

**CABINET**

Wednesday 3<sup>rd</sup> February 2010

**DRAFT**

**PRESENT:**

Councillor Francine Haerberling – Leader of the Council  
Councillor Malcolm Hanney – Resources and Deputy Leader  
Councillor Vic Pritchard – Adult Social Services and Housing  
Councillor Terry Gazzard – Development and Major Projects  
Councillor Charles Gerrish – Customer Services  
Councillor Chris Watt – Children's Services  
Councillor David Hawkins – The Council as Corporate Trustee

**55 WELCOME AND INTRODUCTIONS**

The Chair was taken by Councillor Francine Haerberling, Leader of the Council.  
The Chair welcomed everyone to the meeting.

**56 EMERGENCY EVACUATION PROCEDURE**

The Chair drew attention to the emergency evacuation procedure as set out on the Agenda

**57 APOLOGIES FOR ABSENCE**

Apologies had been received from Councillor David Hawkins.

**58 DECLARATIONS OF INTEREST UNDER THE LOCAL GOVERNMENT ACT 1972**

There were none.

Councillor Malcolm Hanney declared a personal and non-prejudicial interest relating to items on the agenda, because of his roles as Chair of the Primary Care Trust; Director of Future Bath Plus; Director of the Theatre Royal. He said that although the interests were non-prejudicial, if the debate should stray into specific issues relating to the interests, he would abstain from speaking.

Councillor Charles Gerrish declared a personal and non-prejudicial interest relating to items on the agenda relating to the provision of education. He said that although the interest was non-prejudicial, if the debate should stray into specific issues he would abstain from speaking.

Councillor Paul Crossley declared a personal and non-prejudicial interest relating to items on the agenda, because of his roles as Chair of Link School; Board of Future Bath Plus; Board of Fringe Festival; Bath Racial Equality Council. He said that although the interests were non-prejudicial, if the debate should stray into specific issues relating to the interests, he would abstain from speaking.

Cllr Dr Eleanor Jackson declared a personal and non-prejudicial interest relating to items on the agenda because she held a bus pass.

Cllr John Bull declared a personal and non-prejudicial interest relating to items on the agenda, as a Governor of Link School.

**59 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR(PERSON)**

There was none.

**60 QUESTIONS FROM PUBLIC AND COUNCILLORS**

There were 11 questions from the following people: Cllr Nicholas Coombes (2), Councillor Caroline Roberts, Cllr Will Sandry (2), Cllr Ian Gilchrist (2), Cllr Andy Furse (2), Cllr Marian McNeir, Cllr Dr Eleanor Jackson

*[Copies of the questions and responses, including supplementary questions and responses if any, have been placed on the Minute book as Appendix 1 and are available on the Council's website.]*

**61 STATEMENTS, DEPUTATIONS OR PETITIONS FROM PUBLIC AND COUNCILLORS**

Nicole O'Flaherty, Chair Elect of Bath Fringe, made an *ad hoc* statement [*a copy of which is attached to the Minutes as Appendix 3*] in which she appealed to Cabinet to agree a one-year grant to the Fringe which would enable it to generate funding of its own for subsequent years. She reminded Cabinet that the Fringe had attracted a total audience of over 27,000 in 2009.

Cllr Francine Haeberling referred the statement to Cllr Terry Gazzard for his consideration and response in due course.

**62 MINUTES: WEDNESDAY 2<sup>nd</sup> December 2009**

On a motion from Councillor Francine Haeberling, seconded by Councillor Vic Pritchard, it was

**RESOLVED** that the minutes of the meeting held on Wednesday 2<sup>nd</sup> December 2009 be confirmed as a correct record and signed by the Chair(person)

**63 CONSIDERATION OF SINGLE MEMBER ITEMS NOW REQUISITIONED TO CABINET**

There were none.

**64 CONSIDERATION OF MATTERS REFERRED BY OVERVIEW AND SCRUTINY BODIES**

There were none.

