

Overview and Scrutiny Management Committee

MINUTES OF THE OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE MEETING HELD ON 25 JANUARY 2022 AT COUNCIL CHAMBER - COUNTY HALL, BYTHESEA ROAD, TROWBRIDGE, BA14 8JN.

Present:

Cllr Graham Wright (Chairman), Cllr Christopher Williams (Vice-Chairman),
Cllr Ruth Hopkinson, Cllr Jon Hubbard, Cllr Tony Jackson, Cllr Johnny Kidney,
Cllr Gordon King, Cllr Jerry Kunkler, Cllr Bill Parks, Cllr Tony Pickernell,
Cllr Elizabeth Threlfall, Cllr Jo Trigg, Cllr Tony Trotman and Cllr Iain Wallis

Also Present:

Cllr Pip Ridout, Cllr Ian Blair-Pilling, Cllr Nick Botterill, Cllr Richard Clewer, Cllr
Suzanne Wickham, Cllr Richard Britton, Cllr Phil Alford, Cllr Ashley O'Neill and Cllr
Laura Mayes

49 **Apologies**

There were no apologies for absence received.

50 **Minutes of the Previous Meeting**

The minutes of the previous meeting held on 16 November 2021 were considered, and it was:

Resolved

The Committee approved and signed the minutes of the previous meeting held on 16 November 2021 as a true and correct record.

51 **Declarations of Interest**

There were no declarations of interest.

52 **Chairman's Announcements**

The Chairman thanked all officers involved for their hard work and effort in producing the Draft Business Plan 2022-23 and Budget 2022-23.

53 **Public Participation**

There were no statements or questions from the public or Councillors.

The draft Business Plan 2022-23 was presented by Cllr Richard Clewer, Leader of the Council, with support from Terence Herbert, Chief Executive and other members of the Executive and Corporate Leadership Team.

It was explained that an approach had been taken to enable the document to continue evolving over time to ensure it remained relevant and effective. The three main elements of the plan itself were briefly detailed, specifically: the mission and four guiding themes, the service delivery plans, and the metrics. The intention was to ensure all areas used data more effectively and coherently to provide as much value as needed across the council. It was clarified that the individual service delivery plans had not been included as part of the document to ensure that the Business Plan itself was not over detailed, but would be available for review.

The Leader thanked all officers involved and emphasised the amount of work that had been undertaken to produce the document as it stood. The Chairman then invited the Select Committee Chairs to raise any questions or issues before opening up to wider discussion.

Cllr Jon Hubbard, Chairman of the Children's Select Committee, clarified that members had had the opportunity to ask questions during the last meeting of the Children's Select Committee on 19 January 2022. It was explained that Members felt that specific oversight over the development of the Business Plan in certain areas was needed as there had not yet been sight of the specific service delivery plans. Members were proposing to set up a scrutiny task group to examine the metrics and actions plans with the intention that this would become a standard task group to ensure any metrics related to Children's Services were being met. The new approach towards the Business Plan was commended.

Cllr Jerry Kunkler, Chairman of the Environment Select Committee, asked a number of questions raised by his Committee, covering the following topics: renewable energy generation; monitoring and reduction of carbon emissions; increase of parking charges in market towns; railway stations; and the maintenance of the existing road network. Cllr Clewer clarified that a lot of the details and context would be set out in the service delivery plans and it was suggested that each Select Committee request the service delivery plans pertinent to their area. With regard to identifying, monitoring and reducing carbon emissions it was explained that Wiltshire Council were waiting for more guidance and policies from central Government to bolster the Council's own policies and frameworks. When considering railway stations, it was clarified that the focus was primarily on finalising the delivery of Corsham and Devizes station projects before any further consideration into other areas could begin. However, it was also highlighted that there would also be a focus on promoting public transport more broadly.

Other questions raised sought more clarification regarding the reduction of carbon emissions and the lack of mention regarding wind power within the plan.

Cllr Clewer emphasised that no changes to business regulations of bus schedules and so forth to aid in the reduction of carbon emission could not be enforced without the support of Government changes which officers were eagerly anticipated. With regard to wind power, it was clarified that Wiltshire was in the top Councils in the country for solar facilities and was therefore not light on renewable energy. However, it was noted that more evidence was being gathered for all forms of renewable energy as part of the Local Plan process.

