

Thursday, 10th February, 2022

**Present:**

Councillor Kevin Guy (Ch)	Leader of the Council, Liberal Democrat Group Leader
Councillor Tim Ball	Cabinet Member for Planning and Licensing
Councillor Alison Born	Cabinet Member for Adults and Council House Building
Councillor Tom Davies	Cabinet Member for Adults and Council House Building
Councillor Manda Rigby	Cabinet Member for Transport
Councillor Dine Romero	Cabinet Member for Children and Young People, Communities and Culture
Councillor Richard Samuel	Deputy Council Leader (statutory) and Cabinet Member for Economic Development and Resources
Councillor Sarah Warren	Deputy Council Leader and Cabinet Member for Climate and Sustainable Travel
Councillor David Wood	Cabinet Member for Neighbourhood Services

**136 WELCOME AND INTRODUCTIONS**

The Chair, Cllr Kevin Guy, welcomed everyone watching and participating at the virtual Cabinet meeting and made the following statement:

*“Due to the ongoing Covid situation and a desire to retain a level of social distancing at Council meetings at this time, we are holding this ‘informal’ virtual Cabinet meeting to enable Cabinet, Councillors and members of the public to take part. This virtual meeting will be conducted in the normal manner but, as any decisions made will not be legally enforceable, they will be formally made at the physically reduced, quorate decision-making meeting tomorrow on 11 February 2022. We will review this approach for any future Cabinet meetings, in line with government and health guidance at that time.”*

**137 APOLOGIES FOR ABSENCE**

There were no apologies for absence.

**138 DECLARATIONS OF INTEREST**

The Monitoring Officer explained that he had granted a general dispensation for item 11 (Budget and Council Tax 2022/23) for all those Cabinet members who pay Council Tax. He had also granted a special dispensation for those members in receipt of Council services.

The following members then made specific declarations:

- Councillor Kevin Guy declared that he has received a Covid relief grant from the Council in respect of his family business.

- Cllr Tim Ball declared that one of his grandsons is in receipt of social services support and two other grandchildren have EHCPs (Education, Health Care and Plans).
- Cllr Sarah Warren declared that a family member has an EHCP.

#### **139 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR**

There was no urgent business.

#### **140 STATEMENTS, DEPUTATIONS OR PETITIONS FROM PUBLIC OR COUNCILLORS**

Members of the public and Councillors made statements as follows:

- David Redgewell (South West Transport Board and Rail Future Severnside) – Budget on Transport (*David Redgewell lost connection to the virtual meeting so was unable to make his statement in person, however, a copy is attached to the Minutes as Appendix 1 and on the Council's website*)
- Cllr Dr Yuktेशwar Kumar – Collegiality (*a copy of which is attached to the Minutes as Appendix 2 and on the Council's website*)
- Katherine Howells – Proposed parking charges in Midsomer Norton (*a copy of which is attached to the minutes as Appendix 3 and on the Council's website*)
- Cllr Grant Johnson – Proposed parking charges in Midsomer Norton and Radstock. Cllr Johnson also presented an online petition to the Leader of the Council requesting that the proposal to introduce hourly car parking charges in Midsomer Norton and Radstock be dropped. The petition contained 1,164 signatures. He also presented a letter to the Leader of the Council signed by 48 local businesses in Midsomer Norton and Radstock stating that they feel that the introduction of hourly parking charges would have a negative impact on local businesses and residents.
- Cllr Michael Evans – Midsomer Norton car parking charges (*a copy of which is attached to the minutes as Appendix 4 and on the Council's website*)
- Cllr Alastair Singleton – Bristol Airport appeal (*a copy of which is attached to the minutes as Appendix 5 and on the Council's website*).
- Cllr Vic Pritchard – Council budget (*a copy of which is attached to the minutes as Appendix 6 and on the Council's website*)
- Malcolm Baldwin – Potential re-siting of the Fashion Museum

## **141 QUESTIONS FROM PUBLIC AND COUNCILLORS**

There were 22 questions from Councillors and one question from a member of the public. Two Councillors asked supplementary questions.

*[Copies of the questions and responses, including supplementary questions and responses, have been placed on the minute book as Appendix 7 and are available on the Council's website.]*

## **142 MINUTES OF PREVIOUS CABINET MEETINGS**

It was **RESOLVED** to recommend the approval of the following minutes:

15 December 2021 (virtual informal meeting)

16 December 2021

26 January 2022 (virtual informal special meeting)

27 January 2022 (Special meeting)

## **143 CONSIDERATION OF SINGLE MEMBER ITEMS REQUISITIONED TO CABINET**

There were none.

## **144 MATTERS REFERRED BY POLICY DEVELOPMENT AND SCRUTINY BODIES**

Cllr Karen Warrington, Chair of the Corporate Policy Development and Scrutiny Panel, presented a summary of the comments of the PDS Panels on the proposed budget for 2022/23.

