

BATH AND NORTH EAST SOMERSET

CABINET

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

Thursday, 9th February, 2023

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 Adult Services and Council House Building
Councillor Tom Davies	Cabinet Member for Adult Services and Council House Building
Councillor Manda Rigby	Cabinet Member for Transport
Councillor Dine Romero	Cabinet Member for Children and Young People, Communities
Councillor Richard Samuel	Deputy Council Leader and Cabinet Member for Resources
Councillor Sarah Warren	Deputy Council Leader (statutory) and Cabinet Member for Climate and Sustainable Travel

52 WELCOME AND INTRODUCTIONS

The Chair, Cllr Kevin Guy, welcomed everyone to the meeting.

53 EMERGENCY EVACUATION PROCEDURE

The Senior Democratic Services Officer read out the emergency evacuation procedure.

54 APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllrs Mark Roper and Dave Wood.

55 DECLARATIONS OF INTEREST

The Chair stated that as a Council Tax payer he wished to declare an interest in item 12 (Budget and Council Tax 2023/24 and Financial Outlook), on behalf of himself and all Cabinet Members paying Council Tax, Business Rates or in receipt of Council services and sought a dispensation from the Monitoring Officer to enable Members present to participate in the debate and vote on the item.

Cllr Tim Ball declared that a family member is in receipt of enhanced children's services.

Cllr Sarah Warren declared that a family member has an Education, Health and Care Plan (EHCP).

The Deputy Monitoring Officer confirmed that he would grant the required dispensation.

A copy of the general dispensation is attached as Appendix 1 to these minutes.

56 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR

There were no items of urgent business.

The Leader thanked Cllr Samuel and all the officers who had worked on the budget this year for their hard work to balance the books. He also thanked the Christmas Market Team for the work they had undertaken to stage the Christmas Market last year. The market was one of the most successful ever and has generated a great deal of money to the city. 37% of people stayed for an average of 2.4 nights which was advantageous to the local hospitality industry.

The Leader also highlighted the fact that WECA (the West of England Combined Authority) is responsible for bus services in the area. He informed members that he has called on the West of England Metro Mayor to urgently provide more details about his planned “demand-responsive transport (DRT)” scheme. He is also asking the Mayor to confirm that he will use some of the £50m he has to spend on buses to provide services in the Midsomer Norton, Radstock, Paulton and Chew Valley areas.

57 QUESTIONS FROM PUBLIC AND COUNCILLORS

There were 27 questions from Councillors and 27 questions from members of the public.

Cllr Eleanor Jackson asked two supplementary questions relating to questions M1 and M2.

[Copies of the questions and responses, including supplementary questions and responses if any, have been placed on the Minute book as Appendix 2 and are available on the Council's website.]

58 STATEMENTS OR PETITIONS FROM PUBLIC OR COUNCILLORS

Members of the public and Councillors made statements as follows:

- Guy Hodgson – Petition calling for the provision of a safe crossing for St Mary’s Primary School, the RUH and the 103 Childcare Centre at the Weston

Hub (Penn Hill Road, Weston). The petition has been signed by 421 people. *(A copy of the statement is attached as Appendix 3 to these minutes).*

- Jackie Head – Public Transport Services in the Chew Valley *(a copy of which is attached as Appendix 4 to these minutes).*
- Ian Downey – Proposed cuts to bus services in the Chew Valley *(a copy of which is attached as Appendix 5 to these minutes).*
- Cllr Shaun Stephenson-McGall – Bus Services through Timsbury *(a copy of which is attached as Appendix 6 to these minutes).*
- Anna Box – More funding for rural roads in village centres to improve safety *(a copy of which is attached as Appendix 7 to these minutes).*
- Bob Goodman – Continued demise of the City and funding of Remembrance Events in Bath *(a copy of which is attached as Appendix 8 to these minutes).*
- Cllr Paul May – Council Budget 2023/24 *(a copy of which is attached as Appendix 9 to these minutes).*
- Cllr Eleanor Jackson – Provision of RE in Bath and SACRE budget *(a copy of which is attached as Appendix 10 to these minutes).*

Cabinet members asked some factual questions of the speakers in order to clarify details mentioned in their statements.