Cllr Johnny Kidney, Chairman of the Health Select Committee, asked a number of questions as raised by his Committee covering the following topics: the operationalisation and further details of the metrics; issues around the forthcoming Social Care Act; smoking cessation and other public health concerns; and the voluntary sector. Cllr Clewer emphasised the intention that the document would continually evolve and noted his expectation that the metrics would change and grow as the Council moved forward. Cllr Ian Blair-Pilling, Cabinet Member for Public Health and Public Protection, Leisure, Libraries, Facilities Management and Operational Assets, detailed how data would be collected within the leisure sector as an example. There was also discussion of the Wiltshire Compact as part of past engagement with voluntary sector organisations, and whether it should be reformed and re-energised.

The Chairman then invited other members of the Committee or others present to ask questions. Comments were received on the layout and alignment to themes within the Plan, as well as queries on how metrics would be monitored and how the Select Committees could review service delivery plans. There were some comments expressing regret of lack of mention of a rail strategy within the Plan. Cllr Clewer noted the difficulties in producing a rail strategy for Wiltshire in isolation from the rest of the Country/the West of England and that any real changes would need to be driven by larger groups along with the council.

Other issues raised included references to Rights of Way and Bridleways in the context of transport infrastructure; reference to Statement of Accounts without qualification; reference to the savings delivery board; the specific wording used when referring to members. It was stated that sustainable transport meant different things for rural and urban communities and there was a focus on unlocking Government funding that worked for Wiltshire specifically. Andy Brown, Deputy Chief Executive and Corporate Director – Resources, also explained that the savings delivery board had been postponed during the Covid-19 response and that Cabinet would be informed on performance reporting in the future. A concern was also raised on reference to the role of Members within the Plan, and whether this should be expanded to be clearer on the expectations of the role.

Cllr Pip Ridout, Chairman of the Financial Planning Task Group, asked that the Task Group were provided all of the service delivery plans and were privy to the meetings of the Select Committees when each of the plans were being discussed which was agreed by all Select Committee Chairs.

Resolved

1. **To note the Draft Wiltshire Council Business Plan 2022-32 and to refer the comments of the Committee to Cabinet and Full Council for consideration on 1 and 15 February 2022 respectively.**
2. **To ask the Chairmen and Vice-Chairmen of the four select committees, and the Chairman of the Financial Planning Task Group, at their meeting on 26 January, to discuss and report back on the following:**
 - a) **A process for reviewing the Overview and Scrutiny forward work programme in light of the new Business Plan, once it has been agreed by Full Council; and**
 - b) **A process for monitoring and scrutinising delivery of the Business Plan, using performance metrics and service delivery plans.**

55 **Wiltshire Council Budget 2022/23**

The Wiltshire Council Budget 2022-23 was presented by Cllr Richard Clewer, Leader of the Council and Cabinet Member with responsibility for finance, with support from Andy Brown, Corporate Director for Resources and Deputy Chief Executive, along with Terence Herbert, Chief Executive, and other members of the Cabinet and Corporate Leadership Team.

The context behind the Budget was explained, with reference made to the extended resources and spending needed for the ongoing Covid-19 response, though it was stated that Wiltshire Council were in a better position than many authorities. Cllr Clewer stated that the Budget would continue to ensure that vital services to the residents, businesses and communities of Wiltshire would continue to be provided. The complications that arise with regard to the budget equalisation reserve were noted but it was explained that the Council were proposing to utilise the reserve for the 2024/25 financial year.

The Chairman, Cllr Graham Wright, then invited the Select Committee Chairs and others to ask any questions to the Leader and officers.

Full details of the matters raised in discussion by and with the Committee would be included in a report appended to the minutes. The report from the Financial Planning Task Group in consideration of the budget was also received and considered.

Topics raised included, but were not limited to, discussion around the cost of achieving a net zero carbon target, leisure funding across Wiltshire including the proposed leisure centre in Trowbridge, new charges for some waste item collection, responding to Ash Dieback, calculation and use of demographic data, the impact of inflation, procurement processes and support for people remaining at and being supported at home.

