

Wednesday, 10th February, 2016

Present:

Councillor Tim Warren	Leader of the Council and Conservative Group Leader
Councillor Liz Richardson	Cabinet Member for Homes and Planning
Councillor Patrick Anketell-Jones	Cabinet Member for Economic Development, Conservative Deputy Group Leader Bath
Councillor Charles Gerrish	Cabinet Member for Finance and Efficiency, Conservative Deputy Group Leader North East Somerset
Councillor Vic Pritchard	Cabinet Member for Adult Social Care and Health
Councillor Anthony Clarke	Cabinet Member for Transport
Councillor Martin Veal	Cabinet Member for Community Services
Councillor Michael Evans	Cabinet Member for Children's Services

72 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting.

73 EMERGENCY EVACUATION PROCEDURE

The Senior Democratic Services Officer drew attention to the evacuation procedure as set out in the Agenda.

74 APOLOGIES FOR ABSENCE

There were no apologies for absence.

75 DECLARATIONS OF INTEREST

There were none.

76 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR

There was none.

77 QUESTIONS FROM PUBLIC AND COUNCILLORS

There were 18 questions from Councillors and 2 questions from members of the public.

[Copies of the questions and responses, including supplementary questions and responses if any, have been placed on the Minute book at Democratic Services and are available on the Council's website.]

78 STATEMENTS, DEPUTATIONS OR PETITIONS FROM PUBLIC OR COUNCILLORS

David Redgewell addressed the Cabinet by expressing his concern that Keynsham train station was not part of the MetroWest project. The project should take into account an additional housing built in Keynsham and rise in demand for train services. David Redgewell welcomed allocation of £70k for better bus in the area and highlighted that it should be important to maintain evening and weekend buses.

Councillor Alison Millar addressed the Cabinet by saying that there had been a strong and focused opposition to the Park and Ride site on Bathampton Meadows. The petition against the Park and Ride now has over 10,000 signatures and MP Jacob Rees-Mogg had raised this issue in the Parliament. £9.7m had been allocated from the budget for this issue, which Councillor Millar had called it as risky decision with no mandate. Councillor Millar concluded her statement by saying that there was no hard evidence on the demand and take up of the Park and Ride on Bathampton Meadows and that this would not be good legacy for the current administration.

79 MINUTES OF PREVIOUS CABINET MEETING

RESOLVED that the minutes of the meeting held on Wednesday 2nd December 2015 be confirmed as a correct record and signed by the Chair.

80 CONSIDERATION OF SINGLE MEMBER ITEMS REQUISITIONED TO CABINET

There were none.

81 MATTERS REFERRED BY POLICY DEVELOPMENT AND SCRUTINY BODIES

The Chair invited Councillor Sarah Bevan, as Resources PDS Chair, to address the Cabinet.

The Chair informed the meeting that the Cabinet had received a copy of draft minutes of the last Resources PDS meeting.

Councillor Sarah Bevan read out a statement to the Cabinet (*available on the Minute Book in Democratic Services*) giving the following concerns from the Resources PDS Panel:

- The Panel expressed major concerns that the Government settlement might not be finalised in time for the budget to be set next Tuesday;
- The Panel voiced its awareness of heavy reliance on generating extra income – more than £7m over 4 years;
- The Panel was concerned that there was a lack of detail about that element of the proposal and lack of detail about modifications made since the draft settlement and the November Panel meetings;

- The Panel was concerned about the social care savings calculation, given the increase in demand for these services, despite the 2% precept proposed;
- The proposed budget involves high risk to the Council;
- The proposed budget may not be balanced;
- The use of reserves to fund 'invest to save' schemes is a risk; and
- The proposed £2m savings from staff may have an adverse effect on residents' front line services, not to mention the staff themselves in some cases.

In summary, the Panel would prefer less dependence on risky new initiatives and more detailed information overall.

The Chair thanked Councillor Bevan on her statement.

82 SINGLE MEMBER CABINET DECISIONS TAKEN SINCE PREVIOUS CABINET MEETING

The Cabinet agreed to note the report.

