

NOTES OF MEETING

Meeting: Group Leaders Meeting with Trade Union Representatives
Place: Lacock Room, County Hall, Trowbridge
Date: Thursday, 6 February 2014

In attendance:

Councillors:

Councillor Jane Scott, Leader of the Council, Conservative Group Leader
Councillor Jon Hubbard, Liberal Democrat Group Leader
Councillor Ricky Rogers, Labour Group Leader
Councillor Russell Hawker (Independent Group representative)
Councillor John Thomson, Deputy Leader of the Council & Cabinet Member for
Highways, Streetscene and Broadband
Councillor Dick Tonge, Cabinet member for Finance, Performance, Risk,
Procurement and Welfare Reform,

Union Representatives:

Mike Osment, UNISON
Alan Tomala, UNITE
Jennifer Allen, UNISON
Gavin Brooks, UNISON
Ian Scott, ATL

Officers:

Dr Carlton Brand, Corporate Director
Maggie Rae, Corporate Director
Michael Hudson, Associate Director - Finance
Barry Pirie, Associate Director - People and Business Services
Paul Loach, Head of Service - Human Resources Operations
Yamina Rhouati, Democratic Governance Manager

Apologies

David Nicholson, ASCL
Marion Gatrell, VOICE
Mike Harrison
John Hawkins

NOTES

1. **Welcome and Introductions**

The Leader welcomed all those present to the meeting who in turn introduced themselves.

2. **Notes of last meeting**

The notes of the last meeting held on 6 February 2013 were received and noted.

3. **Wiltshire Council's Financial Plan Update 2014/15**

The Leader explained the timeline for consideration and approval of the Budget. A special meeting of the Overview and Scrutiny Management Committee had the previous day (5 February) considered the budget. Cabinet would be considering the Budget at its meeting on 11 February taking into account consultation responses, views from Scrutiny and this meeting. Cabinet would make its recommendations on the budget and council tax to the Budget Setting meeting of full Council when it meets on 25 February. The Leader referred to the Budget consultation event taking place on 10 February in the Atrium when it was hoped to engage with all sectors of the community, young and old as well as the business community. The outcome from People's Voice would also be taken into account.

The Leader asked Cllr Dick Tonge and Michael Hudson to give an overview of the budget, following which, questions would be invited.

Cllr Tonge explained that the Council was on course to have a balanced 2013/14 budget of £340 million. Cllr Tonge guided the meeting through the proposed Financial Plan and Budget book for 2014/15. The proposed budget stood at £333.063 million. It was noted that setting the budget was becoming an increasingly challenging process in the face of continued reductions in Government funding set against increased demands for services particularly in the areas of children and adult care services.

Cllr Tonge identified areas where additional monies would be spent to meet demand namely the maintenance of roads, older people and adult social care and affordable housing.

The proposed budget included savings from services of £25.540 million. Every effort had been made to optimise efficiency savings internally to deliver the Council's Business Plan, minimise the impact on the public and maintain a zero increase in council tax.

Michael Hudson explained the key points of the proposed budget emphasising that the Financial Plan was geared around delivering the key

actions from the Business Plan.

A question was raised on the collection fund where it was noted that the Council had collected slightly more than had previously been predicted. Dr Carlton Brand did point out that the Action for Wiltshire Board had noted that household debt was becoming more of a problem and this could manifest itself in collection levels next year.

Union representatives queried the entry in the budget which showed savings on integrated youth services which also included staff savings in this area. The Unions asked whether this was pre-empting the results of the consultation currently taking place on the future provision of youth services.

The Leader explained that following discussions with young people, it was clear that the youth service being provided was not what they wanted, with only 8% take up of the service. A review was needed in order to provide a modern fit for purpose and cost effective service and this was reflected in the proposed budget. The Council had no choice in the face of Government cuts but to make savings and the aim would be to provide an improved service that would increase take up of the service being offered.