At the conclusion of discussion, it was:

Resolved

- 1. To note the Draft Wiltshire Council budget for 2022-23 and Medium-Term Financial Strategy for 2022/23 to 2024/25 and to refer the comments of the Committee and the report of the Financial Planning Task Group to Cabinet and Full Council for consideration on 1 and 15 February 2022 respectively.**
- 2. To support ongoing scrutiny investigation of the budget, including the Financial Planning Task Group's continued focus on monitoring delivery of the budget and the development of the budget for 2023-24.**

56 Financial Planning Task Group Update

A report on the ongoing work of the Financial Planning Task Group was presented by Cllr Pip Ridout, Chair of the Task Group.

The Chair invited members to ask any questions arising from the report. There being none, it was:

Resolved

To note the update on Financial Planning Task Group activity provided and thank its members for their work.

57 Management Committee Task Groups

The Chairman invited Cllr Richard Britton to provide an update on the work of the Joint Scrutiny Panel. Cllr Britton reiterated the concerns raised in the previous meeting of the Committee regarding the decision by the SWLEP to not release the information request and the subsequent impact on the Panel's ability to fully scrutinise the project.

Cllr Jon Hubbard gave an update on the Evolve Programme Task Group established in the previous meeting of the Committee and confirmed that the Task Group had held their first meeting where they considered the outline of the programme. It was noted that although the programme was ambitious, members were confident.

Cllr Richard Clewer, Leader of the Council, was invited by the Chairman to provide an update on the progress of the Asset Transfer Policy Rapid Scrutiny Exercise. It was explained that the intention was for the topic to be discussed at a Parish Council event that had been postponed due to COVID-19 guidelines and that the Leader felt this was necessary before going forward. However, it was noted that there had been a meeting with Town Councils and their clerks,

where the elements they thought should be in the Policy were discussed. Members questioned the continued delays and highlighted the role that scrutiny should play in the drafting and formation of the Policy.

The Committee also considered a request from Cllr Ashley O'Neill, Cabinet Members for Governance, IT, Broadband, Digital, Licensing, Staffing, Communities and Area Boards, to form a new Task Group to provide scrutiny input on a review into Area Board arrangements. Cllr O'Neill emphasised the importance on organising more informal community events/meetings to engage with as many people within that community as possible to help improve an Area Board's effectiveness. It will also look to review the funding process, aligning local groups into Area Boards and considering if a universal approach can be taken for all Area Boards that also takes different local priorities into account, alongside other proposals which are in the process of being drafted.

The Chairman asked for members to indicate their willingness to serve on the Task Group, after which it was:

Resolved

- 1. To note the update on the Task Group and Panel activity provided.**
- 2. To note the update on the planned review of the Asset Transfer Policy, and confirmation that Overview and Scrutiny will have the opportunity to comment on the new draft Policy prior to adoption.**
- 3. To establish an Area Boards Task Group with the terms of reference presented, and with final membership to be decided by the Chairman and Vice-Chairman following an open invitation to all non-executive members.**

The following members volunteered to participate in the Area Boards Task Group:

- Cllr Ruth Hopkinson**
- Cllr Jo Trigg**
- Cllr Iain Wallis**
- Cllr Bill Parks**
- Cllr Richard Britton**
- Cllr Tony Jackson**

58 Forward Work Programme

The Committee considered the forward work programmes for each Select Committee, as well as updates from the Chairman for each Select Committee.

Resolved

To notes the updates on Select Committee activity and approve the Overview and Scrutiny Forward Work Programme.

59 **Date of Next Meeting**

The next meeting of the Overview and Scrutiny Management Committee was confirmed as 8 February 2022.

60 **Urgent Items**

There were no urgent items.

(Duration of meeting: 10.30 am - 1.05 pm)

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Cabinet 1 February 2022

Council 15 February 2022

Report of the Overview and Scrutiny Management Committee on the Draft Budget 2022/23 and Medium-Term Financial Strategy 2022/23-2024/25

Purpose of report

1. To report to Cabinet and Full Council a summary of the main issues discussed at the meeting of the Overview and Scrutiny Management Committee (“The Committee”) held on 25 January 2022.