83 URBAN GULLS STRATEGY AND ACTION PLAN

Councillor Dine Romero gave a statement by saying that, on a face of it, the Gulls Strategy could be a good thing but that she had had a concern that the Council would spend £60k on measures which had not worked in the past. Councillor Romero also said that some of the proposed measures would have limited effect, as highlighted in the Scrutiny report not so long ago. Councillor Romero concluded her statement by saying that she would be looking forward to hear what research would be done on this matter and how the Council would lobby the Government on this issue.

Councillor Martin Veal said that this was an updated and revised strategy, which was needed for the city. Councillor Veal commended previous work undertaken by officers and scrutiny in this area. If approved, the strategy would start immediately. The strategy would finalise innovative and mutually beneficial research project by gathering the evidence in a way that was not possible before. Councillor Veal also said that he would, via local MPs, lobby central government to get this issue properly raised and addressed. The strategy fulfils manifesto pledge to tackle issue of gulls in the city and £86k would be allocated to tackle a serious of measures.

Councillor Martin Veal moved the recommendations.

Councillor Tim Warren seconded the motion by saying that it is important for this issue to be tackled. £85k had been earmarked for this three-pronged approach which would trial a series of measures to deter the gull population from settling in the area. This innovative approach would provide an opportunity to gather evidence at a scale that hasn't been possible before, providing a clear steer on future intervention work and targeting of resources.

RESOLVED (unanimously) that the Cabinet:

- 1) Adopt the revised urban gull strategy.

- 2) Officers progress, in consultation with the Cabinet Member, the following measures prioritised for delivery in 2015/16 and 2016/17 using the allocated funding of £85k. These are:
 - a) Provision of a pilot gull treatment programme supported by a communications campaign for areas in Abbey, Kingsmead, Widcombe, Newbridge, Westmoreland, Twerton and Midsomer Norton. This will be delivered through an external contractor chosen through an open and transparent tender process.
 - b) An additional officer for waste education and enforcement for 6 months.
 - c) The delivery of a comprehensive communications campaign.
- 3) The Cabinet Member, in consultation with officers, will apportion the budget of £85k to each of the above recommendations.
- 4) In addition the Council will enter into a collaborative partnership with the University of the West of England and Middlesex University to map and track the behavioural patterns of gulls and deliver a citizen science project.

84 METRO WEST PHASE 1 UPDATE REPORT

Councillor Neil Butters welcomed that Metro West project had been progressing and that it should not stop with phases 1 and 2. Councillor Butters also said that the Council should use this opportunity in extending services to Chippenham where service connections between Swindon and Saltford, including Corsham, could be provided. Councillor Butters concluded his statement by expressing his concern for cuts in bus subsidies in Wiltshire which could have an impact on B&NES area.

Councillor Eleanor Jackson also welcomed the report but felt that it did not go into detail, such as that there was no mention on development of railway between Frome and Radstock.

Councillor Anthony Clarke said that he was aware of matters raised by Councillors Butters and Jackson, and that he would make sure that these issues were picked up. The Metro West Project aims to improve the local rail network which had been under-developed compared with most other major urban areas. The aim was to provide regular half-hourly services across the sub-region. The first stage of this project, Metro West Phase 1, would re-open the Portishead railway and improve frequencies on the Severn beach Line and into Bath and North East Somerset. The project had received significant support from DfT, which had considered the proposal to be well developed. The project would link the Bristol Enterprise Zone with the Bath Riverside Enterprise Area. Improved rail services at Oldfield Park would support the Bath Enterprise Area and at Keynsham would particularly support the adjacent Somerdale and other development areas. The improved rail frequency had been seen as particularly significant in supporting the Master Plan, as well as being a central component of the Core Strategy, Economic Strategy, and both the Getting Around Bath and Keynsham Transport Strategies.

Councillor Anthony Clarke moved the recommendations.

Councillor Michael Evans seconded the motion by thanking officers on the report on progress with the MetroWest Phase 1 Rail Project. Councillor Evans also said that he would be looking forward to receiving a further and more detailed report later in the year.