## **145 SINGLE MEMBER CABINET DECISIONS TAKEN SINCE PREVIOUS CABINET MEETING**

It was **RESOLVED** to recommend the Cabinet on 11 February 2022 to note the report.

## **146 BUDGET AND COUNCIL TAX 2022/23 AND FINANCIAL OUTLOOK**

Cllr Samuel introduced the Budget and Council Tax report for 2022/23 and made the following statement:

“Members will be aware that the covid pandemic has had, and continues to have, a lasting negative impact on the council’s finances. Two of our principal sources of income – heritage attractions and our commercial property are operating below full capacity. The former because of the downturn in tourism and a need to maintain safe circulation space in the Roman Baths and Pump Rooms, and the latter because of a 40% downward market fall in rents together with rent arrears that accumulated during the pandemic.

Less income means more pressure on our budget because we cannot rely on the income we normally use to fund our full range of services. We expect to receive £13m less income in the coming financial year. When this is added to the significant inflationary pressures in the wider economy and the post-lockdown service pressures, we have a perfect storm.

I do not expect the Council to emerge from this financial maelstrom until 2025/6 at the earliest by which time £82.3m gross will have lost forever. **I will repeat that.** The council expects to lose £82.3m from its income over 5 years. Just think what could have been done with that money. It is going to take several more years before our recovery is complete.

Against this background, the Cabinet set itself the task of maintaining the drive to improve living standards for B&NES residents by holding spending on transport, and substantially enhancing our vital neighbourhood services and beginning the task of building the first council houses in our area for a generation.

We also committed to try and keep any council tax rise to a minimum recognising that pressures on household incomes are severe at present due to the government's failure to fully protect households from the spike in energy prices.

Of course, the Council provides a very wide range of services to our residents and wherever possible these are being maintained at pre-pandemic levels. In some areas such as Children's Services there are long term funding pressures which have continued to intensify. We have therefore provided additional funds to support these essential services for young people. However, the central government support for these services is insufficient over the longer term given all the other pressures facing local government.

The same is true of Adult Services where there is little evidence that the government's recent proposals will lead to a better financial outcome for these crucial services.

Beneath the headlines, I highlight a series of important investment decisions:

- More funding for IT reflecting the move to remote home-based working
- Resources for a decent pay settlement for our hard-working staff
- Provision against the expected spike in energy prices
- More funds for maintaining and repairing our commercial property estate
- Hedges against expected contract inflation price rises
- Allowances for expected demographic growth
- More money for home to school transport
- More cash for recycling investment

All these and more show our intent to make proper provision for investment into services to ensure their fitness for the future.

I will leave other Cabinet members to expand on the improvements in their portfolios but in economic development I point to:

- Funding to develop the business case for the Fashion Museum to its new location in the Milsom Quarter and the development of a collections centre
- Funding for the regeneration of high streets in Bath and across North East Somerset
- Major development work at Bath Quays North and the completion of Bath Quays South and the opening of the new bridge and demolition of Avon St car park
- Completion of the Bath Western Riverside land swap and the bringing forward of two major planning applications
- Completion of the Radstock HLC
- Taking forward the Somer Valley Enterprise Zone
- Commencement of the Bath Riverline project phase 1

All these projects will bring forward jobs and increased economic activity to support our local economy.

Of course, to maintain that programme, there are balancing savings to be found as ever:

I have identified £11.8m of savings and income changes which include:

- £2m reduced borrowing costs from shrinking back the capital programme
- £2m from efficiency savings in adult services from service transformation
- Reductions in Foster care placement costs
- More money from recyclables sales
- More money for garden waste collections.
- Higher income from car park charges
- Introduction of a 2% staff vacancy rate saving £1.3m

At this point I am also able to announce two minor changes from my draft budget which has already been subject to public consultation.

We have listened carefully to the arguments advanced against the proposed introduction of car parking charges into Midsomer Norton and Radstock. Due to the relative weakness of the local economies in those towns I have concluded that the charges should not be introduced because of the potentially negative impact that might have on High Street businesses. I am grateful to those who have made statements arguing against the charges. These proposals therefore no longer form part of the budget plans, and an amendment will be made to the Council budget next week.

The second change I am making is reassure Bath Library users that there is no intention to relocate other council services wholesale into the library on any scale and that a wider review of customer services and the library operation will take place to identify the necessary savings. To this end I am reprofiling the savings of £126k over the next two years to allow this review to take place. I hope that library users will participate in this review to help shape its outcome whatever this turns out to be. There is no budget impact from this change.

Chair, this is a budget that maximises our ambition to make B&NES a better place, that maintains the move towards carbon reduction particularly in transport, that

invests in key services, and provides the building of new council houses for the first time in over 30 years.

It is also a budget that invests in the future not only for residents but also in the Council itself to enable it to become a better performing Council, able to do more and better for our residents.

This programme has to be fully funded and to avoid damaging cuts it is necessary to raise council tax but only as little as possible. A general council tax rise of 1.99% is therefore proposed which equates to £30.44 for a Band D property or 58p per week. In addition, the Social Care precept will rise by 1% making a total rise of 2.99% or £45.73 – 88p per week. This increase is well below the current rate of inflation which stands at 5.4%.

