

Minutes of: THE BUDGET MEETING OF THE COUNCIL

Date of Meeting: 20 February 2013

Present: The Worshipful the Mayor (Councillor J Grimshaw), in the Chair;
Councillors A Audin, K Audin, D Bailey, M Bailey, N Bayley, I Bevan, J Black, S Briggs, P Bury, G Campbell, S Carter, R A Caserta, D M Cassidy, J Columbine, M Connolly, A J Cummings, J Daly, E FitzGerald, L Fitzwalter, J Frith, I B Gartside, D L Gunther, M Hankey, S Haroon, P Heneghan, T Holt, K Hussain, A Isherwood, M A James, J S Lewis, A Matthews, S Nuttall, D O'Hanlon, N A Parnell, T D Pickstone, A Quinn, K Rothwell, R Shori, A Simpson, S Smith, J Smith, S Southwoth T Tariq, B Vincent, R E Walker, S Walmsley, J F Walton, M Wiseman and Y Wright

Apologies for absence: Councillor D Jones (CI)

Public attendance: 17 members of the public attended the meeting.

C.782 DECLARATIONS OF INTEREST AND DISPENSATIONS

1. Councillor Connolly declared an interest in any item which related to staffing as his partner is an employee of Bury Council.
2. Councillors N Bayley, Briggs and S Smith and Wiseman declared a personal interest in Minute C.786(a), "Housing Revenue Account 2013/2014", as they are members of the Six Town Housing Board.
3. Councillor Bevan declared a personal interest in any item which related to staffing as his spouse is employed by the Council at Summerseat Methodist Primary School.
4. Councillors Bevan (Edenfield C of E Primary School), Caserta, (St Monica's School), Heneghan (St Monica's School) and Walker (St Gabriel's High School) declared personal interests in as school governors in Minute C.786(b), "Budget 2013/2014 to 2014/2015," in so far as it related to the Home to School Transport.
5. Councillor Wiseman declared a personal interest in Minute C.786(b), "Budget 2013/2014 to 2014/2015", in so far as it related to Day Care Services as she is an employee of an organisation which receives funding from Bury Council to provide day care to some residents of the Borough.
6. Councillors K Audin, Heneghan, Nuttall, Rothwell, Wiseman and Wright declared personal interests in Minute C.786(b), "Budget 2013/2014 to 2014/2015", in so far as it related to Voluntary Sector Funding, as they are board members of voluntary bodies, including CAB, Bury Society for Blind and Partially Sighted People. Bury Deaf Society and Shopmobility.

Further, it was reported that all members (except for Councillor Jones who had submitted his apologies for the meeting) had applied for and been granted dispensations by the Monitoring Officer for the setting of the budget and matters directly related to such decisions, including budget calculations, in accordance with Section 33(2)(a) of the Localism Act 2011.

In accordance with the Minute of the Standards Committee dated 7 February 2013, Councillor Rothwell had also been granted dispensation for Item C.786(a), "Housing Revenue Account 2013/2014."

C.783 MINUTES

RESOLVED:

That the Minutes of the meeting of the Council held on 30 January 2012 be approved as a correct record and signed by the Mayor.

C.784 MAYORAL COMMUNICATIONS

The Mayor referred to the recent visit to Tamworth to attend a Birthday Celebration Event for Sir Robert Peel who was born in 1788 at Chamber Hall in Bury.

C.785 PUBLIC QUESTION TIME

No.	Issue	Questioner	Answered by
1.	Methods of Public Consultation	N. Schrecker	Councillor Connolly

C.786 RECOMMENDATIONS OF THE CABINET ON 20 FEBRUARY 2013

(a) Housing Revenue Account 2013/2014

At the invitation of the Mayor, Councillor Isherwood, Cabinet Member for Finance and Resources, made a statement on the Housing Revenue Account 2013/2014.

It was moved by Councillor Connolly and seconded by Councillor Smith that the recommendations contained in Minute CA.779 of the Cabinet meeting held on 20 February 2012 be approved subject to the following amendments:

"DELETE

That the report be noted and the Council be requested to consider all matters relating to the Housing Revenue Account 2013/14, the increase in Council House and garage rents and changes to other charges at its meeting on 20 February 2013.