Background

2. The meeting of the Overview and Scrutiny Management Committee provides an opportunity for non-executive councillors to question the Cabinet Member with responsibility for Finance, the Chief Executive, and the S151 Officer on the draft Budget 2022-23 and medium-term financial strategy before it is considered at Cabinet on 1 February 2022 and Full Council on 15 February 2022.
3. The Leader of the Council, as Cabinet Member with responsibility for Finance, supported by the Deputy Chief Executive and Corporate Director of Resources and Section 151 Officer, Andy Brown, was in attendance along with the Chief Executive, Terence Herbert, to provide clarification and answers to issues and queries raised by the Committee. Other members of the Cabinet and Corporate Leadership Team were also in attendance to provide further detail and clarity.
4. In addition to the draft Budget update made available on the council’s website on 12 January 2022, a briefing from the Leader and the S151 Officer open to all elected Members was held on 18 January 2022. The Children’s, Health and Environment Select Committees met formally or informally ahead of the meeting of the Overview and Scrutiny Management Committee to discuss
5. Details published in the budget papers had included:
 - Council Tax to be increased by 1.99% and an Adult Social Care Levy of 1%;
 - A net general fund budget for 2021/22 of £417.703m, an increase from £412.561m in 2021/22, and including £24.825m of additional savings;
 - The Housing Revenue Account (HRA) budget for 2021/22 to be set at £24.173m expenditure with social dwelling rents to increase by 4.1% except for rents currently over the formula rent which will be capped at formula rent as per national guidance;
 - For the medium-term financials strategy a forecast budget gap, after the utilisation of the budget equalisation reserve, of £10.705m for the 2024/25 financial year with regular updates to be received on delivery against strategy and addressing the forecast budget gap;
 - The Capital Strategy setting out a proposed capital programme for 2022/23 with future years projected to 2029/30.

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6. The impact of Covid-19 on delaying usual efficiencies and savings within the budget, impact of inflation and increases and demand, and details of government support received, was set out by the Leader.

Main issues raised during questioning and debate

7. This report is divided into sections relating to each of the Select Committee areas as budget proposals and impacts on service areas were discussed, as well as general comments.

Financial Planning Task Group

8. The report of the Task Group on the budget proposals was received and noted. The report and its comments are included as an annex to the Committee for attention at Cabinet and Full Council.

Children's Select Committee

9. The Committee held a meeting on 18 January 2022 at which the Draft Budget was discussed, with the details of the questions and discussion detailed in the minutes extract attached to this report.
10. It was commented that Children's Services had been relatively protected within the Draft Budget

Environment Select Committee

11. Details were sought in relation to linkage with the Business Plan priorities and the climate emergency, and estimates of the costs of achieving Net Zero carbon neutrality. It was stated that the Capital Programme set out costs which would take the council itself significantly further toward Net Zero with over £8m invested in its property, over £17m invested in the council's housing stock, and an element relating to decarbonising the council's fleet services which would be developed in further budgets. For the county as a whole this was not a cost borne by the council, but through government programmes and other workstreams, but not directly relevant to the council's efforts to decarbonise in relation to its budget and the Housing Revenue Account.
12. Queries were raised on priorities for Active Travel, in relation to £310m outlined toward road improvement. It was stated this was in part due to how government funding streams operated, with significant road schemes funded and bid for a long time in advance, with Active Travel scheme funding announced with shorter timescales making it harder to forecast in the short-term budgeting.
13. Questions were raised relating to the leisure budget with investment in equipment and a new leisure centre in Trowbridge. It was confirmed that £25m had been allocated across three years for a leisure centre in Trowbridge due to the limited remaining lifespan of the facility there needing replacement, but this was separate to the £1.25m investment in equipment for leisure centres across Wiltshire and £9.4m for improvements to those leisure centres.
14. Details were sought on the proposals to charge for collection of some waste items, how the system of charges would work and consideration of potential increase of fly

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tipping. It was stated there were regular rates for items excluded from free collection, with many authorities setting charges which would be reviewed. Evidence from other areas had been assessed and it was not considered such charges would lead to an increase of fly tipping. It remained the intention to increase the level of recyclables within the sites.