Finally, Chairman I want to highlight the difference between the Lib Dem approach and the Conservative approach advocated recently by its leader.

In a recent interview with Somer Valley FM he gave some clear pointers as to what residents can expect if, heaven forbid, his party takes control of the Council next year.

He said: “There will be a lot of reversals when we take control”. What this means is wasting resident's taxes simply changing things for right wing ideological reasons. So far, he has promised free parking, removing the city centre security measures, cancelling the work to implement the new Fashion Museum, scrapping the Entry Hill bike park. No doubt the list will grow. All unfunded populist promises running into millions. What will he cut to fund his promises? Let him say.

He went on to say that once again the Tories would be sacking 100s of hard-working Council staff, claiming that this would have no impact on services which is total nonsense.

Last time the Tories were in charge of the Council they sacked 184 staff at a cost of up to £7.8m in redundancy payments including six figure sums to managers. This included the cultural vandalism of closing the council's arts development service. They paid for this by raiding the council's capital funds. It was like selling the family silver to fund a holiday you couldn't really afford anyway. The legacy they left behind was unattainable savings and income targets, demoralised staff in under resourced and chaotic services. They also wasted millions in office. How can we forget the Park and Ride fiasco, the One Stop Shop/Bath Library debacle, the Visit Bath shambles? The Conservatives are also responsible for the privatisation of our community health services, handing them over to Virgin Care now sold on to a Private Equity Company. What else would they privatise?

The Tory party used to claim a reputation for sound financial management but that no longer exists. This is the party that is now responsible for the highest tax burden on citizens since the second world war. That forces people to feed themselves at food banks and lets fat cat energy companies get rich whilst many people have to choose to eat or heat. A party that gives tax breaks to millionaires whilst cutting universal credit. A party that illegally awarded contracts to its supporters estimated by the National Audit Office at £35bn, and that has had to write off over £4bn of Covid grants because of fraud. I would no more take a Tory promise than I would buy the elixir of life from a snake oil salesman.

By contrast Chair – whilst the Tory party lost its reputation for good financial management many years ago and is now the party that overpromises but underdelivers, that plays fast and loose with your money – our budget plans are well thought out, robust and deliver investment into our key services for local residents. We are building the first new council houses since the 1980s, we are investing millions in our High Streets, our transport plans are bringing down air pollution, our recycling is the best ever and we are investing its future, our parks are looking better than they have for years with 5 green flag awards, we have repaired Cleveland Bridge that had been left to deteriorate, our improvements to Sydney Gardens, the opening of Cleveland Pools and the new WH centre show our confidence in the future for our area. After the waste and incompetence of the last Tory administration we have brought the council's finances under control and are investing in the future of our area. We invest, they slash and burn.

We are the party of sound economic planning and delivery and we have proved that by our actions. I commend this budget to the Cabinet/Council.”

He then moved the officer recommendations with the following revision:

Cabinet approves:

That the budget proposal to Council on 15<sup>th</sup> / 16<sup>th</sup> February reflects the following change to Annex 2(i) – “2022/23 to 2024/25 Budget Savings and Income proposals”,

Removal of the following item:

<b>Savings Title</b>	<b>How to be achieved</b>	<b>Portfolio Holder / Director</b>	<b>22/23 Saving £000</b>	<b>23/24 Saving £000</b>	<b>24/25 Saving £000</b>
Income - Parking Charges Review	Introduce hourly based charging in Midsomer Norton and Radstock	Cllr Manda Rigby / Chris Major	20	55	

And incorporation of the saving requirement into the following item for achievement through a wider review of parking charges income.

<b>Savings Title</b>	<b>How to be achieved</b>	<b>Portfolio Holder / Director</b>	<b>22/23 Saving £000</b>	<b>23/24 Saving £000</b>	<b>24/25 Saving £000</b>
<b>Original Proposal</b>					
Income - Parking Charges Review	Increased Parking Charges	Cllr Manda Rigby / Chris Major	606		
<b>Revised Proposal</b>					
Income - Parking Charges	Increased Parking Charges	Cllr Manda Rigby /	626	55	

Review		Chris Major			
--------	--	-------------	--	--	--

A revised Annex 2(i) reflecting this change is attached as *Appendix 5* to these minutes.

*(Note: At this point Cllr Tim Ball had to leave the meeting).*

Cllr Kevin Guy seconded the motion and made the following statement:

“I am extremely proud to second this budget paper. Once again, the Liberal Democrats have been able to balance the books, in extraordinary times. This is in contrast to the financial mismanagement of the previous Tory administration, who could not even balance the books when the sun was shining.

This is clear evidence of the dynamic and highly talented skill set within the Lib Dem Cabinet and the largely new senior management team at the council. We, as Lib Dems, are not only showing prudent financial management but are delivering on the things that matter, such as building the first council houses in a generation.