Councillor Charles Gerrish also welcomed the report and added that Network Rail should consider that more and more people had been using train station in Keynsham, hence the need for a cover over the station. Councillor Gerrish also highlighted suitability of parking at the Keynsham train station.

RESOLVED (unanimously) that the Cabinet:

- 1) Noted the contents of this report and would provide continued support for the Metro West Phase 1 Rail Project and acknowledged its links with the Getting around Bath and Keynsham Transport Strategies.
- 2) Noted the possible capital cost over-run and made a commitment to revenue support for the first three years of operation.
- 3) Noted the possible revenue reversion risk.
- 4) Made a consideration in the medium term financial plan for any of these emerging financial pressures.
- 5) Noted the timetabling works required in relation to Metro West phase 1 and its impact on the Saltford Station proposal.

85 HERITAGE SERVICES BUSINESS PLAN: 2016-2021 UPDATE

Councillor Rob Appleyard welcomed the report and said that we shouldn't underestimate the value which Heritage Services had brought to the area. Councillor Appleyard also welcomed that the report had recognised a risk that the profit targets for 2016-2021 might not be achieved due to sensitivity of planning assumptions and to national and international economic factors.

Councillor Andrew Furse welcomed the investment in visitor experience for Roman Baths though he expressed his concern that experience could be unpleasant due to number of visitors at times.

Councillor Patrick Anketell-Jones said that overcrowding of Roman Baths, and visitor experience, would be monitored by the management. Heritage Services' approach to business planning and generating income had proven to be very successful. The business philosophy of ensuring the sustainability of unique heritage assets, the audiences attracted and the income streams brought had stood the test of time and had attracted the interest of other organisations, public and private, elsewhere in the UK and overseas.

Councillor Patrick Anketell-Jones moved the recommendations.

Councillor Liz Richardson seconded the motion by saying that the Victoria Art Gallery exhibition programme had been now included in the Combined ticket to the Roman Baths and Fashion Museum and that this had been already driving footfall upwards and generating a whole new income stream.

RESOLVED (unanimously) that the Cabinet:

- 1) Approved the Heritage Services Business Plan 2016-2021;
- 2) Confirmed that it wishes Heritage Services to continue to work to the business principles agreed by the Council Executive in 2004, as amended;
- 3) Approved the capital investment outlined in this report and noted that the Budget report also on the agenda for this meeting recommends:

- a) Full approval and inclusion in the Approved capital programme of the following projects:
 - i) The Archway Centre project at a total cost of £5.317 Million in 2017/18 and 2018/19, including a contribution by the Council of £1 Million, (£750k from corporate borrowing and £250k from service-supported borrowing), as detailed in this report
 - ii) The Roman Baths Infrastructure projects totalling £100k planned for 2016/17
 - iii) The Victoria Art Gallery air conditioning project, costing £150k in 2016/17, subject to completion of the Project Implementation process
 - b) Inclusion in the provisional capital programme of the block of Roman Baths infrastructure projects totalling £600k from 2017/18 to 2020/21
 - c) Inclusion of information around emerging capital programme items, to be brought forward for inclusion in the capital programme in future years, for the investment of £1.15 Million per annum in both 2019/20 and 2020/21 in order to begin a further major refurbishment of the entire Roman Baths site
 - d) Re-phasing of £100k currently included in Approved the capital programme to develop the second phase of the Visitor Management System project from 2015/16 to 2017/18.
- 4) Noted the investment contained within the Business Plan and approved the procurement of goods and services necessary to carry out this investment, including new contracts for security and further digital interpretation during the period of the Plan.

86 REVENUE & CAPITAL BUDGET MONITORING, CASH LIMITS AND VIREMENTS – APRIL TO DECEMBER 2015

Councillor Andrew Furse congratulated officers on bringing the budget within 0.03% of spent though he expressed his concerns that some areas were showing overspend.

