

SCHOOLS FORUM

MINUTES OF THE SCHOOLS FORUM MEETING HELD ON 12 JANUARY 2017 AT THE KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN.

Present:

Mr N Baker (Chairman), Mr M Watson (Vice Chairman), Mrs A Bates, Ms M Chilcott, Miss Tracy Cornelius, Mr J Hawkins, Mrs S Jiggins, Mr J Proctor, Mr N Roper, Ms I Sidmouth, Mr S White, Mrs C Williamson and Mr D Wragg

Also Present:

Cllr Richard Gamble

1 Apologies and Changes of Membership

Apologies were received from Rosemary Collard, John Hamp and Amanda Burnside, who sent David Wragg as substitute.

2 Minutes of the previous Meeting

The minutes of the meeting held on Thursday 6th October 2016 were considered.

RESOLVED:

The minutes were agreed and signed as a true and accurate record by the Chairman.

3 Declaration of Interests

Nigel Roper stated that if Growth Funds were to be discussed, his school would benefit from the scheme, although he said that he would approach discussions with an open mind.

Neil Baker also stated that his school would benefit from Growth Funds but said that he would approach discussions with an open mind.

4 Chairman's Announcements

The Chairman thanked the officers for the quick turnaround in the reports following legislative changes at the start of the year.

He also explained that the agenda was extraordinary, in that the reports would be considered and the decisions would be made at the end, under the decisions report, agenda item 12.

5 **Children and Young People's Trust Board Update**

There was no relevant update for the Trust Board.

6 **Budget Monitoring**

Head of Finance Liz Williams gave an update regarding the Budget Monitoring Report.

Specific attention was drawn towards the £0.585 million projected overspend to the overall Schools Budget. A £1.2 million move in spending within the High Needs budget including top up payments was also highlighted, as an increase from the last Budget Monitoring Report in October 2016.

Members were asked to note the contents of the report

RESOLVED:

Members noted the Budget Monitoring Report.

7 **National Funding Formula for Schools 2018-19: Phase II Consultation and High Needs funding formula consultation**

School Strategic Finance Support Manager Grant Davis introduced the report explaining the consultation period and the two- stage process involved, lasting for 14 weeks and ending on 22 March 2017.

The new funding blocks were outlined and attention was drawn towards the new structure of the Dedicated Schools Grant (DSG) to include; Schools Block, High Needs Block, Early Years Block and a new Central Services Block for 2017-18.

The 'soft' formula was explained as the approach to be adopted in 2018-19, with a move to the 'hard' formula of National Funding for 2019-20.

The table at para 15 of the report for National Funding Formula was highlighted as giving an indicative funding oversight as to the overall position for Wiltshire and how it stands to be impacted by the National Funding Formula.

The indicative movements in funding were explained in the paper which showed a small increase in funding under the National Funding Formula for schools and no increase under the proposed High Needs formula. Concerns were expressed at the impact, particularly, with the High Needs due to issues with historical spend and deprivation of the area.

Questions were asked by members regarding the determination of historical spend and criticism was raised over the fact that the data was based on historical spend.

RESOLVED:

Members noted the Funding Formula Report.

8 **Reports from Working Groups**

The Head of Finance Liz Williams introduced the Working Group update reports and asked Members to note the updates.

RESOLVED:

Members noted the update reports from Working Groups.

9 **Exceptional Numbers of Statements (EHCP's) Formula**

Schools Strategic Finance Support Manager Grant Davis explained the report and the targeting of funding towards schools with High Needs.

Attention was drawn to the tables and figures in the report detailing 6 options considered by the Working Groups, for future funding formulas, at para 9 of the report.

The officer explained that it was proposed to keep the current mechanism unchanged with a capped budget at £100,000 for 2016-17 but for options for future years to be brought to a subsequent for members to consider.

RESOLVED:

Members agreed to keep funding formula unchanged for 2016-17 and to cap expenditure at £100,000 with funding for 2017-18 onwards to be determined at later meetings.

10 **School Revenue Funding 2017-18 - Funding Settlement and Budget Setting Process**

The Chairman introduced the Revenue Report, highlighting aspects of significance.

Head of Finance Liz Williams further expanded on the reports, including the clarification of decision making powers, and asked members to note the contents.

A question was asked as to how decisions made by for the High Needs Block would be scrutinised if authority was taken away from Schools Forum. It was clarified that it would be part of the overall budget setting process and would be open to scrutiny via the normal processes, such as, the Overview and Scrutiny teams of the Council.

RESOLVED:

Members noted the content of the Revenue Funding Report.

11 **Update reports on DSG Funding Block**

Head of Finance Liz Williams gave a brief overview of the update reports.

RESOLVED:

Members noted the updates from the DSG Funding Block.

12 **Schools Block- Central Budgets**

Head of Finance Liz Williams explained the report which sought to update Members on issues surrounding the Central Budget and identify the decisions that needed to be made as part of the budget setting process.

Attention was drawn to the decisions table outlining Sections A-D that needed approval.

Technical questions were asked Appendix 4, and specifically regarding the data on monies being spent on looked after children.

Members noted the reports and the identification of eligible and ineligible spend.

RESOLVED:

Determination of this report was deferred until the other reports were heard and for the decisions paper at the end.

13 **Schools Block-Delegated Budget**

Head of Finance Liz Williams introduced the report, highlighting decisions table at para 11. The options for funding pupil led factors in 2017-18 were indicated in Appendix 1 and technical aspects were explained to the Members.

Technical issues were discussed surround de-delegation of maternity costs and funding for additional school improvement funding as outlined in the operational guidance.

Members were advised that the proposal was that the formula would stay the same for 2017-18.

RESOLVED:

Confirmed Lump Sum to remain £85,000 for Primary Schools and £175,000 for secondary schools.

Agreed to retain the quantum for pupil led factors (Deprivation, EAL and Prior Attainment) at 2016-17 levels. Impact will be small change in funding rates per pupil. It was confirmed that the cost of the minimum funding guarantee would continue to be met through the capping of any gains.

Agreed to de-delegate the budget for maternity costs, as in previous years all other de-delegation decisions made at the October meeting confirming delegation of contingency and SIMS licences but all others to remain as in previous years.

14 **High Needs Block**

Head of Finance Liz Williams introduced the report and emphasised the need to reduce the pressure on the High Needs Block.

There was a discussion in relation to the use of any funding released from central schools block in order to support pressures in the high needs block. Questions were asked by Members regarding the allocation of funds and aspects of the report were clarified.

RESOLVED:

Determination of this report was deferred until the other reports were heard and for the decisions paper at the end.

15 **Early Years Block**

Head of Finance Liz Williams introduced the reports and explained the proposed Early Years Single Funding Formula, as a simplified formula.

Questions were asked regarding early years pupil premium. There was a discussion about the proposed 98% pass through of the 3 & 4 year old funding and use of early years block funding to support central Local Authority costs in administering the new entitlement.

RESOLVED:

Determination of this report was deferred until the other reports were heard and for the decisions paper at the end.

16 **Budget 2017- 18: Decision Paper**

As stated by the Chairman in his announcements most of the decisions to be made were deferred until the end of the meeting to be heard in this section.

An updated Decisions Matrix was presented to Members in the meeting. This outlined all the decisions that needed to be deliberated and approved.

The decisions made by Members, based on consideration of the reports and deliberation in the meeting were as follows.