The Tories spent years cutting services, reducing staff numbers and wasting millions of local taxpayers’ money on redundancies. This Lib Dem administration has said no to this downward spiral of negativity.

We are doing the opposite. As Cllr Samuel has alluded to, we are investing in new staff, we are increasing spending on key services, we are enhancing our neighbourhood services, we are getting the basics right and we are protecting our children's and adults’ services.

Local businesses are bouncing back from the hardship of Covid, and this budget supports local business, opposed to the constant negativity and talking down of our great city and area by the Tory Trolls.

The Tories have a track record of laying off hundreds of staff and bleeding vital services to death. While we Lib Dems through this budget are investing in services and the community.

Instead of burning, we are building.  
Instead of moaning, we are doing.  
Instead of hatred, we give hope.

I am proud to be the Leader of your hard working local Liberal Democrat team and I am equally proud to second this budget.”

Cllr Rigby then made the following statement:

“Firstly, I'd like to echo my thanks to Richard and his officer team for the inordinate amount of work put into this budget, against a background of unprecedented challenges. These challenges include getting late notice of any national settlements we could anticipate, and the team has done a great job of preparing for all eventualities, and I hope the announcement of the levelling up fund made on



Tuesday where it looks like we will get an extra £4K from government hasn't thrown them out too much... don't spend it all at once.

Like other Cabinet members I will speak a little bit about my own portfolio, but I will also highlight where I am pleased there has been further investment. That's right, investment. Against a loss in revenue of circa £83m over the past two and a bit years because of Covid, we are still protecting what is important to you, the promises we made before election where we could in no way have anticipated the pandemic, we are still proposing we minimise cuts, invest in priorities, and in stark contrast to the approach adopted by the previous administration, and referred to as an approach to current budget setting on the radio, we are not slashing staff, cutting services to the point they can't help but fail. We are taking the hard decisions where we need to, but adding to central government underfunding, and losing a lot of headcount is counterproductive to what we need to deliver, not to mention morally repugnant.

So as examples, putting money aside to try again to combat the blight which gulls bring to residents, investing in getting the basics right, looking at the strategy for the whole area to reach net zero in 2030, and ensuring impacts of transport schemes are mitigated for those people who need the most support, is ambitious, forward thinking, and achievable if we work together as a team.

In my portfolio, probably the most remarkable thing is how we have been able to protect what we want to achieve, and there are fewer cuts than I would have anticipated. The vast majority of which can be addressed via accepting a level of unfilled vacancies, charging a more reasonable rate for some of the works we do, and contributing to funding the rest of our activity via parking income. As I am sure others have mentioned, the pandemic has thrown a focus on how dependent we had become on tourism, heritage and parking revenue, and I am proud to be part of a team which acknowledges it's our role to look long term and create a BANES which has a more sustainable and resilient funding model, especially as c.83% of our non-project income goes on our statutory services.

Assuming the budget goes through, over the next few weeks there will be updates on Liveable Neighbourhoods, residents' parking zones, active travel... to name a few; some of which sit in the sustainable travel portfolio sitting with Sarah, but there will also be speed limit consultations, crossings, reviews of the assets we own which have suffered from historic lack of maintenance, maybe the less headline catching work, but vital to our communities. I will sound a note of caution that many of the large capital projects are subject to cost of material and labour pressures, the Covid/Brexit double whammy.

I trust that this budget, as amended goes through here at Cabinet, and look forward to it receiving the support it deserves at Council."

Cllr Dine Romero then made the following statement:

"Before I talk in more detail on other proposals within my portfolio, I think it is important to reassure residents on one particular issue straightaway.

Bath Central Library is not having services cut, and it is not being forced into a merger with One Stop Shop services.

This is not a re-run of the poorly thought through Conservative proposal of 2017, but a reflection of changes in service access and other facilities residents tell us they would value.

Over the last 2 years we have seen a large number of residents choose to access services digitally instead of face to face. This means that potential footfall for One Stop Shop services has fallen dramatically.

At the same time work at Lewis House has been on reconfiguring the ground floor to provide a new police station in the centre of Bath.

With these changes to the place where these services were delivered, and what is now being asked for by residents, we wanted to take the opportunity to consider if a couple of services such as issue and renewal of Discovery Cards, or of Blue Badges could be done from a better location to Lewis House – which many tell us hasn't been suitable for some years due to the lack of very nearby Blue Badge parking. The library is one space with Blue Badge parking in the basement with a lift to the front door. However, it is not the only suitable location, and potential alternatives are to be looked at.

In the budget papers before you, you will see that a sum of £100k was expected as a saving this year, if you refer to appendix 2i you will note that this saving is now to be reprofiled over both 2022/23 & 23/24 with the use of the smoothing reserve. This reflects the vacancies the service is currently holding. The remainder will be put into the 2023/24 budget saving and will only be crystallised following discussions with library users including Friends of Bath Library, and with any plans then being formally consulted on.