The Leader reminded the meeting that Wiltshire was one of only a few authorities now that had retained such a service. The eventual model would be influenced by the results of the consultation currently taking place with stakeholders, staff and young people. An assurance was sought that given the budget entry for this service, that the eventual decision was not a foregone conclusion. It was noted that changes required to the budget in this area as a result of the consultation and final decision by Cabinet would be dealt with through budget monitoring process. Any reductions in savings in this area would need to be found elsewhere.

A query was raised on the budget entry for unforeseen events and risk assessments in the context of the reserves held which would normally be used for contingency purposes. Michael Hudson gave examples of unforeseen events which could not always be accommodated for in the budget eg the current flooding crisis. It was prudent to budget for these kinds of eventualities whilst keeping a reasonable reserve.

Michael Hudson explained that as Section 151 officer he had a legal obligation to ensure reserves were adequate. It was noted that the reserves held by this Council were the second lowest in the country and equated to less than 1% of the Council's budget. One of the observations from the recent Local Government Peer Review was on our low level of reserves. Cllr Jon Hubbard accepted that there were arguments for and against the levels of reserves.

Gavin Brooks sought clarification on why the Council was budgeting based on risk assessments undertaken and then in his opinion, over budgeting on reserves. He drew a correlation between the recent job losses and holding monies in reserve in addition to budgeting for unforeseen circumstances.

Michael Hudson emphasised that the Council had to budget appropriately and hold adequate funds in reserves. The levels of reserves was not a political decision as it had to be signed off by the S.151 Officer.

On being asked by Gavin Brooks, it was confirmed that the savings on transport were not related to any review of reimbursement of staff mileage. It was noted however, that different approaches would apply to different services.

Reference was made to the budget entry for the 1% staff salary increase as part of the national pay negotiations. The Unions commented that some authorities had agreed to introduce the living wage. The Unions wondered if any analysis had been undertaken on how many would be affected if such a measure was introduced here. They noted that it would have significant implications on schools budgets. It was further noted that this matter was currently the subject of consideration by the Staffing Policy Committee.

The unions queried potential staffing implications in certain areas of the Council. It was noted that these were in respect of realignment of staffing costs and any future restructuring plans.

A query was raised on the public health budgets where it appeared to the Unions that they were not under great pressure and wondered whether the budgets for this area were being fully used.

Maggie Rae explained that the Council had rightfully agreed to put public health at the heart of everything it did. Monies and grants received were being directed at early intervention measures to improve the health of the County's population. There was also a focus on specific areas such as improving our response to sexual exploitation, sexual health, drug awareness. Government funding of public health initiatives were outcome based with the focus on delivering public health services.

A query was raised on savings and efficiencies in the waste service. Dr Carlton Brand referred to previous Cabinet decisions to optimise collection rounds and that there would be further consultation on the future provision of waste services. This was part of the transformation and harmonising processes.

A query was raised on the savings being proposed in the governing arrangements on Area Boards. Maggie Rae explained that this was part of the current review of the operation of Area Boards and streamlining how they were supported.

Dr Carlton Brand sought the Unions' views on how they saw their future given the considerable constraints and pressures. The Unions considered that the Council should review all vacancies before filling them to avoid or at least minimise future redundancies whilst ensuring staff workloads were manageable.

Gavin Brooks considered that the managing of cuts would only serve to attract future reductions in Government funding. The Leader commented that the prudent decisions made by the Council over the past few years, such as becoming a unitary authority, rationalising our property portfolio and reducing the number of hubs and introduction of campuses had yielded significant savings. The financial situation of the Council would have been much worse without these decisions having been made and would have undoubtedly impacted on the range of service provision and would have probably led to the discontinuation of children's centres and youth services. The Unions accepted that the unitary approach in particular had made considerable savings.

Councillors thanked Union representatives for their well considered contributions to this meeting. The Leader commented that it had been one of the most engaging meetings of this type she had attended where Union representatives constructively challenged members on the proposed budget.

(Duration of meeting: 2.30pm – 3.45pm)

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