Central Schools Block proposals

1. To approve Line by Line summary, appendix 1 to Central DSG Report. Summarised in Proposed Budget summary.
2. Propose agree eligible expenditure as per table in Appendix 3 Central DSG Report.
3. To be confirmed - SFWG/SEN Group recommendation to consider impact on moving to high needs block to support top up rates and capacity for change.
4. Propose Budget for central copyright licences set at £0.346m.
5. Propose budget for retained ESG duties set at £1.005m as per funding settlement and analysis of costs.
6. No top slice proposed in initial reports.

RESOLVED:

1. **Budgets for Admissions, Schools Forum Support, and Infant Class Size payments agreed as per Appendix 1 to the Central Schools Block Report. Budget for Basic Need Element of Growth fund set at £0.9m and agreed virement between basic need and infant class size elements of growth fund if required during the year. Confirmed previous decision not to implement a Falling Rolls Fund in Wiltshire.**
2. **After considering eligibility and the evidence presented funding was agreed for the following historic commitments: Support for**

Personal Education Plans for Looked After Children (£0.233m). Funding for Child Protection Adviser in Schools (£0.041m). Funding for Prudential Borrowing (£0.3m). Funding for ineligible commitments of £1.7m released for reallocation

3. Agreed to release £1.7m from central schools block for allocation across other funding blocks
4. Noted LA decision to set budget at £0.346m for central copyright licences to reflect cost of licence notified by the Department for Education
5. Agreed budget for centrally retained duties to be set at £1.005m
6. Agreed no funding to be retained centrally from maintained schools to cover former ESG spend

Delegated Schools Block Proposals

1. Propose retain quantum as per 16-17 for pupil led factors
2. No proposal brought to Schools forum to dedelegate funding for additional school improvement.

RESOLVED:

1. **Confirmed Lump Sum to remain £85,000 for Primary Schools and £175,000 for secondary schools. Agreed to retain the quantum for pupil led factors (Deprivation, EAL and Prior Attainment) at 2016-17 levels. Impact will be small change in funding rates per pupil It was confirmed that the cost of the minimum funding guarantee would continue to be met through the capping of any gains. Agreed to de-delegate the budget for maternity costs, as in previous years all other de-delegation decisions made at the October meeting confirming delegation of contingency and licences but all others to remain as in previous years.**
2. **No further de-delegation for additional school improvement costs**

High Needs Block Proposals

1. No change proposed to top up rates however other decisions may change this.
2. Separate paper on exceptional numbers of statements refers. Proposal to leave formula unchanged for 2016-17 but cap at £100k.
3. Recommend High Needs Block to fund cost of speech & language service.
4. Initial proposal no change from 2016-17 values.
5. Propose additional £100k to support addition of University Technical College (UTC) to list of participating schools
6. Proposal for £100k to support development of funding mechanism to support children at key transition points.
7. Propose to move funding of Inclusion Support Fund to Early Years Block.

RESOLVED:

1. **Central spend on high needs provision to be increased with funding reallocated from central schools block. From this: £0.5m to be added to top up budget for mainstream schools. £0.357m to be utilised to continue to fund Inclusion support fund from High Needs**

Block. For remainder proposals to be brought to March meeting based on SEN strategy for consideration and approval.

- 2. Agreed to leave formula for exceptional number of statements unchanged for 2016-17 and to cap expenditure at £100,000.**
- 3. Agreed Therapies budget to be met from High Needs Block.**
- 4. Agreed that £0.5m be added to the top up budget (from the £1.7m reallocation) to increase top up values for mainstream schools by 11% compared with 2016-17.**
- 5. Agreed £0.100m to be added to the alternative provision budget.**
- 6. Not agreed - proposals to be considered at March meeting.**
- 7. Proposal to fund base budget for Inclusion support fund from Early Years Block not agreed.**

Early Years Block Proposals

1. Proposed formula as per EY Block report with supplements for Rurality and Deprivation. Proposed Basic Hourly rate £4.06
2. Proposed ISF £467,300, fully funded from Early Years Block
3. Proposal in Early Years report for 98% pass through to providers.

RESOLVED:

- 1. Wiltshire Early Years Single Funding Formula (EYSFF) agreed. The agreed base rate of funding to providers was set at £4.14 per hour.**
- 2. It was agreed that the increase of £110,000 to the Inclusion Support Fund be funded from the Early Years Block and that the base budget continue to be funded from High Needs Block**
- 3. It was agreed that 98% of 3 & 4 year- old funding would be passed through to providers.**
- 4. It was agreed that the funding rate for two year olds would be set at £5.32 per hour**

17 Confirmation of dates for future meetings

The date of the next meeting was confirmed as Thursday 9th March 2017.

18 Urgent Items

There were no urgent items.

(Duration of meeting: 11.00 am - 4.00 pm)

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SCHOOLS FORUM

MINUTES OF THE SCHOOLS FORUM MEETING HELD ON 6 OCTOBER 2016 AT THE KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN.

Present:

Mr N Baker (Chairman), Mr M Watson (Vice Chairman), Mrs A Bates, Mrs R Collard, Miss Tracy Cornelius, Mr J Hawkins, Mrs S Jiggins, Mr J Proctor, Mr N Roper, Mr S White, Mrs C Williamson and Miss Cathy Shahrokni

Also Present:

37 Apologies and Changes of Membership

Apologies were received from Mrs Chilcott – South Wilts Grammar; and David Whewell – Wiltshire Governors Association, and Amanda Burnside who was substituted by Cathy Sharokni.

38 Minutes of the previous Meeting

The minutes of the meeting held on 15 June 2016 were considered.

Resolved:

That the minutes of the meeting held on the 15 June be approved and signed as a true and correct record.

39 Declaration of Interests

There were no declarations of interest made.

40 Chairman's Announcements

There were no announcements from the Chair.

41 Children and Young People's Trust Board Update

The Service Director for Commissioning and Performance, Department for Children and Education provided a verbal update regarding the Children and Young People's Trust Board.

The meeting noted the update.

42 **Budget Monitoring**

The meeting received a report, circulated as a supplement, which provided budget monitoring information against the Dedicated Schools Grant (DSG) for the financial year 2016/17.

Issues highlighted in the course of the presentation and discussion included: that was a projected £420k underspend against the budget; that the underspend had mainly been in the Early Years budget; and that top up budgets were, broadly, breaking even, but that there was a separate paper on that matter.

Resolved

To note the budget monitoring position at the end of August 2016.

43 **Reports from Working Groups**

Minutes and updates on working groups of the Forum were provided and considered as follows:

43a Report of Meetings of Early Years Reference Group - 16 September 2016

Resolved

To note the minutes of the Early Years Reference Group meeting.

43b Report of School Funding Working Group meetings 5 July and 20 September 2016

The Forum considered the notes and any matters arising.

Resolved

- 1. That Schools Forum notes the minutes of the School Funding Working Group meeting.**
- 2. To agree not to amend the current formula for split site allowances for mainstream schools (paragraph 3)**
- 3. To agree to not allocate a split site allowance from the High Needs Block for Exeter House (paragraph 3)**

4. That in considering proposals for the delegation and de-delegation of budgets to maintained schools, Schools Forum note the recommendations of the School Funding Working Group (paragraph 5)
5. That Wiltshire Council incorporate the School Financial Management Statement in the Wiltshire Scheme for Financing Schools, including it as part of the compliance process (paragraph 6). – agreed as part of discussion in item 11.
6. That in considering the proposal to review ELP guidance, Schools Forum note that the Schools Funding Working Group is in support of the proposal (paragraph 7)

44 **Early years Block 2017-18**

The meeting considered the report that provided an update regarding the DfE proposals for changes to the funding for the free entitlement to childcare for 3 & 4 year olds and the extension to 30 hours of free childcare for children of eligible working parents; and asked the Schools Forum to consider the implications of the proposed changes for the Wiltshire Early Years Single Funding Formula (EYSFF).