15. Questions were raised the planned parking charges increase and the possibility of offsetting this by opening the Salisbury Park and Ride sites on Sundays. The use of funds raised from parking to subsidise rural bus services was highlighted, and there would be a cost to further opening, but it could be discussed with operators.
16. Details were also sought on costs set aside for tackling Ash Dieback, with funds set aside for only one year. It was stated that at this point it was not clear what the long-term impact would be and what would be required in the future, which would be assessed further. This was also raised at the Financial Planning Task Group.

Health Select Committee

17. Queries were raised in relation to expected contractual inflation of £13.6m in 2022/23, with assurance sought on procurement processes to ensure the increase could not be lower without unacceptable loss of quality or breach of contracts that were fair to purchaser and supplier. Details were provided of contract processes and tender renewal, with potential scrutiny involvement and the Audit and Governance Committee looking at contracts and commissioning. A commercial board looked at procurements and asked questions around price vs quality specifications and ensuring legal and procurement regulation compliance.
18. A question was also raised regarding focusing on caring for people at home, with reference to the budget for Shared Lives and Wiltshire Support at Home. It was stated that support for people to live at home was a significant driver of ongoing adult social care transformation. Details on the performance could be provided in a report to the Health Select Committee.

Other

19. A question was raised in relation to corporate costs, and the 50% reduction in legal costs of £0.250m, and whether this was indicative of a past trend of annual underspend, due to change in contracts or different decision making strategies with regard to action taken. It was stated this was part of standard service efficiencies. It was also stated money had been set aside for the Dawn Sturgess inquest, and government support was now coming in in relation to that which mean the same level did not need to be set aside.
20. Details were also sought on demographic data used to estimate anticipate demand, and direct comparisons of budget date to previous years within the main body of the report.

Conclusion

21. To note the Draft Budget 2022-23 and Medium-Term Financial Strategy 2022/23-24/25 and to refer the comments of the Committee and the report of the Financial Planning

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Task Group to Cabinet and Full Council for consideration on 1 and 15 February 2022
respectively.

22. To support ongoing scrutiny investigation of the budget, including the Financial Planning Task Group's continued focus on monitoring delivery of the budget and the development of the budget for 2023-24.

Councillor Graham Wright

Chairman of the Overview and Scrutiny Management Committee

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27 January 2022

Annex – Report of the Financial Planning Task Group for 18 and 21 January 2022

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Wiltshire Council**

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25 January 2022

Report of the Financial Planning Task Group:

Budget 2022/23 and Medium-Term Financial Strategy 2022/23 to 2024/25

The Task Group met with the following guests, on 18 January 2022 and 21 January 2022, to discuss the reports:

Cllr Richard Clewer	Leader of the Council
Andy Brown	Corporate Director Resources & Deputy Chief Executive (S151 Officer)
Lizzie Watkin	Assistant Director Finance

Observing:

Cllr Graham Wright	Chairman, OS Management Committee
Cllr Chris Williams	Vice-Chairman, OS Management Committee
Cllr Jon Hubbard	Chairman, Children's Select Committee
Cllr Johnny Kidney	Chairman, Health Select Committee
Cllr Jerry Kunkler	Chairman, Environment Select Committee
Cllr Bob Jones MBE	Vice-Chairman, Environment Select Committee

Issue (page and paragraphs numbers refer to the Budget Reports)	Further information / Comments
Adult Social Care Reform – Self Funders (Paras 26-29)	<p>The Government has announced adult social care reform funding – which will not come through until 2023/24. The council still lacks the detail of these reforms but once they come into effect any reform needs to consider the budgetary impact of self-funders. Wiltshire is exposed to risk because of its demographics and the high proportion of people who self-fund their care.</p> <p>Some initial modelling has been done to look at the potential costs. Current modelling is very high level as not all the information required is available from the Government.</p> <p>Risk remains but the Government is aware of this and has indicated it is prepared to give the necessary assistance.</p>

