

CABINET

EXTRACT FROM THE MINUTES of a MEETING held in KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN on Tuesday, 9 February 2016.

22 Treasury Management Strategy 2016/17

🔑 Councillor Dick Tonge, Cabinet Member for Finance, presented a report which asked Cabinet to consider and recommend that Council approve the Prudential and Treasury Indicators, together with the Treasury Management Strategy for 2016-17. In his presentation, Cllr Tonge highlighted the small number of changes proposed to be made from the previously approved strategy and mentioned the changes made during the year by Cabinet and now incorporated into the strategy.

Resolved

To recommend to Council that it:


- a) **adopt the Prudential and Treasury Indicators (Appendix A) and approve the proposed changes to the additional maturity indicator and Upper Limits on the Maturity Structure of Borrowing, Trl 5 (paragraphs 28 to 31 of Appendix A);**
- b) **adopt the Annual Investment Strategy (Appendix B), including the ratification of the removal of the minimum requirement for high credit quality relating to support ratings (previously in paragraph 28), following the changes to Fitch ratings implemented by them in respect of “bail-in”, as approved, via delegated authority to the Associate Director, Finance, Revenues & Benefits and Pensions;**
- c) **delegate to the Associate Director, Finance, Revenues & Benefits and Pensions the authority to vary the amount of borrowing and other long term liabilities within both the Treasury Indicators for the Authorised Limit and the Operational Boundary;**
- d) **authorise the Associate Director, Finance, Revenues & Benefits and Pensions to agree the restructuring of existing long-term loans where savings are achievable or to enhance the long term portfolio;**
- e) **agree that short term cash surpluses and deficits continue to be managed through temporary loans and deposits; and**
- f) **agree that any surplus cash balances not required to cover borrowing are placed in authorised money-market funds, particularly where this is more cost effective than short term**

deposits and delegate to the Associate Director, Finance, Revenues & Benefits and Pensions the authority to select such funds.

Reason for Decision:

To enable the Council to agree a Treasury Management Strategy for 2016-17 and set Prudential Indicators that comply with statutory guidance and reflect best practice.

23 Wiltshire Council's Financial Plan 2016/17

 The Leader invited Councillor Dick Tonge, Cabinet Member for Finance, to present the Financial Plan and associated reports which detailed the draft proposals for Cabinet's consideration for onward recommendation to the Budget and Council tax setting meeting of Council on 23 February 2016 with a view to setting the Council's budget for 2016/17.

In her introduction, the Leader emphasised the need to find more savings due to changing demand and the reduction in grant funding from Central Government and stressed the importance of economic development and job creation;. The Leader thanked the officers for their work on developing a draft budget that aligned with corporate priorities.

Cllr Tonge, in his presentation, highlighted the detail in the report; that the largest proportion of money was allocated to supporting the most vulnerable in our society; that the budget was focused on protecting front line services that delivered the Business Plan; that it was proposed to increase the Council Tax for the first time in six years; that the Council would look to maximise efficiencies; and that a nationally mandated rent reduction would need to be taken into account.

Cllr Simon Killane, Chair of the Overview & Scrutiny Management Committee, outlined the process by which non-executive Councillors had been involved, and referred to the report of the Committee's meeting on 3 February which had scrutinised the budget proposals.

Cllr Glenis Ansell, Chairman of the Financial Planning Task Group, outlined how major issues would be tracked, including libraries, Adult Social Care and spending on agency workers. She emphasised the importance of building relationships between members of her group and the Cabinet members. The Group had asked for greater clarity with regard to Local Youth Network funding, deposits for those renting and possible reductions in grants to the voluntary sector. The Group would also review, in 6 month's time, the impact of the changes in Council tax to the debt levels.

Cllr Jon Hubbard, Chairman of the Children's Select Committee, clarified that whilst he had been able to comment on the budget, his Committee had not had

a meeting at the appropriate time to contribute to the budget considerations as a committee.

Cllr Tonge in response to an issue raised by Cllr Caswill over what constituted a front line service, clarified that a front-line service was a service used by the public. The Leader added that the Council was being clear to the public that, to enable the continued protection of the vulnerable, some support services had to be cut meaning that, for instance, response times to correspondence would not always be as swift as before.

