

BATH AND NORTH EAST SOMERSET

CABINET

Wednesday, 2nd February, 2011

These minutes are draft until confirmed as a correct record at the next meeting.

Present:

Councillor Francine Haeberling	Leader of the Council
Councillor Malcolm Hanney	Deputy Leader and Cabinet Member for Resources
Councillor Terry Gazzard	Cabinet Member for Development and Major Projects
Councillor Charles Gerrish	Cabinet Member for Service Delivery
Councillor Vic Pritchard	Cabinet Member for Adult Social Services and Housing
Councillor Chris Watt	Cabinet Member for Children's Services

136 WELCOME AND INTRODUCTIONS

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

137 EMERGENCY EVACUATION PROCEDURE

The Chair drew attention to the evacuation procedure as set out in the Agenda.

138 APOLOGIES FOR ABSENCE

Apologies had been received from Councillor David Hawkins

139 DECLARATIONS OF INTEREST UNDER THE LOCAL GOVERNMENT ACT 1972

There were none.

140 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR

There was none.

141 QUESTIONS FROM PUBLIC AND COUNCILLORS

There were 3 questions from the following people: Councillors Nigel Roberts, Paul Crossley, Caroline Roberts.

[Copies of the questions and response, 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.]

142 STATEMENTS, DEPUTATIONS OR PETITIONS FROM PUBLIC OR COUNCILLORS

All statements were made at the relevant item on the Agenda.

143 MINUTES OF PREVIOUS CABINET MEETING

Councillor Chris Watt asked for an amendment to be made to the record of a statement he had made at the meeting. The Democratic Services Officer agreed to amend the Minutes before signature. On a motion from Councillor Francine Haeberling, seconded by Councillor Chris Watt, it was

RESOLVED that the minutes of the meeting held on Wednesday 25th November 2010 (as amended) be confirmed as a correct record and signed by the Chair.

144 CONSIDERATION OF SINGLE MEMBER ITEMS REQUISITIONED TO CABINET

There were none.

145 CONSIDERATION OF MATTERS REFERRED BY OVERVIEW AND SCRUTINY BODIES

The Corporate Performance and Resources Overview and Scrutiny Panel had submitted recommendations from its meeting held on Mon 31st January for Cabinet's consideration when discussing the Budget. [*The Draft Minutes of that meeting, and the Summary of recommendations made from each Overview and Scrutiny Panel, are attached to these Minutes as Appendices 3 and 4.*]

The Chair announced that both documents had been placed in the public gallery before the meeting; and that they would be considered at Item 14 on the Agenda. She thanked Councillor David Dixon (Chair, CYP O&S Panel) for the work of his Panel in preparing the recommendations.

146 SINGLE MEMBER CABINET DECISIONS TAKEN SINCE PREVIOUS CABINET MEETING

The Cabinet agreed to note the report.

147 REVENUE AND CAPITAL BUDGET MONITORING, CASH LIMITS AND VIREMENTS - APRIL 2010 TO DECEMBER 2010

Councillor Malcolm Hanney introduced the item and proposed the recommendations. He commended all areas of the Council for living within the Budget despite the in-year cuts imposed by government.

Councillor Charles Gerrish seconded the recommendations

Rationale

The report is 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 Charles Gerrish, it was

RESOLVED (unanimously):

- (1) To ASK Strategic Directors to 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) To NOTE this year's revenue budget position;
- (3) To NOTE the capital expenditure position for the Council in the financial year to the end of December and the year end projections;
- (4) To AGREE the proposed revenue virements;
- (5) To NOTE the changes in the capital programme;
- (6) To APPROVE the proposed additions to the 2010/11 Capital Programme.

148 TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2011/12

Councillor Malcolm Hanney introduced the item and proposed the recommendations. He referred to the table of non-specified investment limits on page 15 of Appendix 2, and explained the table should include Long-term credit rating A+ for 2 years for UK counterparties.

Councillor Charles Gerrish seconded the proposal.

Rationale

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):

- (1) To RECOMMEND the actions proposed within the Treasury Management Strategy Statement to February Council for approval;
- (2) To RECOMMEND the borrowing and debt rescheduling strategy to February Council for approval;
- (3) To RECOMMEND the Investment Strategy to February Council for approval;
- (4) To RECOMMEND the proposed changes to the authorised lending lists to February Council for approval;
- (5) To NOTE the Prudential Indicators and delegate authority for updating the indicators prior to approval at Full Council on 16th February 2010 to the Divisional Director - Finance and Cabinet Member for Resources, in light of any changes to the recommended budget.

149 FINANCIAL PLAN 2011/12-2013/14, BUDGET & COUNCIL TAX 2011/12

Councillor Eleanor Jackson made a statement *[attached to these Minutes as Appendix 2 but not available on the web]* in which she recognised the difficult job

facing the Cabinet but expressed a number of objections to the proposals and to the way the information had been provided by what she felt was drip feeding via the local press. She also felt it was a myth to say that frontline services could be protected. She appealed for £25,000 bridging money to be made available from the Headroom Fund so that youth services in Radstock could have a breathing space to maintain staff hours and to find alternative premises. She also asked for a commitment from Cabinet to repair and modernise the Victoria Hall in Radstock.

Councillor John Bull made an *ad hoc* statement, which he said was a repetition of the same points he had made at the Overview and Scrutiny meeting concerning the allocations from Headroom Fund. On behalf of the Labour Group, he suggested that three allocations from the Headroom Fund should be made as part of the Budget: Replace £27K into the budget for Children and Young People Services; Allocate £8K to complete the funding of Bath Contact Centre for Parents; Allocate £5K for the Children's Rights Service.