Councillor Charles Gerrish said that the Budget Management Scheme had required that the Cabinet consider the revenue and capital monitoring position four times per year. For revenue budgets which were forecast to be overspent, the service Directors were normally expected to seek compensating savings to try and bring budgets back to balance. The report has highlighted significant areas of forecast over and under spends in revenue budgets and outlined the Council's current revenue financial position for the 2015/16 financial year to the end of December 2015 by Cabinet Portfolio. The current forecast outturn position was for an underspend of £128,000 which equates to 0.03% of gross budgeted spend (excluding Schools). In addition, as previously reported, uncommitted New Care Act burdens funding would be transferred to a specific Council Care Act Reserve at year end, currently estimated to be £750,000.

Councillor Charles Gerrish moved the recommendations.

Councillor Vic Pritchard seconded the motion by saying that the Council's financial position, along with its financial management arrangements and controls, were fundamental to continuing to plan and provide services in a managed way, particularly in light of the medium term financial challenge. The revenue budget for

2015/16 had included delivery of £9.7m of savings and in addition to this, a further £1.695m of in-year rebasing had been actioned resulting in there no longer being a requirement to use reserves to balance the 2015/16 budget.

RESOLVED (unanimously) that the Cabinet agreed that:

- 1) Strategic Directors should continue to work 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) This year's revenue budget position as shown in the report is noted.
- 3) The capital expenditure position for the Council in the financial year to the end of December and the year-end projections detailed in the report are noted.
- 4) The revenue virements listed for approval in the report are agreed.
- 5) The changes in the capital programme listed in the report are noted.

87 TREASURY MANAGEMENT MONITORING REPORT TO 31ST DECEMBER 2015

Councillor Andrew Furse expressed his concern in regards of future borrowing. Councillor Furse said that borrowing would rise from £180m this year to £300m till 2018. Councillor Furse concluded his statement by saying that this would have revenue implications and questioned if this was the right time to increase capital funding.

Councillor Charles Gerrish said that this report had given details of performance against the Council's Treasury Management Strategy and Annual Investment Plan 2015/16 for the first nine months of 2015/16. The average rate of investment return for the first nine months of 2015/16 was 0.47%, which was 0.08% above the benchmark rate. £10 million of annual borrowing matured during the third quarter of 2015/16. These funds were re-borrowed for a further 12 months at a more beneficial interest rate. The Council's total borrowing was £108.3 million as at 31st December 2015.

Councillor Charles Gerrish moved the recommendations.

Councillor Michael Evans seconded the motion by saying that investments returns had continued to be ahead of the benchmark rate whilst reflecting the continued low interest rate environment; that investments had remained diversified across UK banks, building societies and very highly rated foreign banks; and that the Council had continued to not hold any direct investments in countries within the Eurozone.

RESOLVED (unanimously) that the Cabinet agreed that:

- 1) The Treasury Management Report to 31st December 2015, prepared in accordance with the CIPFA Treasury Code of Practice, is noted
- 2) The Treasury Management Indicators to 31st December 2015 are noted.

88 2016/17 TREASURY MANAGEMENT & INVESTMENT STRATEGY

Councillor Charles Gerrish said that this report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the CLG Guidance. This report had been scrutinised by the Corporate Audit Committee at the 4th February 2016 meeting. Councillor Gerrish assured Councillor

Furse that the income generated from the bulk of the borrowing would exceed the cost of borrowing. This wouldn't be a 'leap in the dark' and it would generate income for the Council.

Councillor Patrick Anketell-Jones seconded the motion by saying that this strategy had set out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments. The Council's borrowing strategy of using internal resources or borrowing short term would be kept under review taking account of future interest rate forecasts.

RESOLVED (unanimously) that the Cabinet agreed to:

- 1) Recommend the actions proposed within the Treasury Management Strategy Statement to February Council for approval.
- 2) Recommend the Investment Strategy to February Council for approval.
- 3) Recommend to February Council for approval that decisions to borrow from the Local Government Association (LGA) Bond Agency are delegated to the Chief Finance Officer in consultation with the Cabinet Member for Finance & Efficiency.
- 4) Note the Treasury Management Indicators and delegate authority for updating the indicators prior to approval at Full Council on 16th February 2016 to the Chief Finance Officer and Cabinet Member for Finance & Efficiency, in light of any changes to the recommended budget as set out in the Budget Report elsewhere on the agenda for this meeting.