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<p>Adult Social Care - Infection Control Measures (Para 29)</p>	<p>The Government have announced that it will fund PPE requirements until March 2023, and this has been factored into the budget.</p> <p>The guidance around infection control will change but the assumptions in the budget have been factored into tendering and prices. There are risks that these costs may be higher for tendered services. There is £1.9m pressure built in regarding hospital discharge, where there are significant additional costs.</p>
<p>Consumer Price Index (CPI) (Paras 42-43, 105)</p>	<p>The council must use an inflation index like CPI but recognises that in certain circumstances there will be significant variation in inflation levels. The CPI forecast is taken from the Bank of England and was released in November 2021. It is predicted that the inflation rate over 2022/23 would be 4%.</p> <p>There are risks that tender inflation could be over 4%. There will be pressures in some areas e.g., SEND (Special Educational Needs and Disabilities) school transport and in highways costs for services and materials that are likely to exceed CPI.</p> <p>The budget allows for price increases e.g., Highways and Streetscene revenue budget 2022/23 is £25.6m an overall increase of £1.4m from 2021/22. The market will determine whether costs rise above CPI.</p> <p>The budget is based upon the best assumptions at the time. Any inaccuracies in these assumptions will need to be managed. The council can also draw upon the general reserve fund. The assumptions are robust enough to allow management of the budget before drawing on reserves.</p>
<p>Wiltshire Online (Para 71)</p>	<p>The council has a commercial arrangement with BT. Part of the contract has shared benefits, which has generated one-off income of £3.3m (2022/23). It will be set aside in the budget equalisation fund.</p> <p>This funding will not be used to improve broadband in the county as the Government has developed a new programme to tackle connectivity. The council may want to invest in that programme in future – but will await further details.</p>

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<p>CATG (Community Area Transport Groups) / Local Highways Improvement Group (Para 85)</p>	<p>This funding (£0.8m) is made up of £0.4m from a Highways integrated transport grant and £0.4m from borrowing. This funding provides greater flexibility.</p>
<p>Dedicated Schools Grant (DSG) (Paras 110-119)</p>	<p>It was confirmed that this fund is for pupils at schools in Wiltshire and is distributed to the schools on a per pupil basis.</p>
<p>Savings (Para 140; Appendix 1, Annex 8)</p>	<p>The budget proposes delivering £25m of savings, subject to approval by Council. Previous saving plans have been side-lined by COVID and the council has not delivered a significant savings programme since 2019/20.</p> <p>This potential £25m saving has a risk likelihood assessment of 25%. This is based upon the previous record of accomplishment when delivery of savings ranged from 60-80%. The risk will decrease as more savings are achieved.</p> <p>The step change suggested will be a performance management framework. Senior management will ensure that this cultural change becomes integrated into delivering services and managing finances. Savings targets will be transparent with a greater focus on these in budget monitoring reports. If savings are not on track action will be taken.</p>
<p>Non-Domestic Rates (Appendix 1, page 3)</p>	<p>Business rates are payable upon council run leisure centres. A new temporary relief was announced in the Budget 2021, which is on top of existing grants. The government is moving toward returning the Non Domestic Ratepayers (NDR) regime to pre-pandemic levels.</p>
<p>Savings – Staff Saving Proposals (Appendix 1, page 8-9)</p>	<p>The Children’s Select Committee has looked for reassurance that reductions in staff would not reduce service levels at its meeting on 19 January 2022. There was some member concern that reductions in back-office support might impact on frontline capacity. Many of the staffing reductions proposed are about removing vacant posts – often vacant for some time. These proposals for 2022/23 have been rated as having minimal risk upon service delivery. There will be some impact 2023/24, though probably minimal.</p>