**65 SINGLE MEMBER CABINET DECISIONS PUBLISHED SINCE PREVIOUS CABINET MEETING (Report 11)**

The Cabinet noted the report.

**66 REVENUE & CAPITAL BUDGET MONITORING, CASH LIMITS & VIREMENTS APR 2009 TO NOV 2009 (Report 12).**

Councillor Malcolm Hanney, in proposing the item, said that the Council had sought to come within its budget for the financial year.

Councillor Francine Haeberling seconded the proposal.

Rationale

The report was presented as part of the reporting of financial management and

budgetary control required by the Council.

Other Options Considered

None.

On a motion from Councillor Malcolm Hanney, seconded by Councillor Francine Haerberling, it was

**RESOLVED** (unanimously)

(1) To ASK Strategic Directors to continue working towards managing within budget in the current year for their respective service areas, and to manage below budget where possible by not committing unnecessary expenditure, through tight budgetary control;

(2) To NOTE the current revenue budget position;

(3) To AGREE that the Highways Maintenance budget is increased by £0.5m, funded by a one-off drawdown from the Revenue Budget Contingency to enable immediate action to be taken to increase repairs necessary following the deterioration of the network caused by the recent bad weather. This represents the bringing forward of part of the additional one-off funding proposal for 2010/11

(4) To NOTE the capital expenditure position for the Council in the financial year to the end of November and the year end projections;

(5) To AGREE the revenue virements listed for approval;

(6) To NOTE the changes in the capital programme;

(7) To APPROVE the additions to the 2009/10 capital programme;

(8) To APPROVE the rephrasing of 2009/10 capital budgets to future years;

(9) To NOTE the updated revenue position as at the end of December 2009.

**67 ANNUAL PERFORMANCE ASSESSMENT FOR ADULT & SOCIAL CARE 2008/9**  
(Report 13).

Councillor Vic Pritchard, in proposing the item, said that the independent report showed the Council was "performing well". It also showed an improvement, with 6 "performing well" scores – up from 4 in the previous year.

Councillor Malcolm Hanney seconded the proposal.

Councillor Francine Haerberling welcomed the good news contained in the report.

Rationale

The report is published for information.

Other Options Considered

None.

On a motion from Councillor Vic Pritchard, seconded by Councillor Malcolm Hanney, it was

**RESOLVED** (unanimously)

(1) To NOTE the 2008/9 annual performance assessment of Adult Social Care and the associated grading letter.

**68 BATH & NE SOMERSET COUNCIL CORPORATE PLAN REFRESH 2010/11**  
(Report 14).

An extract from the draft minutes of the CPR O&S Panel of Mon 1-Feb-10, relating to

this item, had been tabled [*a copy of which is attached to the Minutes as Appendix 2*] and copies had been put into the public gallery in advance of the meeting.

David Redgewell (Campaign for Better Transport), had submitted a document to Cabinet [*a copy of which is attached to the Minutes as Appendix 4*], and made an *ad hoc* statement in which he said that it was essential to decongest the city of Bath; he supported the Rapid Transit proposals and improvements to all bus routes; and reminded Cabinet that Western Riverside comprised 4 miles of derelict land, which should be brought into use for the community.

Councillor Paul Crossley made an *ad hoc* statement in which he agreed with David Redgewell about the need for improved public transport, but disagreed with some of his proposed solutions. He pointed out that Park & Ride schemes encouraged people to drive from home to the Park & Ride site; what was needed was bus routes which passed through every village. He encouraged Cabinet to recognise that not only should the Council look at the sustainability of its own buildings but must encourage partners (eg MOD) and businesses to do the same. He welcomed the news that the Schools Forum had agreed to "top-slice" in order to fund The Link School.

Councillor Francine Haerberling, in proposing the item, said that this was the final refresh of the Council's Corporate Plan. It had been firmly centred on the local community and reflected the hard realities of the new economic situation.