Issues highlighted in the course of the presentation and discussion included: that the consultation was out on the 11th August and was required to be submitted by the end of September, so consultation was undertaken with the Early Years Reference Group not the whole Schools Forum; that the overall view was broadly sympathetic in respect of the proposal for a national funding formula but with some specific concerns, highlighted in the report; the main implications for the single forum; that Wiltshire was ahead with regard to some aspects but other actions will need to be taken; the new supplements that can be included in the Formula; the optional supplements that could be offered and the impact on the baseline budget allocation; that the Officers would review the formula taking into account the changes and bring proposals to the EY reference group in November and then bring proposals to Schools Forum in December; and the concerns, expressed by some, that the change in formula could affect the quality of provision.

Resolved

1. To note the report and the response to the DfE consultation.
2. To agree that the Wiltshire EYSFF should be reviewed in the context of the DfE consultation and that proposals will be brought to the December meeting. The outcome of the review will include options for changes to the EYSFF and in relation to the % pass-through of funding.

45 **High Needs Block**

The meeting considered the following items:

45a High Needs Block Update Report

The meeting considered a report, circulated as a supplement, on savings implemented within the 2016-17 high needs budget; and provided an update on placements in Independent Special Schools as requested at the previous meeting.

Issues highlighted in the course of the presentation and discussion included: The comparison of changes in volume and changes in unit cost; the changes in the projected spend, and that the increase is mostly due to volume but also, in part, due to increase in unit cost; the issue of upskilling and providing facilities within mainstream schools; where the more complex needs are more appropriately addressed; and that the Wiltshire college work had been recognised to meet local need.

Resolved

To note the report.

45b High Needs Post 16 Data Analysis and Funding Report

The meeting considered a report on the analysis of activity and spend on the Post- 16 high needs element of the High Needs Block.

Issues highlighted in the course of the presentation and discussion included: that Wiltshire was a high recipient of young people placed from out of the area; that there had been a significant increase in number of post16 high needs learners, but that the total amount of spend has decreased; it was projected that this amount should decrease; the significant improvement in quality all local post 16 provision; that officers had successfully reduced amount of bureaucracy; that a better choice within the County could be offered to Wiltshire families; and the individual decision that had been made, sometimes based on locality choices.

The Chairman thanked the officers for their thorough report.

Resolved

To note this report.

45c High Needs - Exceptional Numbers of Statements Formula

The meeting considered a report which outlined the current formula for funding schools where there is an exceptional number of statements/EHCP's in a school and the associated implications for the High Needs budget, costs, along with proposals for the future funding of this factor. It was noted that the paper had been published as result of the Schools Funding Working Group.

Chair proposed to defer consideration of this report and refer it back to the Working Group to ask them to consider how the report can best reflect the scope of the issue.

Resolved

To defer consideration of the report to December.

45d Proposal to Review Enhanced Learning Provision Guidance

The meeting considered a report that highlighted the on-going pressure on the High Needs Block (HNB) of the Dedicated Schools Grant (DSG). A number of actions have been taken to address this pressure, all have focused on achieving savings and efficiency whilst at the same time achieving parity and fairness in the system and the best possible outcomes for children and young people with special educational needs and/ or disability (SEND).

This paper asked the Schools Forum to support a proposal to review the Enhanced:

- Learning Provision (ELP) Guidance to ensure that it;
- Contributes to the need for financial efficiency
- Is aligned with the reforms set out in the Children and families Act 2014
- Is in accord with the new Wiltshire SEN Banding arrangements

Issues highlighted in the course of the presentation and discussion included: the ongoing pressure, with actions being taken, and how it was hoped to ensure parity and fairness across the system; and how the guidance had changed.

Resolved

To support the proposal that, in order to support the management of the high-needs budget and review some of the discrepancies between secondary and primary funding, the Head of Commissioning and Joint Planning reviews and updates the guidance for ELP to bring it into line with the 2014 Children and Families Act and Wiltshire's new SEND Banding system (the current ELP guidance was last reviewed in 2011).

46 **Schools Block 2017-18**

The meeting considered the report which outlined the key details of the DSG Baseline Funding and the Operational Guidance for Schools Revenue Funding for 2017-18.

Issues highlighted in the course of the presentation and discussion included: budgets for all schools will be submitted in January; that the changes in the baseline funding which would be neutral; that the operational guidance issues this year referred to there being no additional funding; and whether there would be an increase in future funding.

Budget/Service	Proposed Year to Delegate		
	2017-18	2018-19	2019-20
Maternity costs - postponed until Dec 16 Mtg	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Free School Meal Eligibility Service		✓	<input type="checkbox"/>
Licences - SIMS	✓	<input type="checkbox"/>	<input type="checkbox"/>
Licences - HCSS	<input type="checkbox"/>	<input type="checkbox"/>	✓
Subscriptions	✓	<input type="checkbox"/>	<input type="checkbox"/>
Trade Unions facilities costs	<input type="checkbox"/>	<input type="checkbox"/>	✓
School contingency budget	✓	<input type="checkbox"/>	<input type="checkbox"/>
Behaviour Support Services	<input type="checkbox"/>	✓	<input type="checkbox"/>
Travellers Education Service	<input type="checkbox"/>	✓	<input type="checkbox"/>
Ethnic Minority Achievement Service	<input type="checkbox"/>	✓	<input type="checkbox"/>

Resolved

- a) **To approve the criteria for allocating pupil Growth Fund in 2017-18, as per the 2016-17 criteria – agreed**
- b) **To agree that the budget for the Growth Fund is retained at a maximum of £1.00m for 2017-18, as per the 2016-17 baseline figure, confirmed by the EFA – agreed**
- c) **To agree to continue funding schools where there are exceptional premises factors, as in 2016-17 – agreed**
- d) **To consider the proposed services to have the funding delegated or de-delegated and agree the delegation for 2017-18.**
 - i.) **To leave Free Schools Services as de-delegated.**
 - ii.) **Defer Maternity Schools decision for December Forum if figures is there.**
 - iii.) **SIMs delegate,**

47 **Schools Revenue Balances 2015-16**

The meeting considered the report which presented: the position of revenue balances of Wiltshire maintained schools as at 31st March 2016 and identifies those that are in deficit; the analysis of net revenue balances excludes those schools that converted to academy status during the financial year but includes those that converted post 31st March 2016. It was noted that Members had last considered a report on schools' balances and deficits in November 2015, and that in that report the value of surpluses was £10.753 million and 18 schools were in deficit with a total value of £2.27 million.

Issues highlighted in the course of the presentation and discussion included: that historically Wiltshire Council had operated a clawback facility until 13/14; how the DfE had started to challenge schools where they had relatively high surpluses; that a School Finance Statement was made available for all schools to improve their headline budget, making it clear whether they had breached the threshold guidelines for surpluses.