ADD

1. The Housing Revenue Account estimates set out in Appendix 1 of the report be approved, subject to later amendment to reflect the agreed Management Fee payable to Six Town Housing and subject to changes in income levels and reserve contributions resulting from the rent increases set out below;
2. The average housing rent be increased by 4.10% from the first rent week in April with actual rent increases/decreases on individual properties being determined by the rent formula;
3. Approve that the first week of 2013/14 be an additional non-collection week as 2013/14 is a 53 week year;
4. Garage rents be increased by 4.10% from the first rent week in April;
5. The contribution into the Housing Business Plan Headroom Reserve be reduced by £256,000 to fund the reduced levels of rent income resulting from the rent increases set out in 2 and 3 above;
6. Sheltered heating charges be amended from the first rent week in April in line with the proposed charges in the report;
7. The proposed schemes of protection should be continued for the next twelve months for the Sheltered Support Charges;
8. Sheltered management, support and amenity charges should remain unchanged from the first rent week in April;
9. A strategy for applying the funds within the Headroom Reserve should be developed as early as possible during 2013/14 subject to consultation with tenants, Six Town Housing and other stakeholders.

On being put, and with no Member abstaining or voting against, it was

RESOLVED:

That the recommendations set out in respect of the Housing Revenue Account for 2013/2014 be approved.

(b) Budget 2013/2014 to 2014/2015

At the invitation of the Mayor, Councillor Isherwood, Cabinet Member for Finance and Resources made a statement on the Budget for 2013/2014 to 2014/2015.

(A) It was moved by Councillor Connolly and seconded by Councillor Smith that the recommendations contained in Minute CA.780 of the Cabinet meeting held on 20 February 2012 be approved subject to the following amendments:

"DELETE

That the report is noted and the Council be requested to consider and determine all matters relating to the Budget, the Capital Programme and the level of Council Tax for 2013/14 at its meeting on 20 February 2013.

ADD

Section A – Capital Programme

1. Approve the Capital Programme for 2013/14 and future years, shown in Appendix 1;
2. Approve the proposed financing of the Capital Programme;

Section B – Revenue Budget

3. Note the details of the Start Up Funding Allocation (SUFA) for 2013/14, and indicative allocations for 2014/15;
4. Approve the level of repayment of principal on General Fund debt at the minimum of 4% in line with the current Minimum Revenue Provision policy;
5. Note that under delegated powers the Assistant Director of Resources (Finance & Efficiency) calculated the amount of **51,227.93** as the Council Tax base for the year 2013/14 in accordance with the Local Government Act 2003 and with regulations made under section 33(5) of the Local Government Finance Act 1992 and the Local Authority (Calculation of Council Tax Base) (England) Regulations 2012;
6. Note the forecast outturn position for 2012/13;
7. Approve that the actual minimum level of balances for 2013/14 be increased to £4,400,000 in view of a revised risk profile;
8. Approve the programme of savings set out in the Plan for Change (Appendix 4);
9. Note the recommendations of the Schools' Forum around education funding issues;
10. Endorse the statements by the Assistant Director of Resources (Finance and Efficiency) on the robustness of budget assumptions and on the minimum level of balances;
11. Increase the Bury element of the Council Tax from the level set for 2012/13 by 3.5%;
12. Note the proposals of the major preceptors to increase their precepts as outlined at 14 (iv);
13. Approve the net Revenue Budget for 2013/14 of **£143.920m** as set out in paragraphs 4.6.4 / 4.6.5 subject to the following amendments:

	£m	£m
Add:		
Revised savings proposals in respect of Rangers Service and Street Cleaning Teams	0.200	
Contribution towards future Plan for Change savings requirement	1.414	1.614
Less:		
Increase in Council Tax (0.0% to 3.5%)	-2.259	
Loss of Council Tax Freeze Grant	0.645	-1.614