Councillor Malcolm Hanney seconded the proposal.

Councillor Charles Gerrish said that he too was keen to address climate change and to develop the Council's buildings in a sustainable way. He was delighted that the Sustainability Partnership would imminently hold its first meeting. He emphasised that in order to be successful, the Corporate Plan must be balanced and must benefit the whole community.

Councillor Vic Pritchard referred to the £50k investment in roof insulation, which had been funded through the private sector, and which had been fully taken up by the community within 3 weeks of being made available.

Councillor Chris Watt referred to Cllr Crossley's comments on the Link School funding. He pointed out that this had been the second year that the Schools Forum had supported the Link School in this way; and observed that the Forum would have gone even further, had it not been limited by government. He said that he would discuss with Cllr Crossley a possible way in which schools could be encouraged to use a "pooling system" so as to share risk with the Link School.

### Rationale

The Corporate Plan was refreshed using a robust evidence base of the issues facing Bath & North East Somerset over the next few years. This evidence base compared issues from the whole framework of the Social, Environmental and Economic spectrum. This was shared with partners and was considered alongside evidence of existing performance in order to set out those issues which the Council wishes to focus more of its time and resource.

### Other Options Considered

None.

On a motion from Councillor Francine Haerberling, seconded by Councillor Malcolm Hanney, it was

**RESOLVED** (unanimously)

(1) To RECOMMEND to Council that the refreshed Corporate Plan 2008/11,

incorporating the Medium Term Financial Plan, be adopted as a Policy & Budget Framework item.

**69 TREASURY MANAGEMENT STRATEGY STATEMENT & ANNUAL INVESTMENT STRATEGY 2010/11 (Report 15).**

Councillor Malcolm Hanney, in proposing the item, said that in Feb 2008 the Council had wisely restricted its investments to lower risk institutions and had therefore been less vulnerable to the economic downturn than many other bodies. It was essential to make prudential investments. The Council had been successful in this aim and would continue this approach.

Councillor Charles Gerrish seconded the proposal.

Rationale

The report is a statutory requirement.

Other Options Considered

None.

On a motion from Councillor Malcolm Hanney, seconded by Councillor Charles Gerrish, it was

**RESOLVED** (unanimously)

To RECOMMEND to February Full Council:

- (1) That Council APPROVES the actions proposed within the Treasury Management Statement;
- (2) That Council APPROVES the proposed borrowing and debt rescheduling strategy;
- (3) That Council APPROVES the proposed Investment Strategy;
- (4) That Council APPROVES the proposed changes to the authorised lending lists;
- (5) That Council APPROVES the adoption of CIPFA's revised Code of Practice on Treasury Management;

That Cabinet AGREES:

- (6) To NOTE the prudential indicators;
- (7) To DELEGATE authority for updating the prudential indicators prior to approval at February Full Council to the Divisional Director – Finance and the Cabinet Member for Resources, in light of any changes to the recommended budget as set out in the Budget Report.

**70 FINANCIAL PLAN 2010/11 – 2012/13, BUDGET & COUNCIL TAX 2010/11 (Report 16).**

An extract from the draft minutes of the CPR O&S Panel of Mon 1-Feb-10, relating to this item, had been tabled [*a copy of which is attached to the Minutes as Appendix 2*] and copies had been put into the public gallery in advance of the meeting.

David Redgewell (Campaign for Better Transport), made an *ad hoc* statement in which he observed that few cities in the UK had the advantage that Bath enjoyed of having a major transport package supported by government funds. The Council must ensure sustained revenue funding for the services, including the Rider Ticket.

Gitte Dawson made an *ad hoc* statement welcoming the provision for the Two Tunnels and asking Cabinet not to be diverted from supporting the project.

Fred Cotterill (Democratic Action for B&NES Youth) made a statement [*a copy of which is attached to the Minutes as Appendix 5*] appealing to the Cabinet not to make cuts to the funding of youth involvement projects such as DAFBY.