89 BUDGET AND COUNCIL TAX 2016/17 AND FINANCIAL OUTLOOK 2016/17 TO 2019/20

Councillor Dine Romero said that the Cabinet should be mindful of Council's ability to generate more income taking into consideration that people have less money. Councillor Romero expressed her concern in risks, in particular that we, as a Council, would have to pay more at later stages. Councillor Romero also expressed her concerns in efficiency savings in Connecting Families programme and in remodelling of the Public Mental Health, especially since many young children had suffered from mental health issues. Councillor Romero also questioned if the £1m spent on Schools Capital Maintenance had come straight from the Department of Education.

Councillor Andrew Furse expressed his concern in the risk on delivery by saying that proposed budget had had ambitious saving targets without much detail on what those savings were. Councillor Furse also said that the Council had received £1.8m of Transitional Funding over two years, which was much less than some other authorities in the country received. Also, as per Councillor Furse, it would be a big challenge in delivering service with so many redundancies expected to happen in near future. Councillor Furse concluded his statement by expressing his concern in reduction of recycling centres opening hours and also in Highways Maintenance budget cut.

Councillor Robin Moss questioned how much of the Central Government grant the Council get would over four years. Councillor Moss also questioned issue of planning department fees and concluded that despite of an effort that officers had put in this report, there was no enough detail for him to vote on.

Councillor Joe Rayment expressed his concerns in cuts within drug and alcohol services, sexual health and health improvement programme.

Councillor Lisa Brett commented that schools would face 4.4% increase in their pay bill, which would be huge blow to their budgets. Councillor Brett questioned how the Cabinet would respond to cuts in schools; whether it was responsible to protect school improvement services on the expense of other Council services; and, what had been done to include the Education Minister in a review of Council's statutory obligation to schools.

Councillor Eleanor Jackson expressed her concerns in cuts on Public Health and also in wasting resources in projects that had not been done right at first time.

Councillor Charles Gerrish said that the Council had received the final figures from the Central Government, and that they were unchanged from what was originally envisaged, though the Council would still have to make some significant savings. The Transitional Funding allocated to this Council had been on par with other neighbouring authorities and similar Councils, which indicated that a visit from the Leader of the Council and Councillor Gerrish to the relevant Minister in January this year had been successful.

Councillor Charles Gerrish read out Aims and Ambitions of the budget and highlighted these Key Priorities within the budget:

- Tackling waste and increasing efficiency
- Improving transport
- Delivering new homes and jobs
- Investing in young people
- Supporting cleaner, greener and healthier communities
- Promoting choice and independence for older people.

Councillor Charles Gerrish also said that the Final Settlement for local government had included the provision of a new "one off" Transitional Grant for the Council of £936K in 2016/17 and £930K in 2017/18. The underlying Settlement had remained the same and the previously indicated reductions in Revenue Support Grant had been confirmed. That meant the Council had had the same longer term financial challenge as before with some short term funding mainly to help manage risk and the transition.

In light of this, Councillor Gerrish had proposed that the budget recommended to Council is amended, and that Council is provided with a short supplementary paper, to reflect the following use of the Transitional Grant funding in 2016/17:

1.Adjustments to Existing Budget Proposals

£25K - Widening of Gull Strategy trial and additional enforcement work

£62K - Increase transition support for Freight Consolidation from 6 to 12 months

2.New Provisions

£50K – Support and advice for B&NES Council financial planning and a submission to government - to inform planned changes to local government finance nationally, including a new system of needs assessment and tariffs, which will be offsetting business rates retention proposals

3.Service Transition Support

£799K – Corporately held transition funding to assist in the delivery of savings targets and other pressures as required in year and as a contingency relating to income growth targets in 2016/17

Councillor Charles Gerrish moved the recommendations as amended.

Councillor Tim Warren seconded the motion by saying that this was one of the most challenging budgets ever. Councillor Warren welcomed these detailed plans to invest in the area, as part of a balanced budget that would continue to protect essential frontline services and focus on the priorities that matter the most to local people. Through driving greater efficiencies, as well as looking at innovative ways to continue delivering services, the Cabinet had been able to set aside funds for investment in the future of Bath and North East Somerset.