59 MINUTES OF PREVIOUS CABINET MEETING

RESOLVED: That the minutes of the meeting held on 10th November 2022 be confirmed as a correct record and signed by the Chair.

60 CONSIDERATION OF SINGLE MEMBER ITEMS REQUISITIONED TO CABINET

There were none.

61 MATTERS REFERRED BY POLICY DEVELOPMENT AND SCRUTINY BODIES

Cabinet considered the feedback on the budget proposals from the Corporate PDS Panel.

RESOLVED: To note the summary of the Corporate PDS Panel meeting held on 23 January 2023.

62 SINGLE MEMBER CABINET DECISIONS TAKEN SINCE PREVIOUS CABINET MEETING

The Cabinet agreed to note the report.

63 REVENUE & CAPITAL BUDGET MONITORING, CASH LIMITS AND VIREMENTS – APRIL TO DECEMBER 2022

Cllr Richard Samuel introduced the report, moved the officer recommendations and made the following statement:

“I gave a commitment at the start of this administration that the council would spend within its means each year. What that meant was delivering planned savings and efficiencies each year, properly budgeting for major projects, and most importantly bringing the council’s budget in on target each year. In normal times that would have been a challenging aspiration but when a global pandemic from 2020 to 2021, a European war in Ukraine, and the ineptness of the Government in creating runaway inflation are factored in it has become even tougher. From 2019 to 2022 this administration has kept to spending plans and not allowed expenditure to exceed income and thereby ensured that scarce council reserves were not used to balance the books. When I reported on Quarter 2 it looked as if we might miss our target this financial year. High energy costs and profiteering by the energy companies together with interest rate rises alongside other inflation meant that suddenly the council was faced with huge additional costs in year. However, this was compounded by substantial rises in Children’s safeguarding presentations and provider costs to the extent that this threatened to blow the council’s entire budget off course.

However, I am pleased to note that the situation at the end of Quarter 3 has dramatically improved so that an overspend of £1.5m is now projected and I am confident this will further reduce by the year although I do not expect the budget to be in credit at year end.

At this point I must place my thanks to the Chief Executive and the Management team for their efforts in tackling the Quarter 2 position and reversing the serious position that was recorded then. Their efforts have led to the improved forecast and demonstrate the benefit of reporting financial performance in public.

I will not repeat the detail of the individual movements in the report they are there for the cabinet to see. I will however highlight the need for the council to closely examine and review the demands on children’s social services which are in danger of outstripping this authority’s ability to pay. This is a national problem affecting all upper tier councils and I am sorry to say that our so-called government has only partially taken notice of the pleas from the sector to address the huge funding shortfall which was noted by the LGA to fail to address the estimated 1.5bn shortfall nationally simply to keep pace with inflation.

In B&NES have asked the management team to begin work urgently to examine how we can better control costs and begin to return to the provision of early years services as a key preventative measure. This will take up much of the next administration’s time and energy but is crucial as the overruns in children’s services are now an existential threat to the council’s financial stability.”

Cllr Warren seconded the motion and thanked officers for their hard work in producing this report.

RESOLVED: (unanimously):

7.1 To note the 2022/23 revenue budget position as at the end of December 2022.

7.2 To note the revenue virements listed in Appendix 3(i) of the report.

7.3 To note the capital year-end forecast detailed in paragraph 3.25 of the report.

7.4 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.

64 BUDGET AND COUNCIL TAX 2023/24 AND FINANCIAL OUTLOOK

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

“I want to start by paying tribute to the council staff who have worked with me to pull this budget together in the most challenging circumstances. From the Chief Executive to Andy Rothery – the chief Financial Officer and his staff, in particular Gary Adams, Giles Oliver and Paul Webb but also to the finance staff in departments who have pulled together the numbers as we progressed.

When we began work last summer none of could have known what was in store. At that point inflation was looking like it would rise, but interest rates were still low although the storm clouds were gathering over the rapidly escalating cost of energy. What we could never have anticipated was that a new prime minister and her trainee chancellor were about to trash the economy by advancing unfunded tax cuts thereby leading to higher taxes, higher interest rates and a collapse in market confidence in government bonds. Just as with Black Wednesday in 1993 the Conservative Party threw away its already tenuous claim to be the party of fiscal responsibility.