Councillor John Bull made a statement [*a copy of which is attached to the Minutes as Appendix 6*] in which he presented the Labour Group's budget proposals

Councillor Dr Eleanor Jackson made a statement [*a copy of which is attached to the Minutes as Appendix 7*] supporting the comments of Cllr Bull and expressing her disappointment that the involvement with O&S Panels had not been more effective. It had been frustrating to see more detail in reports in the press than in papers published for O&S debate. She was nevertheless pleased to note the increased investment in highways and maintenance, and in supported housing.

Councillor Paul Crossley made an *ad hoc* statement [*a copy of which is attached to the Minutes as Appendix 8*] presenting the comments of the Liberal Democrat Group. He recognised the difficult circumstances facing Cabinet and observed that government targets and funding were making this worse. He agreed with Cabinet that the budget set by Council must be within government limits, so welcomed the proposal to limit the increase in Council Tax to 2.5%. He was delighted to support the plans for food waste collection. He welcomed the £3m allocation to affordable housing but emphasised that empty homes and basements must be targeted in order to maximise progress on affordable housing.

Councillor Malcolm Hanney, introduced the item by saying that the budget had been drawn up in the context that the Council was one of the lowest funded unitary authorities, with £2.5m per year being withheld from the Government-assessed grant entitlement. Over a five year period, the total amount of grant withheld including the Council's contribution to free bus passes for those over 60 (which was meant to be fully funded by central government) had been almost £18m.

He pointed out that the level of reserves at £10m was not the auditor's view – it was the Council's view – and as a percentage of total spend was not a large amount at all. He noted that some of the Labour Group proposals confused recurring and one-off funding. The effect of this would be that some of the proposals would be funded for one year only, after which the revenue problem would still have to be faced but from a position of depleted reserves. He responded to the point made by Cllr Jackson by saying that the Cabinet's proposals had been provided for debate at the CPR O&S Panel on 1-Feb. All figures quoted in the press had been taken from published O&S agenda papers. He also pointed out that the Cabinet had held a Budget Fair, and had undertaken wider consultation in the community. Cabinet had fully considered the points made by O&S Panels and other respondents during this period.

Cllr Hanney observed that the proposals had been slightly amended since the Cabinet papers had been published; and referred to the amended proposals displayed in the gallery. He identified a number of specific new proposals relating to the allocation of remaining corporate headroom and collection fund surplus and explained these to the meeting.

Councillor Chris Watt seconded the proposal. He gave an assurance that the removal of funding transport to school funding for children with special educational needs would not apply to any student currently in receipt of funding. He referred to the funding of the Youth Service and the comments about "cuts". In fact, he pointed out, far from "cuts", the funding was being increased by £150k. The approach being taken however was that the funding would in future be better targeted at those young people who were most vulnerable. Funding of youth involvement projects would be reduced, as pointed out by Fred Cotterill, but this funding had in the past benefited

only a small minority of young people who were already motivated to be involved in the democratic process and whose needs were not as great as many vulnerable young people.

Cllr Watt was pleased to announce that Cabinet would propose funding free swimming for targeted vulnerable young people. Cabinet would consult on the details of these proposals.

Councillor Vic Pritchard responded to a point made by Cllr Bull by saying that the £300k proposed for Supporting People could not be taken from reserves – this would be a one-year solution only. Government had decreased the Supporting People funding year by year.

Councillor Charles Gerrish expressed his thanks to all the Customer Services staff who, despite budget pressures and job uncertainty, had worked so hard to deliver services during the freezing weather and continued to do so. He was delighted to confirm the extra £50k for street and gully cleansing.

Councillor Malcolm Hanney, in summing up, said that the Cabinet had ensured that the Council would not have a recurring budget deficit and difficult decisions had not been put off for future years. He recommended the amended Budget proposals to Cabinet.