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<p>General Fund Reserve (Appendix 1, page 11)</p>	<p>The general fund reserve currently stands at £18.256m increasing to £19.656m 2023/24. This is not enough to cover all the identified risk (£27.615m). However, other reserves are also set aside to mitigate financial risk the council faces, such as latent demand.</p>
<p>Drawing Down Reserves (Appendix 1, page 11)</p>	<p>In 2022/23 the budget equalisation fund will be £16.5m and will be held at the same level 2022/23; In 2023/24 part of the reserve (£9m) will be used to balance the budget.</p> <p>The use of the collection fund volatility reserve is quite technical due to the timing of announcements regarding Government business rate reliefs. In each of the next three years the reserve will be reduced by £1.25m as agreed previously. The timing of relief announcements has meant deficits, for which the council has received section 31 grant compensation from the Government. Council tax collection rates have held up during the pandemic, but forecasting is difficult, with particular risk associated with business rates. The fund will be kept at around £4m (£3.9m 2024/25) due to the size of the collection fund and the potential risks around forecasting.</p> <p>Latent demand reserve is £7m (2022/23). Demand has been estimated at £3m 2022/23 and £4m 2023/24. Funds will only be used if a need is identified. There is no evidence currently that reserves will be needed in future. Any reserve remaining in 2024/25 could be transferred to the budget equalisation reserve or the general fund reserve.</p>
<p>Revenue Costs of Capital Expenditure on Highways (Appendix 1, Annex 1)</p>	<p>There is a revenue cost element to capital projects. This is set out at a high level in Annex 1. The maintenance budget for highways will be kept at same level as in 2020/21.</p>
<p>Ash Die Back (Appendix 1, Annex 5)</p>	<p>£0.50m has been set aside for ash die back; an uplift on the 2021/22 budget (£0.25m). The council is taking a managed approach, as the total scale of the issue is more than can be addressed in the budget. There are areas that need to be addressed first where health and safety is affected. The budget will cover the issues that need to be addressed 2022/23.</p>

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<p>Details of Service Demand Changes (Appendix 1, Annex 5)</p>	<p>The POPPI and PANSI population projections are an improvement on the data used previously as they can provide more localised information. Many organisations across social care are using these indices. There is always risk in projections, but the new data is more accurate than the current Office for National Statistics (ONS).</p>
<p>Living & Ageing Well - Spot Prices (Appendix 1, Annex 6)</p>	<p>In 2022/23 £0.2m in savings are proposed converting spot contracts to block contracts – rising to £0.5m in 2023/24. These savings were put forward by officers. Overall, there is growth in this budget but there are also savings to be made.</p>
<p>Better Care Fund (Appendix 1, Annex 6)</p>	<p>This £2.9m is built into the base budget and appears every year. This fund is used at the council's discretion and is allocated to support social care, reduce pressure on the NHS and support the care market.</p>
<p>Car Parking Charges (Appendix 1, Annex 6)</p>	<p>Reduced demand has been factored into the calculations. The effect of any changes on the market towns has been considered – though this is hard to predict. When charges were increased previously it had a negligible effect. The costs of maintaining and running car parks are increasing.</p>
<p>Savings – Fostering Excellence (Appendix 1, Annex 6)</p>	<p>It is proposed to save £0.525m of £26m (2022/23) in the Fostering Excellence programme. This target looks ambitious but is more about managing cost and demand. Officers are comfortable with this saving though this does not mean that there are not challenges and risks. The Cabinet has challenged the savings identified and undertaken a process to ensure that savings are deliverable.</p>
<p>Capital Programme – Education & Skills (Appendix 1, Annex 7)</p>	<p>Capital cost are increasing, for example, Stonehenge School will need an extra £1.5m. CPI has been applied to projects and averaged out at 4%. In revenue contracts, the budget has accounted for an inflationary rise of 4%. In capital programmes, this may mean that due to higher inflation the funding will not go as far, therefore further funding will need to be found.</p>
<p>Capital Programme – Borrowing Risk (Appendix 1, Annex 7)</p>	<p>Borrowing is forecast to increase to fund the capital programme. Historically, debt interest repayment has been 3.74%; the current rate is around 2%. The Treasury Management Strategy will set out in further detail the cost of borrowing. This has not been flagged as a risk because both borrowing and</p>

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	<p>interest rates would need to increase significantly to affect the budget.</p> <p>Public Works Lending Board (PWLB) sets out interest rates daily and is monitored to assess any movements. The council's Treasury Advisors also provide reports. Using this analysis, the council will decide when best to borrow looking to secure borrowing at 2% or under.</p>
<p>Adult Social Care Contractual Costs & Care Provider Market (Appendix 1, Annex 8)</p>	<p>The potential risk is £13m. An internal commercial board looks at tender compliance and a report goes to the board which highlights emerging tender prices. Going to market will give actual details of any inflationary increases.</p>
<p>Risk Assessed Balances (Appendix 1, Annex 8)</p>	<p>The risk identified are significant e.g., the delivery of savings (£25m). The assessment of risk was undertaken by the S151 Officer. The % likelihood is an assessment based on previous performance.</p> <p>Levels of performance on savings will be monitored by the Financial Planning Task Group. Any potential risks will be flagged, when required, at Cabinet as part of budget monitoring.</p>