These unexpected and unnecessary costs have hit the council hard as they have every household and business in the country adding millions to our running costs.

Fortunately, due to the tight fiscal control we have maintained over the past four years we have found ourselves in a sufficiently resilient position to be able to protect our front line services that are some important to residents, and continue to invest in high priorities for residents such as our clean and green campaign, and our highway and transport programmes as well as continuing the momentum to build council housing for the first time in a generation. A wide range of initiative across Bath and North East Somerset will benefit those areas and continue the drive towards net zero.

In total savings of £14m have been made to balance the books and maintain our drive to improve our area.

At this point it is worth commenting on the support the council receives from the government. As recently as 2013 we were receiving around £30m on support grant and this enabled the council to provide a range of valued services to residents. That

has been chipped away by the government to the point that this year we received £800k. It is not unreasonable to say that the Conservative government has removed nearly £300m from B&NES residents in the past 10 years and made the council make up the difference by raising council tax and making local taxpayers pay more to the cost of social care through the social care levy.

We have decided that to avoid any more cuts council tax does unfortunately have to rise but only by 2.99% not 4.99% as stated by the local media today. In addition, there will be a social care levy of 2% which will go directly towards the funding of services for elderly and vulnerable adults in our community. Finally, additional funds have been set aside to cushion the impact on poorer households by changes to the council tax support scheme and the welfare assistance programme.

Our budget confirms that the council is a financially sound organisation that is well run and places resources where they are needed in the communities we serve. It is a sound budget prepared in the most testing of times and it will provide a solid foundation for the next council administration for the next four years.”

Cllr Samuel then moved the recommendations set out in the report together with those in the supplementary paper.

Cllr Sarah Warren seconded the motion and made the following statement:

“I want to thank Cllr Samuel, Chief Finance Officer Andy Rothery, and the rest of the team for the incredible job they have done finding a way to balance a budget for next year that continues to reflect the administration’s priorities, despite the enormous pressures of rampant inflation combined with reduced support from the Conservative government, at a time of ever-increasing demands due to widening income inequalities.

I read recently that although the UK is one of the richest nations in Europe, those in the UK on the lowest 10% of incomes are now poorer than the equivalent lowest income decile in most countries across the rest of Europe. That is a shocking indictment of our government and its misplaced priorities, and it is this appalling increase in poverty that increases demands on our council’s budget across Adults’ and Children’s Social Care. Alongside that, central government has imposed an increase in regressive council tax, but I am pleased to note that in Bath and North East Somerset we aim to mitigate the effects through changes to our Local Council Tax Support scheme.

I want to note how pleased I am that we have found an additional £280,000 (or a 36% increase) for supported bus services, to ease the transition to the West of England Combined Authority’s new Demand Responsive Transport services that will run across North East Somerset from April. This brings B&NES’ budget for supported bus services next year to about £1m.

I would like to reiterate my plea to the WECA Mayor to end residents’ suspense and anxiety by announcing that he will indeed spend some of his £50 million Bus Service Improvement Plan fund for new bus services on all five of the routes his officers advised him to procure in North East Somerset, because the uncertainty and anxiety he is currently causing residents is unfair. They are being forced to take important life

decisions without knowing what public transport provision they will have access to in a couple of months' time and that is not acceptable.

I would also like to note briefly how pleased I am that the budget for our liveable neighbourhoods schemes has been maintained. These schemes will bring forward improvements to neighbourhoods which aim to make residential spaces nicer for all residents to walk, wheel and spend time in.

Cllr Manda Rigby made the following statement:

"I'd like to add my thanks to Richard and his officers, this has been a very hard budget, and it is to their credit that we have in front of us a budget which is balanced, whilst protecting front line services.

Particularly in my portfolio I am delighted that we are investing in our highways infrastructure to benefit car drivers, cyclists, pedestrians, all users. The network is an evolving organism, needing both maintenance funding and additional engineering works to make it fit for purpose.

We have a one off, extra, million-pound investment to look at the long list of transport improvement fund requests. A lot of funding for transport programmes comes externally and with many conditions attached. There are some schemes which would never score highly under these circumstances, but which a local community needs, and we now have some money to progress these, and I am delighted."