I hope this puts those concerned minds at rest. To sum up on this point a target saving is in the budget, but reprofiled, plans are not yet drawn up, we will seek input from users, and formal consultation will take place. This is in addition to a review of the service for MSN and Keynsham service, the mobile library service and an increase in investment in the home delivery service.

We are also looking at investment across a range of areas within my portfolio, including a focus on apprenticeships which will help with succession planning as well as giving people real new opportunities, regardless of age, previous experience or qualifications.

Other areas of interest are an expectation that we can reduce spend on Home to School Transport by 40k by centralising Alternative Provision on one site, instead of on the two, somewhat distant sites we currently have. We are looking at relocating both primary and secondary Alternative Provision onto the Culverhay school site. Please note though this still leaves a significant part of the site available for a new education offer for Bath, and B&NES which is as yet a work in progress. I hope to tell you more soon.

We are also able to reduce our spending by £50k on inter-agency adoption fees as this has been used less since the creation of Adoption West.

We are expecting reduced costs in foster care, through a transformation program and campaigns focussing on increasing foster care numbers, reducing other residential placements, and a new reunification transformation project which aims to

reunite where appropriate children and young people with their families, and so exit from residential placements. These 2 projects should release over £1million of committed costs. I am aware that this is an area of interest and so want to point to the full details which are outlined in my answer to Q10 in the Q&As earlier.

As everyone knows children and adult social care is where the biggest portion of any council budget goes, so I am pleased to be able to put forward these expected reductions in spending. I would like to stress that these are not cuts, and so these are not cuts to services.

Finally, I was delighted to announce the return of our traditional Bath Christmas Market. This is relevant to the budget discussion as the work in one department such in our events team on the Christmas Market brings significant income into parking services, and licensing, as well providing a huge boost for local traders, retail, hospitality and hoteliers, just as a reminder in 2019, the last year we were able to hold the Market in its traditional form, 400k visitors put an additional £32.5million into the local economy as well adding to the council's income and so is important in the Council's financial ability to provide vital services.

On that positive note I draw my remarks to an end, I will be supporting this budget as set out."

Cllr Tom Davies then made the following statement:

"Firstly, I would like to echo the comments of my colleagues and pass on my huge thanks to Cllr Samuel, the Council's Chief Financial Officer, Andy Rothery and everyone else involved in the preparation of this budget.

To have successfully navigated a process which has produced a balanced budget, with the significant headwinds and pressures which we face at present, is a remarkable achievement. But my thanks go beyond just the budget setting process – it also goes to their stewardship of the Council's finances over the past two and a half years.

This sound financial stewardship has enabled us tonight to consider a budget which, despite the very clear financial pressures we face as a Council, is extraordinary for the ambition it presents and the scale of investment in our local area which the budget unlocks.

Just take the details of the capital spend – with nearly £200m – approved and provisional – this Lib Dem administration continues to demonstrate its commitment to delivering for our local community.

The range of investment is huge and all of it focussed on improving the lives of our residents and ensuring at all times that we meet our commitments to tackle the climate and ecological emergencies. The investment will see us as an authority spend millions on local regeneration and economic development, renewable energy, liveable neighbourhoods, walking routes, cycling routes, special educational needs projects in our schools and colleges, upgrades to our recycling centres – the list goes on but all of it only possible because of this Lib Dem administration's excellent management of the Council's finances over the past two and half years.

You won't be surprised, though, to hear me bring particular attention to one of the largest items of capital spend detailed in tonight's report – the nearly £12m of investment which the Council is committing to so that we can deliver the first general needs council houses in a generation and the further £5m included for affordable housing.

In 2019 the Lib Dems committed to the people of Bath & North East Somerset that we would do just this – that for the first time in decades we would build and deliver council houses for social rent. The budget we are considering tonight secures the finances to enable us to do this and later this year we will see the first of these council houses open.

Never has the need for new council and affordable housing been so great. We are an area with some of the least affordable housing in the country, with thousands of our local residents currently on our social housing waiting list and so tonight, with this budget, we reaffirm our commitment to our residents that we, as a Lib Dem administration, will play a leading role in meeting this need, and I am delighted to therefore be speaking in support of tonight's budget paper."

Cllr Sarah Warren then made the following statement:

"This budget represents good news when it comes to both sustainable travel, and wider measures to tackle the environmental emergencies – despite the dire financial picture of ongoing and deepening austerity impacting local government across the country. Contrast our approach this evening with that of Bath and North East Somerset's leader of the opposition, who recently boasted that he would make further Council redundancies and still deeper cuts to Council services that we have spent almost 3 years rebuilding.

The areas of strategic priorities for the next two years that we have identified in this evening's paper include:

- Continued commitment to addressing the climate and ecological emergency and investing in renewable energy.

