

**Minutes of:** THE EXECUTIVE

**Date of Meeting:** 14 February 2007

**Present:** Councillor M Connolly (in the Chair);  
Councillors R A Bibby, K S Briggs, J Byrne, G Campbell,  
T P Chamberlain, A Isherwood and T D Pickstone

**Apologies:** Councillor W A Campbell and Gibb

**Public attendance:** There were no members of the public in attendance.

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**EX.884 DECLARATIONS OF INTEREST**

There were no Declarations of Interest made at the meeting.

**EX.885 MINUTES**

**Delegated decision:**

That the Minutes of the meeting of the Executive held on 24 January 2007 be approved as a correct record and signed by the Chair.

**EX.886 PUBLIC QUESTION TIME**

There were no members of the public present.

**EX.887 CORPORATE FINANCIAL MONITORING REPORT – APRIL 2006 TO DECEMBER 2006**

The Executive Member for Quality Council (Resource and Performance) submitted a report which informed Members of the financial position of the Council for the months of April 2006 and December 2006 for the Revenue Budget Capital Budget and Housing Revenue Account. It also provided projections, based on current trends and information, of the likely outturn at the end of 2006/2007.

The report also examined the minimum level of balances position and looked at progress against the Financial Strategy's objectives.

**Delegated decision:**

That the report be noted and it be agreed that the Audit Committee be asked to assess the effectiveness and leadership provided by the Executive in regard to financial management.

**EX.888 TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL INDICATORS 2007/2008**

The Executive Member for Quality Council (Resource and Performance) submitted a report which set out the suggested Strategy for 2007/2008 in respect of the following aspects of the Treasury Management Function:-

- Treasury limits in force which will limit the Treasury risk and activities of the Council
- Prudential Indicators
- The current Treasury position
- The borrowing requirement
- Prospects for interest rates
- The borrowing strategy
- Debt re-scheduling
- The investment strategy

The primary objective of the Council's Treasury Management Function would continue to be the minimisation of financing costs whilst ensuring the stability of the Authority's long-term financial position by borrowing at the lowest rates of interest and by investing surplus cash to earn maximum interest, all at an acceptable level of risk. The previous Strategy, of resuming borrowing to fund Capital expenditure would continue.

The Authority's view of interest rates was that it expected short-term rates to be higher than long-term rates for the foreseeable future and that long-term rates would remain at historically low levels in 2007/2008 and up to 2010.

#### **RECOMMENDATION TO COUNCIL:**

That the Prudential Indicators forecast for 3 years; the Treasury Management Strategy for 2007/2008; and the Scheme of Delegation and Responsibility as set out in the report be approved.

#### **EX.889 BUDGET 2007/2008**

The Executive Member for Quality Council (Resource and Performance) submitted a report detailing:-

- **The Capital Programme 2007/2008 (Section A)**

This provided details of the capital resources available for 2007/2008, together with the schemes that have been put forward by Directors. It also outlined the process adopted by the Asset Management Strategy Group (AMSG) for prioritising the bids for schemes, and provided details of a recommended programme.

- **The Revenue Budget 2007/2008 (Section B)**

This examined the position in respect of the Revenue budget for the current and future years, but in doing so it took a holistic approach to the Council's finances and reflected the revenue implications of proposals made in respect

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of the Capital Programme. The report provided details of the final Local Government Finance Settlement for 2007/2008 and the impact on Bury. It then went on to provide details of the forecast revenue outturn position for 2006/2007 and the draft Revenue Budget for 2007/2008.

The report then summarised the options identified for meeting the anticipated shortfall on the draft Budget and explained the position in respect of the Collection Fund. Finally on the revenue side, it examined Council Tax options for 2007/2008.

### **RECOMMENDATION TO COUNCIL**

That the report be noted and the Council requested to consider and determine all matters relating to the Budget, the Capital Programme and the level of the Council Tax for 2007/2008 at its meeting on 28 February 2007.

### **EX.890 HOUSING REVENUE ACCOUNT 2007/2008**

A joint report of the Executive Members for Quality Council (Resource and Performance) and Environment and Transport was submitted which detailed the proposed Housing Revenue Account for 2007/2008 and which recommended an average rent increase for Dwellings and Garages of 5% in line with the Housing Subsidy Determination for 2007/2008.

As a result of the introduction of rent restructuring, individual property rents were now set according to their valuation, size and relative local earnings resulting in a range of rent increases/decreases throughout the Borough. These were detailed in the report. The report also recommended amended charges for Sheltered Support, Amenities and Heating and Furnished Tenancy charges.

### **RECOMMENDATIONS TO COUNCIL:**

1. That the Housing Revenue Account estimates set out in Appendix 1 to the report be approved, subject to amendment to reflect the agreed Management Fee payable to Six Town Housing.
2. That the average rent be increased by 5% from the first rent week in April 2007, with actual rent increases/decreases on individual properties being determined by the revised rent formula (subject to restricting the overall average increase to 5%).
3. That garage rents be increased by 5% from the first rent week in April 2007.
4. That sheltered support, amenity and heating charges be amended from the first rent week in April 2007 in line with the proposed charges set out in the report.
5. That the scheme of transitional protection be continued for the next 12 months for the Sheltered Support Charges and Sheltered Amenity Charges.
6. That the scheme of transitional protection for Carelink Charges be discontinued.

7. That furnished tenancy charges increase by 2.5% from the first rent week in April 2007.

#### **EX.891 LONGFIELD CENTRE – “THE RETREAT” WATER FEATURE**

A report of the Executive Member for Environment and Transport was submitted which referred to Minute EX.719 and the selection of an option for refurbishing “The Retreat” water feature in Prestwich. It was reported that the artist for The Retreat had subsequently made formal representations to the Council stating that implementation of the decision made by the Executive would be an infringement of the artist’s Moral Rights under the Copyright, Design and Patents Act 1988. This report, therefore, set out the options available to the Council to address the representations made by the artist and bring the area occupied by the public artwork back into permanent use within a reasonable timescale.

#### **Delegated decision:**

That Minute EX.719 of 29 November 2006 be rescinded and option 2 of the report presented to the Executive on 29 November 2006 be approved, together with a scheme for additional bench seating and hanging baskets as the basis for seeking a negotiated agreement with the artist.

#### **Reason for the decision:**

To avoid a potential legal challenge and secure an agreed solution.

#### **Other Options Considered and Rejected:**

To defer a decision in order to take specialist legal advice.

**COUNCILLOR M CONNOLLY**  
**Chair**

**(Note: The meeting started at 6.00 pm and ended at 6.35 p.m.)**