Cllr Dine Romero made the following statement:

"Often those outside councils assume that the extra spend in children services is the result of a gold-plated service. Our service is not gold plated, although it was recognised last February by Ofsted as good. This judgement was a just reward for the efforts of everyone in the Children and Young People (CYP) service particularly over the past extraordinary years.

CYP budgets across the country are under huge pressure due to increased numbers coming into care including increased numbers of unaccompanied asylum-seeking children, our own numbers have gone up by 30% over the last 5 years, plus the consequences of covid including increases in numbers needing mental health support, as well as an underlying trend of more children requiring complex needs to be met. Across the country there is a social care workforce crisis which we in B&NES are not immune from and so we are more dependent on agency staff than we would like to be.

I know we would like to see more of the non-statutory services for CYP such as youth provision, alternative options in education, a greater focus on early help, and I am hopefully that future appropriate investment will finally turn the tide on ever increasing revenue spending, for example if we have funding through the Department for Education for a new Advanced Placement school on one site, at Culverhay, this will help reduce spend on Home to School Transport. Again, at Culverhay, if we can resolve the capital funding dilemma for Bath College we should be able to provide vocational opportunities on site for 14-19 year olds, this is also an indicator of the way of working in the future, through partnerships. And I would like to give credit to the various partners we work with, from individual artists to the police, St John's, & Curo, & YCSW and Bath BID, and SCP, and Bath Mind, all of whom are

putting addressing inequalities at the heart of the work they are doing. So much inequality stems from unequal chances at an early age, so that joint focus will make a difference in time.

As was observed by Cllr Samuel it has not been easy to reconcile the budget for CYP and I would like to express my thanks to all those in this service, especially Mandy Bishop, Mary Kearney-Knowles and Chris Wilford, as well as Cllr Samuel and Andy Rothery, for their efforts and commitment to meeting the challenge.”

Cllr Tim Ball made the following statement:

“In this budget we have to be prudent ensuring that we also protect frontline services that our residents need.

We are still suffering from the effects of the covid pandemic. But despite this we have rebuilt many services cut by the previous administration who put a huge financial bill on the council paying redundancy costs we never needed to have.

In the last few years, we have delivered much, and a lot of this administration’s manifesto promises have come through the planning system, enabling delivery of our green credentials through the local plan partial update.

We have protected the planning budget in order for us to be able to deliver a full new local plan by 2025 bringing forward even more environmental improvements that our residents are demanding.

No one is pretending that this will be easy, but it’s something we must deal with at the council, and we need to ensure the finances are in place to make it happen.

I shall be supporting the budget this evening.”

Cllr Alison Born made the following statement:

“Social care services rely on a skilled workforce being available to provide quality services so the current skills shortages and the cost-of-living crisis are presenting many challenges to the delivery of social care.

Our social care grant has increased this year and all of that new funding has been allocated to children’s services where the pressures are even greater than in adult social care. There are also some welcome increases in other small grants, but they are no match for the cost pressures within the system and the reductions in funding over the past decade or so.

We therefore have no choice but to apply the permitted local precept for adult social care as that helps to provide the funding we need to maintain services, to invest in our staff and to meet the increasingly complex needs of many of our clients.

We will continue to seek to improve access to services, to support vulnerable people and to realise further efficiencies through our transformation agenda.

This budget enables us to meet these objectives in 203/24 but we expect demand for services and the pressures on the system to continue and are likely to need additional funding in future years.”

Cllr Tom Davies made the following statement:

“I echo your comments, quite rightly, in the huge thanks and praise I would pass to our colleague, Cllr Samuel, The Chief Executive, the Director of Finance and their teams for the herculean effort they have undertaken over the last few months in preparing this budget.

At times the challenge of the pressures faced on the Council’s resources - be it through service demands, inflationary pressures, or woefully inadequate central government support - appeared to be insurmountable. To you all I say a huge thank you for navigating the Council safely through this period and to the stage we are at tonight.

And at this point I will focus on my portfolio - that of Housing and in particular Council House building. For despite all the pressures noted in the report - this budget reaffirms our commitments to our key promises - in the case of my portfolio - to build the first Council houses in a generation and to expand still further the support we provide to some of the most vulnerable in our society.”