### Rationale

The Council's Section 151 Officer is the Director of Resources and Support Services. This report reflects information already presented to Overview and Scrutiny by the Director. As Section 151 Officer his duties include ensuring a prudent and balanced budget is set on time which properly takes into account the financial constraints and risks facing the Council.

### Other Options Considered

The Budget Report contained other options for consideration in making the decision.

On a motion from Councillor Malcolm Hanney, seconded by Councillor Chris Watt, it was

### **RESOLVED** (unanimously)

To RECOMMEND to February Full Council:

(1) That Council:

- (a) APPROVES the General Fund net revenue budget for 2010/11 of £129.940m and the associated Council Tax increase of 2.50%, including the service cash limits; and
- (b) APPROVES specific arrangements for the governance and release of corporate headroom and one-off funding provided within the Budget, be delegated to the Council's Section 151 Officer in consultation with the Cabinet Member for Resources and the Chief Executive;

(2) That Council AGREES to include the Local Precepts of Town Councils, Parish Councils and the Charter Trustees of the City of Bath, and those of the Fire and Police Authorities in its Council Tax setting;

(3) That Council NOTES the Section 151 officer's report on the robustness of the proposed budget and the adequacy of the Council's reserves;

(4) That in relation to the capital budget, Council:

- (a) APPROVES the capital programme of £47.541m for 2010/11 and notes indicative items shown in italics for 2010/11 and the programme for 2011/12 to 2014/15, including the planned sources of funding;

- (b) APPROVES the Minimum Revenue Provision Policy; and
- (c) APPROVES the Capital Prudential Indicators.

(5) That Council:

(a) NOTES the O&S review of Medium Term Service and Resource Plans and 2010/11 Service Action Plans; and

(b) INSTRUCTS the relevant officers to finalise and publish their Medium Term Service and Resource Plans and Service Action Plans by end of March 2010, in consultation with the relevant Cabinet Member and in light of feedback from the O&S review, and in line with the approved cash limits.

And that the Cabinet agrees:

(6) To NOTE that recommendation 1(a) to Council has been amended to reflect a reduction in the pay award provision from 1% to 0% in line with the employer pay offer for 2010/11 and that this funding is transferred to the Revenue Budget Contingency pending the actual outcome of the pay negotiations;

(7) To UPDATE the Council Budget report to reflect the agreed allocation of remaining corporate headroom and collection fund surplus, as follows:

- £150,000 to ensure sufficient resources are available to support the implementation of the Regeneration Delivery Plans for Bath, Keynsham, and the Somer Valley;
- £50,000 to Future Bath Plus to support events and marketing initiatives across the B&NES area generating increasing footfall and business activity. This commitment is expected to leverage matching funds from the business community;
- £10,000 to support and match fund the business community initiative to progress and formally consult on a Business Improvement District for Bath;
- £50,000 for additional street and gully cleaning, bringing the total extra street cleaning budget for this year to £100,000;
- £50,000 to support the developing economic, cultural, and educational links with Jiangxi Province and Jingdezhen; and
- £75,000 funding for the Youth Service to support an increased emphasis on empowering and supporting the development of local community activities, including a pilot grant scheme to support community organisations providing targeted youth activities. Of this amount £25,000 will also be used to provide free swimming for disadvantaged children.

(8) To DELEGATE to the Leader and Deputy Leader in consultation with the Chief Executive and Section 151 Officer inclusion of additional proposals for allocation of any remaining corporate headroom and collection fund surplus in the Council Budget report; and

(9) To AUTHORISE the Divisional Director (Finance), in consultation with the Cabinet Member (Resources), to make any necessary presentational improvements to the draft Budget Proposal prior to submission to Council.

The meeting ended at 6:30pm

Chair(person) \_\_\_\_\_

Date Confirmed and Signed \_\_\_\_\_

**Prepared by Democratic Services**