In this area, funded from council revenue thanks to Cllr Samuel and his team's excellent financial management, we are boosting our Sustainability Team, which will be led by a Head of Green Transformation. We are currently recruiting an Energy Policy and Strategy Manager, who will help us to increase the district's capacity for low carbon electricity generation, as well as increasing the uptake of energy efficient retrofit of our homes. This revenue funding is accompanied this year by almost £500k capital to support the installation of renewables onto council buildings. We continue to benefit from the West of England Combined Authority's contribution to the South West Energy Hub, which helps public sector and not for profit organisations get green energy projects up and running, as well as WECA's Low Carbon Challenge Fund.

Another of our defined strategic priority areas is:

- Investment in sustainable transport schemes across the council area, focusing on liveable neighbourhoods, active travel, and reduced reliance on the car.

On liveable neighbourhoods, we are currently in between co-design phases of the first 15 schemes, and this budget sets aside up to £1.7m of capital for next financial year to complete these.

As discussed at recent Cabinet meetings, the City Region Sustainable Transport Fund will provide Bath and North East Somerset with a historic settlement of £129m over 5 years for a capital programme that will include further rounds of liveable neighbourhoods, as well as improved cycling, walking and public transport infrastructure. This funding will also reverse many years of austerity cuts to the council's capacity to plan and build transport infrastructure, by creating a B&NES team led by a Head of Sustainable Transport. This programme will support the much-needed reduction of carbon emissions from transport, which have remained stubbornly high in B&NES, just as in the rest of the country.

Through the West of England Combined Authority, this budget also spells out that we will continue to share in improvements to Metrowest rail services, as well as seeing investment of £5m over next 2 years in the Bath Riverline to create a new riverside linear park and active travel corridor.

Particular highlights supporting cycling and walking transport in Cllr Rigby's revenue budget include £20k for cycle parking, funds for safer routes to school, and for reduced speed limits in rural areas.

All that remains this evening is to once again thank Councillor Samuel, Chief Finance Officer Andy Rothery, and their team for this excellent paper. I whole-heartedly support the recommendations."

Cllr Alison Born then made the following statement:

"I would like to comment on the adult social care elements of this budget. Central government funding for adult social care (in common with other council services) has been cut systematically over the past decade. During this time, the proportion of Council budgets spent on social care has increased significantly. More recently, the government has woken up to the fact that this is not sustainable and introduced the social care precept which is in effect a local tax designed to offset some of the reductions in the funding it allocates to local authorities.

The precept remains in place this year, raising much needed funding for adult social care and from April '22 central government will raise further funds through the Health and Social Care Levy, which will increase the cost of National Insurance paid by people in employment. This is a significant additional tax for people on low incomes, for example, people paid £20k per year will pay 10% more for their National Insurance contributions. It also increases the costs for employers, including those in the social care sector. The majority of the £12 billion a year expected to be raised through this levy will go to the NHS but about 20% will come to local authorities as a contribution towards the costs of this government's recently announced social care reforms which will come into place from October '23.

That provides some of the backdrop to this budget, the other important element in relation to social care is the staffing crisis, where low rates of pay and lack of career progression (a response to systemic underfunding) and staffing shortages caused by a combination of Covid and Brexit have led to serious staff shortages within the

sector. This has made it increasingly difficult to provide all the services that people need and this budget is taking steps to address that.

Given the pressures on finances, adult social care has, along with all other areas of Council services been required to make savings and some have been possible through the re-basing of areas where there have been changes in demand. We are however, investing in pay inflation and contract inflation to offset increases in employment and living costs and we are working towards all staff being employed on the rates set out in our Fair Price of Care policy. We are also investing in preparatory work to ensure that we are ready to implement the social care reforms in October '23. We know that these reforms will increase the costs of providing adult social care and we hope that further funding will be provided to support this from 2023 onwards.

Additional funding has also been identified to prepare for young people who we know will be transitioning from children's to adult services, to ensure that their needs continue to be met appropriately. I'm also delighted to note that significant capital investment has been identified to fix the roof at the Carrswood Day Centre. Carrswood provides services for people with very complex needs, including a significant proportion with profound and complex learning disabilities it also acts as a staff base and a venue. it's an essential service and the repairs should safeguard its future so that it can continue to support some of our most vulnerable residents."

Cllr Wood then stated that when he was elected the situation with regard to neighbourhood services in B&NES was not good. The Conservative administration had made a number of staff redundancies and service cuts. The recycling service was understaffed, and the streets were full of rubbish. There was also very little enforcement. He was proud that the Liberal Democrats have turned things around by investing in services including enforcement and recycling. As a result, fly-tipping numbers are down, and recycling is up. This has been a record year for recycling and B&NES is now the 4<sup>th</sup> best unitary authority in the country for recycling. The budget is ambitious, full of good ideas and is delivering for residents. New recycling centres will be built, and an extra £2m will be provided to fix roads and an extra £1m to deliver cleaner, greener streets. The alternative under a Tory administration would be more cuts and more redundancies. He stated that he was proud of the proposed budget and looked forward to the year ahead and making the area cleaner and greener.

Cllr Samuel summed up by thanking the Cabinet members for their hard work along with the Senior Leadership Team and the Finance Team. He pointed out that good finance leads to investment in Council Services.