Resolved

That Wiltshire Council incorporate the School Financial Management Statement in the Wiltshire Scheme for Financing Schools, including it as part of the compliance process (*paragraph 6*).

48 **Confirmation of dates for future meetings**

The meeting confirmed the dates of meetings for the remainder of 2016/17, as follows:

- 8 December 2016
- 12 January 2017
- 9 March 2017

49 **Urgent Items**

(Duration of meeting: 1.30 - 3.47 pm)

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DSG Block	Decision Required	Inter-dependencies with other decisions	Proposal	Decision Maker			Decision - noted at meeting
				Local Authority	Schools Forum	DfE	
Overall Budget	Overall Schools Budget	individual decisions for blocks to feed in	Schools Budget to be set at level of DSG Settlement £330.806m	Decides	Proposes		No decision required. Council to set budget at overall level of DSG
	Confirm no LA Top Up			Decides			
Central Schools Block	Ongoing commitments eg Admissions, Growth Fund, Schools Forum support		Line by Line summary, appendix 1 to Central DSG Report. Summarised in Proposed Budget summary Propose as presented in Table	Proposes	Decides for each line	Adjudicates if Schools Forum does not agree LA proposal	Budgets for Admissions, Schools Forum Support, and Infant Class Size payments agreed as per Appendix 1 to the Central Schools Block Report Budget for Basic Need Element of Growth fund set at £0.9m and agreed virement between basic need and infant class size elements of growth fund if required during the year Confirmed previous decision not to implement a Falling Rolls Fund in Wiltshire
	Central spend on historic commitments	will inform any further funding to be delegated if spend is not agreed, is not evidenced or does not meet criteria	Propose agree eligible expenditure as per table in Appendix 3 Central DSG Report	Proposes	Decides for each line	Adjudicates if Schools Forum does not agree LA proposal	After considering eligibility and the evidence presented fundign was agreed for the following historic commitments: Support for Personal Education Plans for Looked After Children (£0.233m) Funding for Child Protection Adviser in Schools (£0.041m) Funding for Prudential Borrowing (£0.3m) Funding for ineligible commitments of £1.7m released for reallocation
	Decision required to reallocate any ineligible historic commitment spend		To be confirmed - SFWG/SEN Group recommendation to consider impact on moving to high needs block to support top up rates and capacity for change	Proposes	Decides for each line	Adjudicates if Schools Forum does not agree LA proposal	Agreed to release £1.7m from central schools block for allocation across other funding blocks
	Central Licences negotiated by Secretary of State		Propose Budget for central copyright licences set at £0.346m	Decides	None	None	Noted LA decision to set budget at £0.346m to reflect cost of licence
	Central Spend on services previously funded by the retained rate of ESG		Propose budget for retained ESG duties set at £1.005m as per funding settlement and analysis of costs	Proposes	Decides for each line	Adjudicates if Schools Forum does not agree LA proposal	Agreed budget to be set at £1.005m
	Central spend on general duties for maintained schools - services previously funded by ESG general duties rate	would be a top slice for maintained school budgets - impacts on delegated budget decision	No top slice proposed in initial reports	Proposes	Decided by maintained school members	Adjudicates if Schools Forum does not agree LA proposal	Agreed no spend to be retained centrally from maintained schools
Schools block - Delegated Budget	Values of pupil led formula factors - Deprivation, EAL, Prior Atainment, etc	Decision on Historic commitments will inform any additional funding to be delegated	Propose retain quantum as per 16-17 for pupil led factors	Proposes and decides	must be consulted	Ensures formula is compliant with regulations	Confirmed Lump Sum to remain £85,000 for Primary Schools and £175,000 for secondary schools Agreed to retain the quantum for pupil led factors (Deprivation, EAL and Prior Attainment) at 2016-17 levels. Impact will be small change in funding rates per pupil It was confirmed that the cost of the minimum funding guarantee would continue to be met through the capping of any gains
		De-delegation - most decisions made, still need to confirm Maternity		Proposes	Primary and Secondary school reps decide	Adjudicates if Schools Forum does not agree LA proposal	Agreed to de-delegate the budget for maternity costs, as in previous years all other de-delegation decisions made at the October meeting confirming delegation of contingency and licences but all others to remain as in previous years.
	Funding for Additonal School Improvement	new guidance allows for funding for "additional" school improvement to be de-delegated from maintained schools	No proposal brought to Schools forum	Proposes	Primary and Secondary school reps decide	Adjudicates if Schools Forum does not agree LA proposal	No further de-delegation for additonal school improvement costs

Schools Forum - January 2017
Decision Matrix for 2017-18 Budget

DSG Block	Decision Required	Inter-dependencies with other decisions	Proposal	Decision Maker			Decision - noted at meeting
High Needs Block	Central spend on High Needs provision		No change proposed to top up rates however other decisions may change this	Decides	none	none	Central spend on high needs provision to be increased with funding reallocated from central schools block. From this: £0.5m to be added to top up budget for mainstream schools £0.357m to be utilised to continue to fund Inclusion support fund from High Needs Block For remainder proposals to be brought to March meeting based on SEN strategy for consideration and approval
	Funding for exceptional numbers of statements		Separate paper on exceptional numbers of statements refers. Proposal to leave formula unchanged for 2016-17 but cap at £100k	Decides	none	none	Agreed to leave formula unchanged for 2016-17 and to cap expenditure at £100,000
	Inclusion of Therapies spend in central high needs budget - moved from ESG	additional pressure on HNB - may require movement from other blocks	Recommend High Needs Block to fund cost of speech & language service	Decides	none	none	Agreed Therapies budget to be met from High Needs Block
	Top Up values for NPAs, ELP, Resource Bases and Special Schools		Initial proposal no change from 201-17 values	Decides	none - but would consult Schools Forum	none	Agreed that £0.5m be added to the top up budget (from the £1.7m reallocation) to increase top up values for mainstream schools by 11% compared with 2016-17
	Funding levels for Alternative Provision		Propose additional £100k to support addition of UTC to list of participating schools	Decides	none - but would consult Schools Forum	none	Agreed £0.100m to be added to the alternative provision budget
	Additional Pressures within high needs block to be funded		Proposal for £100k to support development of funding mechanism to support children at key transition points	Decides	none - but would consult Schools Forum	none	Not agreed - proposals to be considered at March meeting
	Savings proposals to meet shortfall in high needs block		Propose to move funding of Inclusion Support Fund to Early Years Block	Decides	none - but would consult Schools Forum	none	Proposal to fund base budget for Inclusion support fund from Early Years Block not agreed
Early Years Block	Agree Wiltshire formula - including supplements to be applied		Proposed formula as per EY Block report with supplements for Rurality and Deprivation. Proposed Basic Hourly rate £4.06	Proposes and decides	must be consulted		Wiltshire Early Years Single Funding Formula (EYSFF) agreed. The agreed base rate of funding to providers was set at £4.14 per hour
	Level of Inclusion Support Fund and how funded	High Needs Block options	Proposed ISF £467,300, fully funded from Early Years Block				It was agreed that the increase of £110,000 to the Inclusion Support Fund be funded from the Early Years Block and that the base budget continue to be funded from High Needs Block
	% Pass Through to settings	impacts on potential top slice for schools	Proposal in Early Years report for 98% pass through	Proposes and decides	must be consulted		It was agreed that 98% of 3 & 4 year old funding would be passed through to providers.
	Hourly rate for free entitlement for 2 year olds			Proposes and decides	must be consulted		Agreed rate to be set at £5.32 per hour in line with funding allocation

