity dates, is used in the 2014-15 year end outturn.

The table above includes the maturity profiles using both the earliest date on which the lender can require payment and the contracted maturity dates.

**SUMMARY OF DEPOSITS 1 APRIL - 31 MARCH 2015****Deposits Outstanding at 31 March 2015**

Borrower	Amount £m	Terms	Interest Rate	Sector Credit Rating at 31/03/2015
DBS Bank Ltd.	8.000	Fixed to 05-May-15	0.65	Orange - 12 Months
Lloyds TSB Bank	5.000	Fixed to 11-Nov-15	1.00	Blue - 12 Months
Nationwide Building Society	7.000	Fixed to 01-Oct-15	0.66	Red - 6 Months
Svenska Handelsbanken AB	0.017	No fixed maturity date	0.45	Orange - 12 Months
BlackRock Money Market Fund	0.021	No fixed maturity date	0.42	AAA
J P Morgan Money Market Fund	0.001	No fixed maturity date	0.42	AAA
Prime Rate Money Market Fund	7.866	No fixed maturity date	0.46	AAA
Goldman Sachs	0.005	No fixed maturity date	0.43	AAA
Ignis Money Market Fund	14.937	No fixed maturity date	0.48	AAA
Landsbanki (Escrow Account)	0.023	Est Recoverable Amount	4.17	N/A
<b>Total</b>	<b>42.870</b>			

Following the sale, in November 2014, of the Council's remaining claim in the winding-up of Landsbanki and the receipt of the last repayment from the administrators of Heritable Bank, the only remaining Icelandic investment now shown as outstanding is the amount (last entry) held in an escrow account in Iceland. The estimated recoverable amounts relating to the Heritable Bank investments are treated as nil, on the basis of current indications, that there may not be any further repayments, a recovery level of 94% having been attained. The last entry reflects the amount paid out in ISK (Icelandic Krona) which is being held in an interest bearing escrow account in Iceland, pending repayment once Icelandic capital controls are eased/come to an end and, as recommended by CIPFA, accounted for as a 'new' investment.

Investments held have decreased by £48.671 million between the end of December 2014 as reported in the previous quarterly report, and the end of March 2015. This is because of changes in cash flows/reversal of timing differences (e.g. decreased receipts/increased payments, particularly those associated with the funding arrangements for Business Rates Retention) and the reduction in cash associated with the £12 million loan maturities (£10 million of which has matured since the previous quarterly report), resulting in a reduction in cash available for investment. The cash position is constantly reviewed to ensure that the Council maintains an appropriate level for cash flow purposes. The timing difference reduced (as expected) as the financial year progressed as shown in the table below.

	Year Ended 31/03/2014 £m	Quarter Ended 30/06/2014 £m	Change £m	Quarter Ended 30/09/2014 £m	Change £m	Quarter Ended 31/12/2014 £m	Change £m	Quarter Ended 31/03/2015 £m	Change £m
<b>Total Deposits Outstanding</b>	<b>76.327</b>	<b>137.719</b>	<b>61.392</b>	<b>105.602</b>	<b>-32.117</b>	<b>91.541</b>	<b>-14.061</b>	<b>42.870</b>	<b>-48.671</b>