In response to an issue raised by Cllr Caswill, Michael Hudson, Section 151 Officer, stated that the fees and charges policy agreed by council two years ago set out the process by which fees and charges were set, In relation to apparent significant increases, he added that this was a reflection that charges may not have increased for some time or where fees were set by statute. .

In response to an issue raised by Cllr Caswill, Cllr Laura Mayes stated that Early Years Help referred to support given to children at various ages, not just in early years; and that the family intervention service was being brought completely in house, allowing the Council to make efficiencies in this area and reach more children. This would be achieved through changes in the management of the service rather than reductions in front-line services.

In response to an issue raised by Cllr Caswill, Cllr Stuart Wheeler and Cllr Alison Bucknell stated that managers were being supported to help officers manage stress; that members would continue to monitor the situation.

Corporate Directors Maggie Rae and Carlton Brand highlighted that more emphasis, through the Healthy Workplace Charter, was being placed on staff taking more responsibility for their own health and wellbeing; that staff surveys provided useful monitoring information, with the last staff survey indicating positive results, the monitoring of sickness and stress levels which compared favourably against the average; and that appraisals were a key tool in focusing and prioritising work to reduce stress.

Michael Hudson, Section 151 Officer, stated that he had reviewed the proposals made by different service areas and clarified that plans would be in place to achieve the savings required. Corporate Directors Maggie Rae and Carolyn Godfrey gave examples of where savings could be made that didn't affect staffing levels.

Cllr Caswill stated that he remained concerned that some service reviews may result in some services being stopped, and referenced in his opinion, the decision of the Council to stop providing public toilets.

The Leader stated he was incorrect, and that the Council had never said it would stop providing toilets. The Council was, however, looking to see what

would be the best level of local governance to provide this service which involved discussions with town and parish councils.

Some towns and parishes had expressed an interest in taking on this service in their respective areas. As a result, discussions had been held with towns and parishes on this issue. The results of this discussion would then be considered.

In response to a request from Cllr Hubbard for a transcript of what had been said, the Leader replied that she did not believe that her comments were in conflict with what had been communicated by Wiltshire Council

In response to an issue raised by Cllr Caswill, the Leader reassured members that changes to the Councils policy framework would be subject to public consultation, and consideration by Scrutiny, Cabinet and Council as appropriate.

In response to an issue raised by Cllr Caswill, Cllr Philip Whitehead explained that the Council had piloted the removal of some white-lines for safety reasons, but that it was still the policy to paint white lines on roads where required.

In response to an issue raised by Cllr Gordon King, the Leader confirmed that there had not yet been a detailed announcement about possible changes to the Government Grant. Officers would be asked to provide an update to Members when the matter was clearer.

In response to an issues raised by Cllr Bridget Wayman, Chair of the Environment Select Committee, Cllr Jonathon Seed stated that the flood/drainage budget remained unchanged.

Resolved

To recommend to Council that it:

- a. Endorses the update of the Financial Plan for 2016/17.**
- b. Approve the investment and savings proposals summarised at Sections 7 and 9 respectively of this report and at Appendix 1, to provide a net revenue budget for 2016/17 of £313.585 million.**
- c. To vote separately:**
 - i. To increase Wiltshire Council's element of the Band D Council tax for 2016/17 by 1.99% to £1,246.76, as calculated in accordance with statute, as set out in Section 10 of this report.**
 - ii. To introduce a Social Care Levy of 2% to contribute to funding Adult Care pressures, raising £4.322 million.**

- iii. **To set the Council's total net expenditure budget for 2016/17 at £313.585 million.**
- iv. **To set a 1% reduction for social dwelling rents.**
- v. **To set the Housing Revenue Account (HRA) Budget for 2016/17 as set out at Appendix 1F of this report.**
- vi. **That all other service charges related to the HRA be increased by CPI plus 1%, including garage rents.**
- vii. **To approve the Capital programme proposed at Appendix 1E of this report.**
- viii. **To set the changes in fees and charges set out in detail at Section 8 of and at Appendix 1G of this report.**

Reason for Decision:

To enable Council to:

- Set its revenue, capital, housing revenue accounts, fees and charges, levels of reserves and resultant Council Tax for 2016/17 and to issue Council Tax and rent bills.
- Provide the Council with a strong business and financial plan for sustainable delivery for 2015-17.

<p>These decisions were published on the 15 February 2016 and will come into force on 23 February 2016.</p>

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