The Cabinet had identified specific investment priorities, following detailed Spending Review, as part of the commitment to delivering three core aims, to ensure the Council:

- o Is efficient and well run;
- o Invests in the future of the area; and
- o Puts the interests of residents first

Councillor Tim Warren also said that this budget would help in continuing delivery of key priorities including improving transport, creating homes and jobs, supporting young and older people alike, and investing in cleaner, greener and healthier communities.

The rest of the Cabinet unanimously welcomed the budget by highlighting key aims and priorities within their portfolio, as per report.

RESOLVED (unanimously) that the Cabinet agreed to recommend:

1) That the Council approve:

- a) The General Fund net revenue budget for 2016/17 of £115.729m and the associated Council Tax increase of 1.25% plus a further 2% for Adult Social Care, as set out in Appendix 2.
- b) That no Special Expenses be charged other than Town and Parish Council precepts for 2016/17.
- c) The adequacy of reserves at Appendix 2 Table 10 with a risk-assessed level of £10.5m.
- d) The individual service cash limits for 2016/17 summarised at Appendix 2 Table 6 and detailed in Annex 1.
- e) That the specific arrangements for the governance and release of reserves, including invest to save proposals, be delegated to the Council's Section 151 Officer in consultation with the Cabinet Member for Finance & Efficiency and the Chief Executive.

2) That the Council include in its Council Tax setting, the precepts set and approved by other bodies including 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.

3) That the Council notes the Section 151 officer's report on the robustness of the proposed budget and the adequacy of the Council's reserves (Appendix 2, Annex 2) and approves the conditions upon which the recommendations are made as set out throughout Appendix 2.

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

- a) approves a capital programme of £58.063m for 2016/17 and notes items for provisional approval in 2016/17 and the programme for 2017/18 to 2020/21 as shown at Appendix 2, Annex 3 including the planned sources of funding .
 - b) delegates implementation, subject to consultation where appropriate, of the capital programmes set out in Annex 3i to Annex 3iv to the relevant Strategic Director in Consultation with the appropriate Cabinet Member.
 - c) approves all other delegations as set out in the budget report.
 - d) approves the Minimum Revenue Provision Policy as shown at Appendix 2, Annex 4
 - e) approves the Capital Prudential Indicators as set out in Appendix 2 Table 8.
- 5) That the Council agree the Council's proposed pay policy statement, including the provision in respect of minimum pay rates in 2016/17 as set out at Appendix 5 delegating implementation arrangements to the Employment Committee where appropriate.
- 6) Authorise the Council's Section 151 Officer, in consultation with the Cabinet Member for Finance & Efficiency, to make any necessary changes and presentational improvements to the draft budget proposal for submission to Council.
- 7) The Final Settlement for local government includes the provision of a new "one off" Transitional Grant for the Council of £936K in 2016/17 and £930K in 2017/18. The underlying Settlement remains the same and the previously indicated reductions in Revenue Support Grant are confirmed. That means the Council has the same longer term financial challenge as before but has some short term funding mainly to help manage risk and the transition.
- In light of this it is proposed that the budget recommended to Council is amended, and that Council is provided with a short supplementary paper, to reflect the following use of the Transitional Grant funding in 2016/17:

1.Adjustments to Existing Budget Proposals

£25K - Widening of Gull Strategy trial and additional enforcement work
£62K - Increase transition support for Freight Consolidation from 6 to 12 months

2.New Provisions

£50K – Support and advice for B&NES Council financial planning and a submission to government - to inform planned changes to local government finance nationally, including a new system of needs assessment and tariffs, which will be offsetting business rates retention proposals

3.Service Transition Support

£799K – Corporately held transition funding to assist in the delivery of savings targets and other pressures as required in year and as a contingency relating to income growth targets in 2016/17

The meeting ended at 7.50 pm

Chair _____

Date Confirmed and Signed _____

Prepared by Democratic Services