**RESOLVED** (unanimously) to recommend that the Cabinet on 11 February recommends that Council approves:

- a) The General Fund net revenue budget for 2022/23 of **£126.74m** and the individual service cash limits for 2022/23 as outlined in Annex 1 of the report.
- b) The amended savings and income plans as set out in revised Annex 2(i) (attached as an *appendix* to the minutes), funding requirements 2(ii) in conjunction with the Equalities Impact Assessment Report in Annex 3 of the report.

- c) An increase in Council Tax of 1.99% in 2022/23 (an increase of £30.44 per Band D property or 59p per week).
- d) An increase of 1% to Council Tax for the Adult Social Care Precept is approved in recognition of the current demands and financial pressures on this service. This is equivalent to an increase of £15.29 on a Band D property (29p per week).
- e) The movement in reserves outlined in section 5.6 and the adequacy of Un-earmarked Reserves at £12.58m within a risk assessed range requirement of £11.9m - £13.2m.
- f) The Efficiency Strategy attached at Annex 4 of the report.
- g) The Capital Programme for 2022/23 of £96.064m including new and emerging capital bids outlined in Annex 5(i), planned sources of funding in 5.8.2, and notes the programme for 2022/23 to 2026/27 and that any wholly funded projects coming forward during the year will be added to the Capital Programme in line with the Budget Management Scheme.
- h) The delegation of implementation, subject to consultation where appropriate, of the capital programmes set out in Annex 5(i) to Annex 5(iv) of the report to the relevant Director in Consultation with the appropriate Portfolio Holder.
- i) The Community Infrastructure Levy (CIL) allocations and amendments outlined in Annex 5(v) of the report.
- j) The Capital & Investment Strategy attached at Annex 6 of the report.
- k) The MRP Policy attached at Annex 7 of the report.
- l) The Establishment and funding of a Business Change Hub outlined in paragraph 5.2.6 of the report.
- m) The Capital Prudential Indicators outlined in paragraph 5.8.7 of the report.
- n) The Annual Pay Policy Statement at Annex 8 of the report.
- o) The Community Contribution Fund pilot 12-month extension outlined section 5.5 of the report.

## **147 REVENUE & CAPITAL BUDGET MONITORING, CASH LIMITS AND VIREMENTS – APRIL TO DECEMBER 2021**

Cllr Richard Samuel introduced the report and made the following statement:

“Although the budget report is the main event on tonight’s agenda, I want to highlight a quiet building success story.

The revenue budget outturn is forecast to be under budget by £60k at the year end. If we reach that milestone then this Liberal Democrat administration will have

delivered 12 consecutive quarters of balanced financial management. This is something the last administration got nowhere near. My aim is that by May 2023 that balancing of budgets will add a further four quarters to that total. Sixteen consecutive quarters of tight financial management.

Why does that matter? Well first of all it highlights that the council is managing within its resources. Not overspending. Not wasting money on vanity projects. Not taking from reserves to prop up overspending. Not failing to deliver year on year savings. Not spending scarce capital funds on making staff redundant.

In short it is about being a well-managed, well run efficient council that taxpayers can rely on to manage their money properly. A council that takes strong action when it needs to such as the emergency Covid budget we put through in 2020.

Of course, there are always ups and downs in any organisation that is spending over £300m each year. In this quarter we report increased spending on Children's Services and the continuing downturn in heritage income, but this is balanced by lower than expected spend on adult services.

The capital programme has experienced a considerable slow-down in the delivery of projects largely due to the pandemic, but this has had the bonus of reducing borrowing costs in the short term.

Chair this report is a positive health check on the state of play of the council's finances and I thank the senior management team for their continuing vigilance on our behalf. I move the recommendations set out in the report."

The motion was seconded by Cllr Kevin Guy.

**RESOLVED** (unanimously) to recommend the Cabinet on 11 February 2022:

- (1) To note the 2021/22 revenue budget position (as at the end of December 2021).
- (2) To note the revenue virements listed for information only in Appendix 3(i) of the report.
- (3) To note the capital year-end forecast detailed in paragraph 3.25 of the report.
- (4) To note the changes in the capital programme including capital schemes that have been agreed for full approval under delegation listed in Appendix 4(i) of the report.

## **148 TREASURY MANAGEMENT STRATEGY STATEMENT 2022/23**

Cllr Richard Samuel introduced the report and made the following statement:

"The Council is required to have a Treasury Management Strategy that sets out the Council's policies for managing its investments and how the security and liquidity of those investments will be secured.

The strategy is kept under continuous review and regularly reported to the Cabinet and Council throughout the financial year. Each year the policy is updated to reflect



wider market conditions. The content of the strategy is set out in the report. The role of the cabinet today is to consider the proposed strategy before its presentation to the full meeting of the Council next week as the 22/23.

The main changes to the 21/22 strategy are as follows:

The most substantive change last year was the inclusion of an Environmental, Social and Governance section to the document. As this was new last year, a lot of detail was included in the 2021/22 TMS but this has been reduced this year making the section more proportionate to the overall TMS.