Cllr Pip Ridout - Chairman of the Financial Planning Task Group

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Wiltshire Council

Overview and Scrutiny Management Committee - Annex

25 January 2022

Minutes Extract – Children’s Select Committee 19 January 2022 - Wiltshire Council’s Financial Plan Update 2022-2023 and Medium Term Financial Strategy

The Chairman invited the Committee to consider the areas of the proposed budget that related to Children’s Services. He explained that he would pass the Committee’s comments on to the relevant meetings, including the meeting of the Overview and Scrutiny Management Committee on 25 January and Cabinet on 1 February 2022.

Councillor Laura Mayes, Deputy Leader and Cabinet Member for Children’s Services, Education and Skills, stated that, despite a challenging financial environment, investment was increasing by £3.9 million in the Education and Skills and Families and Children’s budgets. The Cabinet Member was pleased to announce that spending of £23 million on Education and Skills and £62 million on Families and Children were proposed in 2022/23.

The Cabinet Member then went on to highlight specific areas of investment such as Fostering Excellence and Traded Services. She explained that, given the need to make savings in the Council’s overall budget, it was important to review areas, such as commissioning, in order make the most of the available resources and to maintain services. The Cabinet Member then offered to answer questions from the Committee.

During the discussion points included:

1. Members thanked the Cabinet Member for the update and welcomed the investment in Children’s Services, especially given the challenging financial situation.
2. The replacement of mobile classrooms was praised by Members and they asked how many schools were expecting to have temporary units replaced. Helean Hughes, Director of Education and Skills, explained that £3 million had been allocated to replace six mobile units. There were a total of 53 units identified in maintained schools as requiring replacement but these would be reviewed as part of the School’s Place Planning Strategy.
3. In response to questions about the impact of staffing savings, Lucy Townsend, Corporate Director People, explained that the focus for savings in 2022/23 would be pausing recruitment to longstanding vacant positions, where possible, to avoid redundancies in front line roles. The situation for 2023/24 would be reviewed after Council had approved the budget.
4. When asked about the possibility of redundancies to administrative staff, the Director confirmed that the Council greatly valued staff supporting frontline practitioners. She was unable to guarantee that there would be no redundancies across the Council but reassured Members that they were not currently looking at redundancies within Children’s Services.

APPENDIX to the Overview and Scrutiny Management Minutes of 25 January 2022

5. Members noted that they would be interested in receiving information about changes in the number of full-time equivalent positions to achieve the planned savings.
6. Jen Salter, Head of Service for Children's Support and Safeguarding, confirmed that most of the savings identified within Children's Services had come from her department. She explained that pay had been reviewed to better reflect the level of experience of staff. As they had a good understanding of the relative balance of experienced and newly qualified staff, they were able to realign the budget without a reduction in staff numbers.
7. When questions were raised about the long-term viability of the savings as the workforce gained experience, the Corporate Director of People explained that historic recruitment patterns had been analysed and taken into consideration when modelling costs for future years; it was anticipated that the balance of experienced and newly-qualified staff would remain.
8. The Director confirmed that Wiltshire had its lowest number of agency staff and fewer than comparable Local Authorities (LAs). She clarified that only experienced agency workers were recruited and that they helped to support newly qualified staff.
9. In response to a question about £525,000 in savings in the Fostering budget, the Director confirmed that the Fostering Excellence budget would be receiving investment. She explained that the savings had been identified from the External Placement budget and that they planned to increase the percentage of internal placements. She confirmed that the total placement budget for the financial year was just over £21 million and that in the region of £13 million went towards external providers.

The Chairman then invited Members to contact him in advance of the Overview and Scrutiny Management Committee should they wish him to ask further questions at that meeting.