Principles that have guided Schools Forum decisions in previous years:

- 1 Money should follow the pupil
- 2 Decisions should maximise the funding allocated to all pupils where possible
- 3 Support local specialist provision
- 4 Maintain relativities between phases (Primary/Secondary) in formula factors
- 5 Minimise the numbers of Schools on Minimum Funding Guarantee (MFG)

MINUTES OF WILTSHIRE COUNCIL'S HOUSING BOARD

HELD ON MONDAY 30 JANUARY 2017

**AT 1.00 PM IN THE BOARD ROOM, SALISBURY CHURCHFIELDS DEPOT,
STEPHENSON'S ROAD, SALISBURY, WILTSHIRE, SP2 7NP**

Present:

Board Members: Councillor Richard Clewer (Chairman)

Robert Chapman

Cindy Creasy

Jacqui Evans

Lorraine Le-Gate

Councillor Ian Tomes

Councillor Fred Westmoreland

Guests: None

**Council Officers: Janet O'Brien (Head of Housing – Strategy and Assets),
Nicole Smith (Head of Housing – Operations and People),
Leanne Sykes (Head of Finance – ENV), Ian Seeckts
(Governance and Scrutiny Officer)**

**Apologies: Angela Britten (Tenant Member, WCHB), James Cawley
(Associate Director – Adult Care Commissioning, Safeguarding
and Housing)**

Private Session

1. Welcome, housekeeping and apologies

The Chairman welcomed all to the meeting, noted apologies received and confirmed there were no planned fire drills.

2. Minutes of AGM and Previous Meeting both held on Monday 28 November 2016

The minutes were agreed.

3. Matters Arising

Members noted that the spreadsheet circulated as an appendix to Report 2, was to be treated as the graphical illustration of the work-streams.

The Chairman informed members that Emma Powell (former Tenant Member, WCHB) has stepped down from the Board in order to concentrate on an alternative element of her career. As a review of the Board is due and appointments to the Board are tied to the local government election cycle, it is appropriate to leave the post vacant until the review has been completed and local government elections have been held later this year.

4. Key Performance Indicators 2016/17 Q2 and Q3

The Head of Housing – Strategy and Assets and the Head of Housing – Operations and People introduced the report, reminded members that the focus was on both Q2 and Q3 2016/17, and highlighted the positive actions which have been undertaken by the service.

Board members questioned the 'Percentage of dwellings that meet the decent homes standard', noted that in Q1 it was red and had then fallen in both Q2 and Q3; the Board sought assurance that the trajectory would change. Officers articulated that the data cleansing exercise was ongoing and that a property may show as not meeting the standard at the time that the internal system expects a component to be renewed. In some cases, components have been renewed but the records have not been updated because officers have focused more on ensuring work is completed and less on administrative requirements. A desire to complete the work first was seen as understandable however this can have an unfortunate impact on the KPIs, leading the service to present figures which may suggest performance is below the true level. A categorical assurance cannot be given that the KPI will improve in Q4, however the service takes the view that this would not automatically suggest service provision is deteriorating. Board members noted that Planned Maintenance now has the correct cohort of officers and that a concerted effort is being made to ensure accurate data is recorded and that KPIs reflect the true service provided. Members reminded the service that the decent homes target is 100%.

Voids times were not progressing as the Board had anticipated and noted that a new officer is now in place and will be focusing on this issue; it is expected that future average re-let times will be reduced. Historic voids are challenging, particularly sheltered housing voids, although members were reminded that the figures only relate to those properties which were void and have now been re-let, thereby enabling the period between those 2 dates to be measured, as per the KPI. The figures were confirmed as not including all outstanding voids. The service has a group in place which focuses on voids and re-letting properties. Asbestos can be considered as major work and a large proportion of our stock does have asbestos; that said, the service does not always remove it (for example, if it is not disturbed), which has been a recent change in policy to align the service with a HouseMark measure and this should lead to a reduction in average re-let times. Participants considered the high level of properties requiring major works as being of concern.

Board members welcomed the figures presented around rents, new tenants visited, anti-social behaviour and repairs. For the latter, the Head of Housing – Strategy and Assets provided additional performance figures; members noted that the DLO is outperforming MD on all measures; on some measures, the DLO is on a par with other contractors. The MD contract has a minimum volume requirement of £1 million and ends in March 2018; it currently receives a volume of around £1.5 million. A higher volume of responsive repairs work is assigned to the DLO compared to MD, at this time. Members were supportive of the DLO and took the view that the tenants experience is very different, depending on whether they receive a service from MD or the DLO. The service confirmed that MD performs all void works and members considered whether a correlation existed with the KPI void figures. Members took the view that a broad balance between ‘emergency’ and ‘urgent’ repairs was unusual and may reflect on how the telephony team categorises the repairs.

Only 1 satisfaction survey being received in Q3 for the ‘Percentage of new tenants satisfied with the lettings service overall’ was compared with the 69 re-lets in Q3. Members considered the appropriateness of combining the satisfaction survey with the 6 week visit. The Head of Housing – Operations and People is working with the Tenancy Services Manager to increase the rate of returns.

A Board member who provided apologies had also provided the Chairman with a number of points to be raised. These were raised throughout this item.

The Chairman thanked the Head of Housing – Strategy and Assets and the Head of Housing – Operations and People, and the Board agreed the following:

In respect of the ‘Percentage of dwellings that meet the decent homes standard’, for the Head of Housing – Assets and Strategy:

- **To confirm, with the Contracts Manager, the level of impact internal system data accuracy and report runtimes have on the KPI.**

- To confirm, by the next Board meeting, when the KPI will provide an accurate reflection of the service.

To receive a paper on void properties which will include the length of time that the property has been void and a description of the work that is required.

5. Housing Revenue Account (HRA) Business Plan and New HRA Model

The Head of Finance – ENV gave a presentation on the financial position of the HRA up to 2016/17 Q3. The Revenue Budget and the Capital Budget are both forecast to be online. Referring to the latter, it was highlighted that the Planned and Cyclical Repairs and Maintenance budget for 2016/17 was £12.1 million, that the actual spend to date is just under £7.3 million and the forecast total spend for the year is in line with the budget. The Council House Build Programme HRA Contribution budget for 2016/17 was £11 million, the actual spend to date is £4.65 million and the forecast total spend for the year is £8 million.

Discussing the proposed budget for 2017/18, members noted that:

- The rent reduction of 1% per annum had reduced the Rental Income Budget by £0.366 million.
- Increasing garage rents would increase the Rental Income Budget by £0.006 million.
- That the total reduction to the Rental Income Budget for 2017/18 was £0.359 million.
- Increasing service charges would increase the Income Budget by £0.016 million.
- There was an allowance for 1% pay inflation of £0.040 million.
- The amount Returned to Revenue Reserve would be reduced by £0.383 million, from £0.975 million to £0.592 million.

Participants also referred to the previously circulated Report 3.

The Head of Finance – ENV displayed the new HRA model and discussed the underlying presumptions, contained on different spreadsheets within the model, which in turn informed the 4 primary graphs displayed on the front summary sheet. Having populated the model, the consultants will also be providing a 'critical friend' commentary to the service. The service expects to use more cash in the new model and the debt repayment profile has altered. Previously, the service anticipated that debt would reduce over the years to settle at £4 million however this is now anticipated to be around £90 million. The capital maintenance programme has increased and assumptions around 1% increases and CPI are included in the model.