RESOLVED (unanimously):

(1) To recommend Council to approve:

- a) The General Fund net revenue budget for 2023/24 of **£131.03m** and the individual service cash limits for 2023/24 as outlined in Annex 1 of the report.
- b) The savings and income plans outlined in Annex 2(i), 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 2.99% in 2023/24 (an increase of £47.10 per Band D property or 91p per week).
- d) An increase of 2% to Council Tax for the Adult Social Care Precept in recognition of the current demands and financial pressures on this service. This is equivalent to an increase of £31.50 on a Band D property (61p 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 £11.6m - £12.8m.
- f) To note the Children’s Services management plan set out in section 5.2.7 of the report.
- g) The Efficiency Strategy attached at Annex 4 of the report.
- h) The Capital Programme for 2023/24 of £87.89m including new and emerging capital bids outlined in Annex 5(i), planned sources of funding in 5.8.2, and notes the programme for 2024/25 to 2027/28 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.

- i) 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.
 - j) The Community Infrastructure Levy (CIL) allocations and amendments outlined in Annex 5(v) of the report.
 - k) The Capital & Investment Strategy attached at Annex 6 of the report.
 - l) The MRP Policy attached at Annex 7 of the report.
 - m) The Capital Prudential Indicators outlined in 5.8.6.
 - 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.
 - p) The Council Tax Support Scheme for 2023/24 shown in the following link: <https://beta.bathnes.gov.uk/sites/default/files/2023-01/Proposed%20Council%20Tax%20reduction%20scheme%20April%201%202023%20-%20March%2031%202024.pdf> and referred to in 5.3.5
 - q) To approve the Fees and Charges schedule for 2023/24 at Annex 11 of the report and to support its publication following approval of the budget.
 - r) To agree that the additional Services grant and Levy Surplus grant funding of £236,500 is allocated to fund the introduction of a new Ward Councillor Empowerment Fund Scheme with £177,000 of one-off funding to be used by 2025/26 and to increase the corporate inflation contingency by £59,500.
- (2) To agree that the Council includes in its Council Tax setting, the precepts set and approved by other bodies including the local precepts of Town Councils, Parish Councils and Charter Trustees of the City of Bath and those of the Fire and Police Authorities.
 - (3) To note the S151 Officer's report on the robustness of the proposed budget and the adequacy of the Council's reserves outlined in paragraph 5.7 of the report.
 - (4) To note the budget consultation responses set out in Annex 10 of the report.
 - (5) To authorise the Council's S151 Officer, in consultation with the Portfolio Holder for Resources, to make any necessary changes to the draft budget proposal for submission to Council.

65 TREASURY MANAGEMENT STRATEGY STATEMENT 2023/24

Cllr Richard Samuel introduced the report and moved the officer recommendations. He informed members that the report refreshed the Treasury Strategy ahead of presentation to full Council for approval. It revises some indicators and introduces

some new requirements that follow revisions to the CIPFA Code of Guidance. It also brings the Council's investment approach up to date in the light of market movements over the past 12 months.

Cllr Tom Davies seconded the motion.

RESOLVED: (unanimously):

7.5 To recommend the actions proposed within the Treasury Management Strategy Statement (Appendix 1 of the report) to February Council.

7.6 To note the Treasury Management Indicators detailed in Appendix 1 of the report.

7.7 To recommend Council to approve the adoption of the Treasury Management Clauses (Appendix 3 of the report).

7.8 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 21st February 2023 to the Chief Finance Officer and Cabinet Member for Resources, in light of any changes to the recommended budget as set out in the Budget Report.

7.9 To note that any comments made by the Corporate Audit Committee at their meeting on 7th February 2023 will be reported to Full Council on the 21st February 2023.

66 TREASURY MANAGEMENT PERFORMANCE REPORT TO 31ST DECEMBER 2022

Cllr Samuel introduced the report and moved the officer recommendations. The report updated Cabinet on the in-year performance to the end of Quarter 3.

Cllr Tom Davies seconded the motion.

RESOLVED: (unanimously):

(1) To note the Treasury Management Report to 31st December 2022, prepared in accordance with the CIPFA Treasury Code of Practice.

(2) To note the Treasury Management Indicators to 31st December 2022.

The meeting ended at 7.50 pm

Chair _____

Date Confirmed and Signed _____

Prepared by Democratic Services