3. Approve the following recommendations in relation to the Revenue Budget and Council Tax for 2013/14:

- i) It be noted that on 29th January 2013 the Council calculated the Council Tax Base 2013/14 for the whole Council area as **51,227.93** [item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")].
- ii) The Council calculates the Council Tax requirement for the Council's own purposes for 2013/14 (excluding precepts) as **£66,793,088**.
- iii) That the following amounts be calculated for the year 2013/14 in accordance with Sections 31 to 36 of the Act;
- a) **£464,131,288** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
- b) **£397,338,200** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- c) **£66,793,088** being the amount by which the aggregate at iii(a) above exceeds the aggregate at iii(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
- d) **£1,303.84** being the amount at iii(c) above (Item R), divided by Item T (item i above) calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year, and;
- e) **Bury Council**

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
869.23	1,014.10	1,158.97	1,303.84	1,593.58	1,883.33	2,173.07	2,607.68

Being the amounts given by multiplying the amount set at iii(e) above by the number which, in the proportion set out in Section 5(1) of the Act is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- iv) To note that the Police Authority and Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.

Greater Manchester Police Authority

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
99.55	116.15	132.74	149.33	182.51	215.70	248.88	298.66

Greater Manchester Fire & Rescue Authority

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
38.42	44.83	51.23	57.64	70.44	83.25	96.06	115.28

- v) That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2013/14 for each part of its area and for each of the categories of dwellings.

Aggregate of Council Tax Requirements

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,007.2 0	1,175.0 8	1,342.9 4	1,510.8 1	1,846.5 3	2,182.2 8	2,518.01	3,021.6 2

- vi) To determine whether the Council's basic amount of Council Tax for 2013/14 is excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992. *(for Freeze Grant purposes)*

	2012/13	2013/14	% Change
Council Tax Base	59,922.70	51,227.93	
Basic Council Tax Requirement	£75,487,621	£66,793,088	
Basic Amount of Council Tax	£1,259.75	£1,303.84	3.50%

- vii) To determine whether the Council's relevant amount of Council Tax for 2012/13 is excessive in accordance with the principles approved under Section 52ZX of the Local Government Finance Act 1992, inserted by Schedule 5 to the Localism Act 2011. (*for Referendum Purposes*)

	£
Council Tax Requirement (@ 3.5%)	66,793,088
Less Levies;	
- GM Waste & Disposal Authority	-13,224,000
- Transport for Greater Manchester	-13,676,000
Relevant Council Tax Requirement	39,893,088
Council Tax Base	51,227.93
Relevant Band D Council Tax 2013/14	£778.74
Relevant Band D Council Tax 2012/13 (per DCLG)	£777.48
% increase in Relevant Band D	+0.16%

Notes for information:

The calculation in 14 vi) above is undertaken to assess the extent to which the Council has increased its "basic" level of Council Tax. Councils reporting a 0% increase qualify for the Council Tax freeze grant. Bury's increase is 3.50% and therefore the Council **does not qualify for the freeze grant**.

The calculation in 14 vii) above is a technical calculation to assess the increase in the "relevant" level of Council Tax; i.e. the level of Council Tax that would be set if the budget were to exclude levies. Where an increase in the relevant level of the Tax is greater than 2.0% of the 2012/13 Alternative Notional Amount calculated by the DCLG, this is deemed by the Secretary of State to be excessive, prompting a Council Tax referendum. Bury's "relevant" level of Council Tax will increase by 0.16% and so **no referendum is required.**"

The amendment on being put, with 34 voting for, 15 against and one abstention was declared carried

(B) An amendment was moved by Councillor Garside and seconded by Councillor Wiseman that:

"The revenue budget submitted to Council should be approved, the Council Tax frozen and the budget shortfall identified in the Budget report met through the savings options set out in the relevant Appendix of the report, with the following amendments:

AMENDMENT	AMOUNT £
<ul style="list-style-type: none"> • Implement a Council Tax Cash-back scheme for over 65s • Reinstate "free parking for 15 minutes in Bury Town Centre" and "increase to 30 minutes" • Reverse proposal for "Sunday car parking charges" • Keep "Park Rangers Service" running for an additional 12 months • Employ an additional "Dog Fouling Enforcement Officer" • Reinstate the current full "Tourist Information service" at the Fusilier's Museum. • Save 3 "Children's Social Care" posts being cut • Keep "Home To School Transport Service" running for an additional 12 months • Reverse voluntary sector funding cuts and add an additional £44,000 of funding to be split equally between the six townships • Increase funding for highways, pot holes and line marking repairs 	<p>£300,000</p> <p>£120,000</p> <p>£10,000</p> <p>£145,000</p> <p>£30,000</p> <p>£89,000</p> <p>£104,000</p> <p>£150,000</p> <p>£164,000</p> <p>£1,350,000</p>
TOTAL	£2,462,000

To be funded by:

AMENDMENT	AMOUNT £
<ul style="list-style-type: none"> • One-off contribution from General Fund balances for pot holes/line markings • One-off contribution from General Fund balances for "Home To School Transport Service" (See footnotes) • One-off call on public health funding for "Park Rangers Service" (See footnotes) • Reduce Councillors' Special Responsibility Allowances by 10% 	<p>£1,350,000</p> <p>£150,000</p> <p>£145,000</p> <p>£15,000</p>

<ul style="list-style-type: none"> • Savings in e-agendas and courier service • Top slice senior staff salaries by 10% over £50,000 • Reduce funding for Trade Union posts • Savings from agency staff budget • Retain original saving proposal from the ruling Labour administration to reduce free car parking and car user allowances 	<p>£10,000</p> <p>£200,000</p> <p>£50,000</p> <p>£239,000</p> <p>£303,000</p>
TOTAL	£2,462,000

Footnotes

Council also resolves to ask the Cabinet Member for Environment and Economy to investigate alternative ways of improving the Council’s response to the issue of dog fouling by the use of other enforcement officers.

Council also resolves to ask the Cabinet Member for Environment and Economy to explore ways of further developing Park Ranger’s skills to undertake duties currently being undertaken by external agency staff.

Council also resolves to ask the Cabinet Member for Finance and Resource to explore areas of further savings from shared services with other Councils/public bodies in order to help fund the Park Rangers, and Home to School Transport services on an on-going basis after the 12 months of funding from one-off sources.”

The amendment on being put with 15 voting for, 34 against and one abstention was declared Lost.

(C) An amendment was moved by Councillor Pickstone and seconded by Councillor O’Hanlon:-

“The budget contained in the Council report should be approved subject to the following changes:

		£
1.	Freeze the Council Tax as set out in the Budget report, funded from Government grant	0
2.	Reverse the Plan for Change II reduction in respect of the Park Ranger Service	145,000
3.	Reverse the Plan for Change II reduction in Street Cleaning costs	140,000
4.	One off investment in pot-holes/street repairs, following bad weather	650,000
5.	One off investment in the Love Prestwich strategy, over the next three years, to kickstart the regeneration of Prestwich Village centre.	1,000,000
	TOTAL COST	1,935,000

To be funded from:

		£
1.	Restructuring of senior management by up to 4 posts (depending on grade mix)	285,000
2.	Contribution from usable General Fund balances	1,650,000
TOTAL FUNDING		1,935,000

”

The amendment on being put, with 15 voting for, 34 against and one abstention was declared lost

The substantive motion on being put, (as set out in A), with 34 voting for, 15 against and one abstention was declared carried and it was:

RESOLVED:

That the recommendations contained in the substantive motion, as set out in (A) above, be approved and adopted.

(c) Treasury Management Strategy and Prudential Indicators 2013/14

On being put with no Members voting against it was:

RESOLVED:

That the recommendations contained in the Minute CA.781 of the Cabinet dated 20 February 2013 be approved and adopted.

C.787 DELEGATED DECISIONS OF THE CABINET AND COUNCIL COMMITTEES

There were no questions asked on the delegated decisions of the Cabinet, the Overview and Scrutiny Committee, Joint Consultative Committee (Corporate) and Joint Consultative Committee (Teachers).

THE WORSHIPFUL THE MAYOR

(NOTE: The meeting started at 7.00 pm and ended at 10.05 pm)