Councillor Paul Crossley made an *ad hoc* statement in which he said that he felt there were still some massive commitments to huge projects of dubious value, an example of which was the Bath Rapid Transport proposals.

The Chair invited Councillors David Dixon (Chair of Corporate Performance and Resources Overview and Scrutiny Panel) and Caroline Roberts (Chair of Safer and Stronger Communities Overview and Scrutiny Panel) to address the Cabinet.

Councillor David Dixon referred to the Panel's recommendations which had been put into the public gallery before the meeting [*attached to these Minutes as Appendices 3 and 4*] which included the Labour Group comments. He thanked the Cabinet for giving consideration to the Panel's recommendations.

Councillor Caroline Roberts observed that the previous year had seen a huge cut in the Environmental Services budget and she praised the staff of that service for achieving so much with such reduced funds. She asked for this to be recognised in the current Budget and thanked the Cabinet for giving serious consideration to the comments made by the Panel.

Councillor Malcolm Hanney in introducing the item, referred to the Proposed Base Revenue Budget Cash Limits [*attached to these Minutes as Appendix 5*] which had not been included in the Agenda despatch but which had been made available in the public gallery before the meeting.

He echoed the thanks to officers for their hard work in such difficult circumstances. He felt that the Cabinet had engaged well with Overview and Scrutiny Panels. He observed that there had been a 16% cut across the board in grants from government and warned that about £3M of government grants were yet to be confirmed so the Revenue budget might still be subject to some change. He joined with others in expressing concern about the impact of Academies on the corporate schools support budget. In response to the points made by Councillor Jackson, He said that he was willing to discuss with Councillor Jackson the support for Radstock and for the youth service; he reminded Cabinet that the previous budget had put an extra £50K into youth services and the current Budget proposed an additional £105K. He referred to the Cabinet's consistent position on securing the future of the Victoria Hall and said that he would want to discuss all the options with the new Town Council, once elected. He promised to take on board all the comments from Overview and Scrutiny Panels and explained that the Cabinet was determined to work closely with officers and unions to minimise compulsory redundancies.

Councillor Hanney in moving the motion pointed out that his motion was amended at clause (e) from those published in the report.

Councillor Francine Haeberling seconded the motion. She congratulated officers and Councillor Hanney for continually delivering balanced budgets and said she was optimistic about the future.

Councillor Charles Gerrish referred to the extra £3M spent on highways, which he said had led to a massive improvement in the work done. The money had in effect been an "invest to save" and had been well spent. He referred to the Transport Capital Programme and observed that it had led to job creation. He was particularly pleased about the Rossiter Road Scheme and the significant investment in Keynsham.

Councillor Chris Watt said that Children's Services had faced major challenges as a result of the government's emergency budget. He agreed with Councillor Jackson that it was dangerous to suggest that frontline services can all be protected in this climate. There was still a need for clarity about the "Shout Out" and other projects. The Children's Society work had been recommissioned, so he could not yet confirm funding. He pointed out that the additional fund for the Youth Service had not appeared at the last minute, as had been suggested, but he had consistently argued for the "enabling fund" to support community groups to run their engagement activities. He welcomed the proposed budget.

Councillor Vic Pritchard referred to Community Learning, which would have a minimum funding level of £500K but after this year it would end. Options were to collaborate with Bristol, as a junior partner, which was not ideal; or to work with the City of Bath College – which would still require some redundancies.

Councillor Hanney in summing up agreed that there had to be some very difficult decisions, not least because of the direct cuts in government grants. The Cabinet were committed to investing in the future which would create jobs. He commended the proposals to Cabinet.

Rationale

The rationale is contained in the supporting paper to the report. The report reflects information already presented to Overview and Scrutiny by the Director. The Council's Section 151 Officer has ensured that 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 supporting report and appendices also contain the other options considered in making the recommendations

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

RESOLVED (unanimously):

To RECOMMEND to Council:

(1) That the Council approve:

(a) The General Fund net revenue budget for 2011/12 of £121.742m with no increase in Council Tax.

(b) That no Special Expenses be charged other than Town and Parish Council precepts for 2011/12.

(c) The adequacy of reserves at Appendix 1 Table 9 with a risk-assessed level of £10.5m.

(d) The individual service cash limits proposed for 2011/12.

(e) That the specific arrangements for the governance and release of corporate headroom (which includes any amounts for which the purpose has not been specified in the budget report in relation to the transfers to revenue budget contingency, the ongoing headroom allocations and the one off headroom allocations in Appendix 1) be delegated to the Council's Section 151 Officer in consultation with the Cabinet Member for Resources and the Chief Executive together with the chair of the CPR Overview & Scrutiny Panel.

(2) That the Council include 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 in its Council Tax setting.

(3) That the Council acknowledges the Section 151 officer's report on the robustness of the proposed budget and the adequacy of the Council's reserves and approves the conditions upon which the recommendations are made.

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

(a) Approves a capital programme of £34.108m for 2011/12 and notes indicative items shown in italics for 2011/12 and the programme for 2012/13 to 2015/16 including the planned sources of funding;

(b) Approves the Minimum Revenue Provision Policy;

(c) Approves the Capital Prudential Indicators.

(5) That the Council notes the O&S review of Medium Term Service and Resource Plans and 2011/12 Service Action Plans and instructs the relevant officers to finalise and publish their Medium Term Service and Resource Plans and Service Action Plans by end of March 2011, in consultation with the relevant Cabinet Member and in light of feedback from the O&S reviews, and in line with the approved cash limits.

(6) To AUTHORISE the Divisional Director – Finance, in consultation with the Cabinet Member for Resources, to make any necessary presentational improvements to the draft budget proposal prior to submission to Council.

The meeting ended at 5.50 pm

Chair _____

Date Confirmed and Signed _____

Prepared by Democratic Services