Some of the other updates this year relate to the changes in the revised CIPFA Prudential Code for Capital Finance in Local Authorities which was issued on 20 December 2021. This revised Code has been released as a soft launch for the 2022/23, and as such full compliance with the code is not required until 2023/24. However wherever practicable, alignments to the revised code have been made in 2022/23.

I would draw the Cabinet's attention to the looming black clouds over the UK economy. Growth has slowed to below the Eurozone. Inflation is way over the Bank of England target of 2%. There are few levers available to the bank to control the inflation in prices as the majority are driven by commodity prices. The deflationary acts of the April National Insurance rise and the simultaneous rise in energy prices will drive down consumption and interest rate rises will further deflate the economy. The Bank expects 2022/23 to be a very difficult year for UK citizens, with prices exceeding wage growth. This has clear implications for discretionary hospitality spending."

Cllr Samuel then moved the recommendations set out in the report.

Cllr Tom Davies seconded the motion stating that he supported Cllr Samuel's remarks.

**RESOVED** (unanimously) to recommend the Cabinet on 11 February 2022:

- (1) To recommend the actions proposed within the Treasury Management Strategy Statement (Appendix 1 of the report) to February Council.
- (2) To note the Treasury Management Indicators detailed in Appendix 1 of the report and to delegate authority for updating the indicators prior to approval at Full Council on 16 February 2022 to the Chief Finance Officer and Cabinet Member for Economic Development & Resources, in light of any changes to the recommended budget as set out in the Budget Report elsewhere on the agenda for this meeting.
- (3) To note that any comments made by the Corporate Audit Committee at its meeting on 3 February 2022 will be reported to Full Council on 15 and 16 February 2022.

## **149 TREASURY MANAGEMENT PERFORMANCE REPORT TO 31 DECEMBER 2021**

Cllr Richard Samuel moved the recommendations set out in the report. This was seconded by Cllr Alison Born.

**RESOLVED** (unanimously) to recommend Cabinet at the meeting on 11 February 2022:

- (1) To note the Treasury Management Report to 31 December 2021, prepared in accordance with the CIPFA Treasury Code of Practice.
- (2) To note the Treasury Management Indicators to 31 December 2021.

## **150 QUARTER 3 STRATEGIC PERFORMANCE REPORT 2021-22**

Cllr Richard Samuel introduced the report and made the following statement:

- “Over 70% of environmental issues are now being reported online through Fix my street. This dataset is updated daily giving the service near real time information. It is hoped that this will improve even further as it becomes part of the work for the Council’s new Customer Contact strategy.
- Children on an Education and Health Care Plans (EHCP) has increased by over 8% since the beginning of the year to over 1,741 plans. In common with other Local Authorities, B&NES continues to see an increase in the number of children on EHCPs.
- We are above our target for supporting adult service users in employment. Employment is a significant factor in improving people's mental health and this demonstrates how well we are supporting some of our most vulnerable adults.
- Q3 waste performance in terms of recycling/composting is down, this is impacted by seasonal variation, as garden waste volumes decreased. When this is considered alongside the below-target amount of waste produced per household, the service is progressing towards its zero-waste ambition.
- We have a statutory responsibility to ensure that people's needs are being met by, as a minimum, an annual review of Adult Social Care (ASC) Our current performance is 70% against our target of 80%. Despite this, performance has steadily improved during the year irrespective of the significant and ongoing pressures on the ASC service because of the COVID pandemic.
- There has been a steady decrease in the number of fly tips reported to the Council.
- There has been a steady increase in the number of contacts to the Energy at Home Information Centre, which means more residents are being given vital information on how to improve the energy efficiency of their homes.
- Since its peak in 2019, the number of children looked after by the Council has remained relatively constant.
- The number of Children with Child Protection plans also remains very consistent and is low compared to similar local authority areas.
- We have made very good progress reducing Adult Social Care admission rates and are well under our target, although changed funding arrangements during the pandemic has been a factor in the reduced rate, with health funding some of the placements that social care would have previously picked up.

- Members should also note that from January 2022, the Council has been requested to undertake another round of Business Grants.”

He informed the Cabinet that he has asked the Corporate PDS Panel to consider this issue after one year whether the performance reports are working and whether they wish to suggest any improvements. The Chair of the Panel has agreed to this.

Cllr Samuel then moved the recommendations set out in the report.

Cllr Kevin Guy seconded the motion and thanked Cllr Samuel and the officers for all the hard work they have put in to producing all the reports for this meeting.

**RESOLVED** (unanimously) to recommend the Cabinet at its meeting on 11 February 2022:

- (1) To note progress on the delivery of key aspects of the Council’s service delivery, details of which are highlighted in section 3.6 and Annex 1 of the report.
- (2) To agree to receive update reports on a quarterly basis.

The meeting ended at 8.05 pm

Chair \_\_\_\_\_

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

**Prepared by Democratic Services**