Members considered that some economic indicators have been less reliable than many had hoped for. The Chairman questioned if data had been sourced from the Economist Intelligence Unit; the service was unsure of the exact source that the consultants had used.

Board members took the view that re-borrowing may be necessary, in order to meet the Board's current position of repaying debt, and that this would be at a higher rate, given interest rates are expected to rise. Members noted the need to have a buffer in order to adequately protect the HRA from any adverse shocks. Comparisons with comparable local authorities could be advantageous and members considered the 'average spend per property' as being a potential area to look into, as well as actual spending on new build, repairs and other service areas.

The Head of Housing – Strategy and Assets discussed her appendix to report 2 and explained the different components. Board members were reminded that the different years' figures in the appendix are computed in the present value; this is to aid understanding of the spending profile, rather than risking figures rising with inflation as being seen as increased spend which would increase delivery. When the HRA model takes this information into account, inflation is incorporated so as to give the most reliable overview possible.

Participants discussed each of the component categories and were reminded that these were assumptions around continuing with the programme as planned; altering the priorities of the service would require amending the model and determining if the outcome was acceptable. Remodelling of the Friary for instance is not currently included, although replacing flat roofs with pitched roofs was included. Members noted the need to carefully consider cost implications if changes were to be made and that this may necessitate making efficiency savings, reducing spending in other areas or increasing borrowing.

Environmental matters may be included in the new Wiltshire Home Standard and members were aware that whilst landscaping and parking are important, these must be balanced with other residents' priorities. Current plans include ensuring all properties meet the Decent Homes Standard.

The Board considered that if an acceptable debt level were to be determined by Cabinet, then it may become necessary to remove items of expenditure; additionally, members noted whilst the 1% per annum rent cut is due to expire after 4 years, at which time rents are projected to commence on an upward trajectory again, this may be incorrect, as central Government may amend its current policy. For some members, projecting forward 20 years may suggest that the debt level could become onerous or burdensome; for others, the debt was seen as manageable and could be serviced. Over that same period, it may become necessary to invest in roads (which are not currently programmed into the new HRA model), given they are not the responsibility of the Highways department (General Fund) and were unlikely to be

adopted by the Highways department without prior significant HRA investment; the Chairman articulated that his understanding was that even with such investment, it was unlikely that the Highways department would adopt the roads and that they would remain the financial responsibility of the HRA.

It was important to members that they take a fair and balanced approach to all financial matters; for some members, the immediacy of the challenge was more pressing and for others the matter was less intense and could be adequately managed. Understanding the political will of both central and local government was important, especially around whether central government has a desire for councils to be building and the speed at which the local authority wants to reduce HRA debt. Asset sweating was considered alongside the appropriate level of future building projects.

Current plans around front loading maintenance works are with a view to reducing overall maintenance spending in the future. Value testing was supported as was creating new revenue streams; affordable and market-rent housing were discussed and both have implications in terms of the expected level of service. Where efficiency savings are achieved, ensuring that a current programme is not undermined is vital. Creating a pot of monies to be used by a community may be helpful however it must not be allowed to unduly raise expectations. Adjusting timescales and avoiding replacing components before it is necessary, should be considered.

The stock condition survey is being conducted by an external consultant although this could be done in-house; this is thought to not be a statutory requirement. Of our stock, between 7% and 8% become void each year and there will likely be movement toward fixed term tenancies although guidance is awaited; encouraging tenants who have spare bedrooms to downsize can be included. The rationale around disposing of stock for which the service incurs high repair and maintenance costs should also be considered by the Board. A small element of the sheltered housing service charge is ineligible for housing benefit purposes.

Reports to Cabinet, on this item, will be presented to WCHB first, most likely in summer 2017.

A Board member who provided apologies had also provided the Chairman with a number of points to be raised. These were raised throughout this item.

The Chairman thanked the Head of Finance – ENV, the Head of Housing – Strategy and Assets, and the Head of Housing – Operations and People, and the Board agreed the following:

For the Head of Finance – ENV to establish the source of the data used.

For the Head of Finance – ENV to request the consultants’ ‘critical friend’ commentary include reference to and benchmarking against comparable local authorities.

For the Head of Finance – ENV, the Head of Housing – Strategy and Assets, and the Head of Housing – Operations and People, to present a report detailing which areas of spending are not currently included in the new HRA model, alongside indicative cost implications.

For the Head of Finance – ENV and the Head of Housing – Strategy and Assets to present a paper detailing options around building, including the implications on the HRA of delaying and/or pausing the building programme.

For the Head of Housing – Operations and People to present a report about fixed term tenancies to the Board, once guidance has been received.

6. Building Maintenance Contract Procurement Update

Giving a verbal update, the Chairman articulated that the sub-group had met with the service prior to Christmas 2016 and had been provided with a breakdown consisting of 97 elements. The sub-group considered which elements of the service could and should be included in the procurement exercise.

A discussion with Cabinet is required around the structure to fully appreciate their viewpoint in respect of the available options.

Some members expressed concern around the timeframe and were sceptical that the work would be completed by March 2018, particularly given that council elections are due later this year. The service reassured members that it was confident the timeframe would be met. The item is on Cabinet’s agenda for 14 March 2017.

The next meeting of the sub-group is set for 1 February 2017.

The Chairman moved to the next item, with the Board’s agreement.

7. WCHB Forward Plan

The Chairman articulated that all matters had been covered throughout the meeting and that new items mentioned throughout their discussions should be inserted below the appropriate dates on the Forward Plan, especially the HRA Business Plan for the Board’s next meeting on 27 March 2017.

Work Plan item 7 (Asset Management Strategy (AMS) – Outcomes of the Consultation) and item 8 (Effects of Welfare Reform on Wiltshire Council Tenants) would both be postponed.

Item 10 (Asset Management Strategy (AMS) – Update and Asset Review Outcomes) would remain on the agenda.

All other items were unaffected.

The Chairman moved to the next item, with the Board's agreement.

8. Right to Buy – Audit Report

Presenting the report, the Head of Housing – Operations and People highlighted the positive tone and articulated that she had thanked the team for their hard work and praised the level of service provided to residents.

Members complemented the service on the review of their 'Right to Buy' services and included comments from a Board member who provided apologies.

Whilst the council's website was upgraded around 2 months ago, some members took the view that more could be done to provide a smooth user experience, particularly around the search function. The website was noted as being a corporate matter. In relation to policy changes from May 2015, it was expected that these would be accurately reflected on the website.

The Chairman thanked the Head of Housing – Operations and People and the Board agreed the following:

For the Head of Housing – Operations and People to investigate whether an updated 'Right to Buy' leaflet is available online.

9. Any other business

Jacqui Evans (Independent Member, WCHB) has commenced a new appointment with East Hampshire District Council and was congratulated by the Board and the service. The appointment does not include working on Monday's, which is the day of WCHB meetings.

The Chairman moved to the next item, with the Board's agreement.

10. Date of Next Meeting

Members noted the next meeting is on Monday 27 March 2017, it is to be held in the Board Room at the Salisbury Churchfields Depot and it is due to start at 1pm.

The meeting ended at 2.50pm.

Wiltshire Council

Overview and Scrutiny Management Committee

1 February 2017

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

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

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

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

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

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

Cllr Glenis Ansell, Chairman of the Financial Planning Task Group

Report author: Henry Powell, Senior Scrutiny Officer, 01225 718052,
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OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE

MINUTES OF THE OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE MEETING HELD ON 1 FEBRUARY 2017 AT THE KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN.

Present:

Cllr Chuck Berry, Cllr Christine Crisp, Cllr Howard Greenman, Cllr Alan Hill (Vice Chairman), Cllr Jon Hubbard, Cllr Simon Killane (Chairman), Cllr Gordon King, Cllr Jacqui Lay, Cllr Stephen Oldrieve, Cllr Tony Trotman and Cllr Bridget Wayman

Also Present:

Cllr Laura Mayes, Cllr Fleur de Rhé-Philipe, Cllr Baroness Scott of Bybrook OBE, Cllr Jonathon Seed, Cllr Toby Sturgis, Cllr John Thomson, Cllr Dick Tonge, Cllr Stuart Wheeler and Cllr Philip Whitehead

12 **Apologies**

Apologies were received from Councillors Glenis Ansell, Stuart Dobson and John Walsh.

13 **Declarations of Interest**

There were no declarations.

14 **Chairman's Announcements**

It was stated that the meeting would be live broadcast and recorded.

15 **Public Participation**

There were no questions or statements submitted.

16 **Date of Next Meeting**

The date of the next meeting was confirmed as 14 February 2017 at 1100 at Monkton Park, Chippenham.

17 **Procedure of Meeting**

The procedure for the meeting was noted.

18 **Wiltshire Council's Financial Plan Update 2017/18**

The draft Wiltshire Council Financial Plan Update for 2017/18 was presented by Councillor Richard Tonge, Cabinet Member for Finance, and Michael Hudson, Associate Director of Finance, ahead of its submission to Cabinet on 7 February and Full Council on 21 February 2016.

It was noted that Council on 18 October 2016 had approved a Medium Term Financial Plan and Efficiency Statement 2017-2020, an agreement with central government to secure details of four years of funding settlements, with the council committing to specific efficiency targets. The Committee had considered details of that plan on 10 October 2016, which included assumptions of 1.99% annual rise in Council Tax and 2% Social Care Levy. The proposals for 2017/18 were considered within the framework previously agreed, though since the agreement it had been stated councils could bring forward an additional 1% increase in the Social Care Levy, which it was proposed be accepted.

Details of the income and proposed expenditure were provided. It was confirmed under the proposals the council would set a balanced budget. A report from the Financial Planning Task Group was also received and considered.

The Committee, along with other members in attendance including all members of the Executive, discussed the proposed budget, and clarification was sought on many issues from the attending Cabinet Members and Corporate Leadership Team, with details contained in the report as appended to these minutes. Particular focus was given to service budget proposals, how proposed savings would be achieved, impacts upon staffing levels, community grants and adult social care along with other topics as detailed in the appended report.

At the conclusion of discussion, it was,

Resolved:

- a) **To thank the Financial Planning Task Group for its report and for its work throughout the year monitoring and scrutinising the finances of the council; and,**
- b) **To note that the process for scrutiny of the budget had been robust and added value.**

19 **Urgent Items**

There were no urgent items.

(Duration of meeting: 10.30 am - 12.45 pm)

The Officer who has produced these minutes is Kieran Elliott (Senior Democratic Services Officer) of Democratic Services, direct line (01225) 718504, e-mail kieran.elliott@wiltshire.gov.uk

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Wiltshire Council

APPENDIX to the Minutes of 1 February 2017

Cabinet 7 February 2016

Council 21 February 2016

Special Meeting of the Overview and Scrutiny Management Committee Report on the Draft 2017/18 Financial Plan

Purpose of report

1. To report to Cabinet and Full Council a summary of the main issues discussed at the special meeting of the Overview and Scrutiny Management Committee held on 1 February 2016.

Background

2. The special meeting of the Overview and Scrutiny Management Committee provided an opportunity for non-executive councillors to question the Cabinet Member for Finance and the Associate Director for Finance on the draft 2017/18 Financial Plan before it is considered at Cabinet on 7 February 2017 and Full Council on 21 February 2017.
3. The Cabinet Member for Finance, supported by the Associate Director of Finance, was in attendance along with the Leader of the Council and all members of the Executive and the Corporate Leadership Team to provide clarification and answers to issues and queries raised by the Committee.
4. In addition to the draft Financial Plan available on the website a briefing from the Cabinet Member for Finance open to all members was held on 24 January 2017.
5. Details had included:
 - Council Tax to be increased by 1.99%, plus a 3% Social Care Levy, a 1% increase from the Medium Term Financial Plan approved by Council on 18 October 2016.
 - The continuing reductions in grant funding from central government, being a further 17.6% reduction for the next financial year.
 - Increases in investment to protect vulnerable children and adults, and investing in the environment and roads.
 - Details of service changes required to achieve the £13.331m savings proposed.

Main issues raised during questioning and debate

6. The Chairman invited the Chairmen of the Select Committees to lead off discussion, with a focus on budget proposals and their implications for services relating to those committees, before opening to general queries.

Financial Planning Task Group

7. The report of the Task Group on the proposals was received and noted, in addition to thanks to its members for their work monitoring and scrutinising the council's finances throughout the year.
8. The report would be forwarded for attention at Cabinet and Full Council along with the report of the Management Committee itself.

Environment Select Committee

9. In relation to the council's key actions within its business plan details were sought on highways investment, and in response it was confirmed that while Wiltshire was due to receive £2.946m of the National Productivity Investment Capital Fund aimed to reduce congestion at key locations and improve maintenance of local highway assets, the conditions around using the grant had not yet been clarified.
10. Details were sought on proposed efficiencies in services including Leisure, Parking provision and Planning consultation in respect of town and parish councils.
11. The £1.003m savings required under Waste services was discussed, with a suggestion the Environment Select Committee might need to consider further scrutiny to monitor the changes proposed.
12. In response to queries on reviewing the model for community support it was stated the review would include the management structure for area boards, and details were sought on the proposed £0.400m savings through a review of Voluntary Community Social Enterprise (VCSE) partnership arrangements and whether there would be reductions to payments to all partners. The Cabinet Member agreed to provide a list of VCSE groups along with details of current arrangements and proposed reductions for each.
13. Other topics discussed included the reduction in the subsidy for councillor ICT provision, details of the Housing Revenue Account (HRA) and that no funds being allocated for carbon reduction.

Children's Select Committee

14. The Committee discussed the increasing pressures regarding children with special educational needs and adults with learning disabilities, in part from new statutory requirements for the 18-25 age group. £1.000m of the increased pressures related to children transitioning into Adult Care. It was reported that when a young person transferred from children's to adults' services their funding moved with them and there was consequently a need to ensure the Children's services budget was not disadvantaged.
15. It was noted that a lot of work had been undertaken on the council's School Improvement Strategy, and that £0.500m was being invested to support this Strategy.

16. Details were sought on budgets for Safeguarding and Early Help services with the intention to record internal meetings electronically rather than recruit dedicated minute-taking staff to save £0.100m.
17. In response to queries it was stated details would be provided to members on the number of local authority schools which would be running deficit budgets for the next financial year.
18. It was confirmed that the £0.050m total reduction in area board youth funding would apply to all area boards, not only those which had not utilised their full previous allocation of youth funding.
19. It was also stated by the chair of Children's Select Committee that figures showing young people's engagement with area board-funded youth activities could not be directly compared with previous years as the methodology for calculating these had changed.

Health Select Committee

20. The increasing pressures on Adult Social Care was discussed, with the 6% increase in investment noted. Details were sought of the £1.510m of savings that would still be required, with a focus on preventative work to reduce demand and changes to working practices. It was noted that a significant amount of the growth in investment related to the effect of the National Living Wage on adult services contracts.
21. The £1.000m of savings identified from a review of the Learning Disabilities service for adults was highlighted and it was suggested that the Health Select Committee might monitor the review and any impact upon this group.
22. Further details were also sought on the review of services in Public Health and Public Protection, and the £0.175m of savings identified across that service identified.

General Enquiries and Observations

23. Other issues discussed included clarifying the number of staff posts that were likely to be removed under the Financial Plan, approximately 200. It was confirmed some had already been identified within service budgets while others remained to be identified, and it was hoped that removing vacant posts would minimise the need for redundancies.
24. Details were also sought on the number of apprenticeships at the council, approximately 30, and efforts to increase this, as well as assessment of the use of dedicated reserve funding and health and wellbeing centre funding allocations. It was confirmed that potential movements in the rate of inflation and the impact of central government's reform of National Non-Domestic Rates (NNDR) presented a level of financial risk, as set out in the General Fund Reserve Risk Assessment.
25. At the conclusion of the debate it was resolved that the budget scrutiny process had been robust, in-depth and had added value to the draft budget proposals.

Proposal

26. That Cabinet and Council take into account the comments from the Overview and Scrutiny Management Committee in considering the update to the Financial Plan 2017/18.

Councillor Simon Killane
Chairman of the Overview and Scrutiny Management Committee

Report Author: Kieran Elliott, Senior Democratic Services Officer, 01225 718504 or kieran.elliott@wiltshire.gov.uk

6 February 2017

NOTES OF THE GROUP LEADERS MEETING WITH TRADE UNION REPRESENTATIVES MEETING HELD ON 3 FEBRUARY 2017 AT THE SALISBURY ROOM - COUNTY HALL, TROWBRIDGE.

Councillors:

Councillor Baroness Scott of Bybrook OBE, Leader of the Council, Conservative Group Leader
Councillor Glenis Ansell, Liberal Democratic Group Leader
Councillor Ricky Rogers, Labour Group Leader
Councillor John Thomson, Deputy Leader of the Council
Councillor Richard Tonge, Cabinet Member for Finance

Union Representatives:

John Drake, UNISON
Gavin Brooks, UNISON
Carole Vallyelly, GMB
John Hawkins, ATL
Alan Tomala, UNITE
Mike Leigh, NASUWT

Officers:

Dr Carlton Brand, Corporate Director
Carolyn Godfrey, Corporate Director
Michael Hudson, Associate Director - Finance
Barry Pirie, Associate Director - People and Business Services
Joanne Pitt, Head of Service - Human Resources Services
Robin Townsend, Associate Director, Corporate Function and Procurement and Systems Thinking
Kieran Elliott, Senior Democratic Services Officer

1 **Welcome and Introductions**

The welcomes all those present to the meeting.

2 **Apologies**

Apologies had been received from Sue Dawson of the ATL.

3 **Notes of the Last Meeting**

The notes of the meeting held on 4 February 2016 were noted.

Wiltshire Council Financial Plan Update 2017/18

The Leader introduced the budget proposals ([available online](#)), noting in particular the increased demand on adults and children's social care, as well as continuing decreases in government funding, therefore requiring both increases in council raised funding and further savings and efficiencies. It was stated the council was continuing with other authorities to lobby the government on recognising the pressures of rurality and older populations that were particularly relevant in Wiltshire, when it would introduce its new formula for the realignment for non-domestic rates between local government authorities.

The Leader also drew attention to the fact the council had already approved a four year funding settlement with the government on 18 October 2016 in order to gain more financial stability and enable better forward planning, but that since that agreement councils had been offered the opportunity to impose a 3% social care levy for 2 years rather than 2% each year over three years, and it was the intention of her proposal to take up the offer.

Cllr Richard Tonge, Cabinet Member for Finance, also made comments in relation to the proposed financial plan, stating the proposal to increase the social care levy had met with a muted reaction, as people were aware of the immense pressures on social care. He discussed the proposed £13.331m savings and efficiencies that would be required under the plan, and that while approximately 200 posts would be removed, it was hoped there would be no or few compulsory redundancies necessary.

The Trade Union representatives present were then given the opportunity to raise any questions or issues they had with the elected representatives and senior council officers.

During the course of the discussions, a number of textual errors in the budget documents were noted, including reference to the government apprenticeship levy, which applies to **xxxxxxxxxx** rather than to organisations with more than 3000 employees as stated, and that following negotiation with the Trade Unions a pay increment freeze would remain in place for at least one more year, not a pay increment as stated. These and any other corrections would be listed with updated publication of the financial plan and associated budget documents.

The level of post reductions was discussed at length, with details sought on which services would be affected, and when such reductions needed to be confirmed from vacancies and turnover before actual redundancies were required. It was stated the situation would be monitored throughout the year but particularly in the first six months of the financial year, and that some posts had already been identified in the budget book as some services such as Waste and Highways following restructures were carrying vacancies that could be removed already, with around 120 posts still to be identified. Critical areas such as Children's social care would not be required to reduce posts. It was also highlighted that all councils were facing increasing pressures due to rising demand and reduced government funding, and it was important to assist the private sector to thrive in order to ensure the reduction in public sector jobs did

not reduce employment levels, and that the situation was not as severe in Wiltshire as some areas.

It was noted that despite increased investment significant savings were still needed in social care, and the difficulties in recruitment and supporting care workers was discussed. It was stated that Wiltshire was the second highest payer for social care in the south west, but that unions and the council had to work together, to support workers and encourage employers respectively. Savings would continue to be identified through systems thinking review to improve administration processes and duplications.

The meeting also discussed the impact on the infrastructure and services county due to the transfer of thousands of military personnel to Wiltshire. The Military Civilian Integration Partnership working between the council, Defence infrastructure Organisation, army and other partners was highlighted, with years of improved cooperation to share information to prepare services adequately and improve community engagement for returning personnel. The first tranche of military personnel had been transferred in July 2016 and had been successful other than a shortage of dentists, which was being addressed, and a LGA Peer Review had concluded the work between the council and its partners was effective and successful.

In response to queries on staff morale and overworking it was stated a recent staff survey had identified several key concerns and that the Corporate Leadership Team was receiving a report on the outcomes in order to identify what could be done to assist staff.

Details were also sought on nursery business rates, which it was stated was a issue to lobby nationally to make them exempt, the minimum revenue position which was in the process of review, confirmation no monies were being withdrawn from general reserves, waste contract efficiency savings and that the final settlement from government would not come until after 20 February 2017.

The meeting also discussed the recent news story that BoeingUK had chosen the site at MOD Boscombe Down for a new servicing and manufacturing centre, with 1500 jobs to be based at the site. It was not anticipated that the site would be operational until at least 2020/21, although there would be construction and infrastructure work before then, and it was not yet known what proportion of the jobs might be support services.

The Leader thanked the representatives of the Trade Unions for attending and for sharing their views on the proposed financial plan.

(Duration of meeting: 9.30 - 10.30 am)

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