

Minutes of: THE BUDGET MEETING OF THE COUNCIL

Date of Meeting: 24 February 2016

Present: The Worshipful the Mayor (Councillor S Smith), in the Chair;
Councillors P Adams, N Bayley, I Bevan, J Black, S Briggs, R A Caserta, D M Cassidy, M Connolly, M D'Albert, J Daly, E FitzGerald, L Fitzwalter, I B Gartside, J Grimshaw, D L Gunther, M Hankey, J Harris, Haroon, P Heneghan, R Hodgkinson, T Holt, K Hussain, A Isherwood, M A James, D Jones, G Keeley, J Kelly, S Kerrison, J Lewis, J Mallon, , S Nuttall, E O'Brien, N Parnell, T D Pickstone, C Preston, A Quinn, R Shori, A Simpson, R Skillen, Sarah Southworth, Susan Southworth, T Tariq, J Walker, R E Walker, S Walmsley, M Whitby, M Wiseman and Y Wright

Apologies for absence: Councillors D Bailey, D Jones and A K Matthews

Public attendance: 16 members of the public attended the meeting.

C.724 DECLARATIONS OF INTEREST

1. Councillor Connolly declared an interest in any item which related to staffing as his partner is an employee of Persona.
2. Councillor Bevan declared a personal interest in any item which related to staffing in schools as his wife is employed by a school in the Borough.
3. Councillor Mallon declared a personal interest in any item relating to staffing as his partner is an employee within a Bury High school.
4. Councillors Fitzwalter, Gunther, Sarah Southworth and Susan Southworth declared personal interests in respect of Minute C. (i), Housing Revenue Account 2016/17, as Board Members of Six Town Housing.
5. Councillor Wiseman declared a personal interest in Minute C.728 (ii), Budget 2016/17, 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.
5. Councillor Fitzgerald declared personal interests in respect of Minute C.728 (ii), Budget 2016/2017 as a Director of Persona (relating to adult social care precept) and as an employee of Manchester College (relating to apprentice wage levels).
7. Councillors P Adams, N Bayley, J Black, S Briggs, D M Cassidy, M Connolly, E FitzGerald, L Fitzwalter, J Grimshaw, S Haroon, P Heneghan, T Holt, A Isherwood, M A James, D Jones, J Kelly, S Kerrison, J Lewis, J Mallon, E O'Brien, N Parnell, C Preston, A Quinn, R Shori, A Simpson, R Skillen, Sarah Southworth, Susan Southworth, T Tariq, J Walker, S Walmsley and M Whitby declared personal

interests in respect of the amendment set out in (B) of Minute C.728 (i) Budget 2016/17, as Trade Union Members.

C.725 MINUTES

RESOLVED:

That the Minutes of the meeting of the Council held on 3 February 2016 be approved as a correct record and signed by the Mayor.

C.726 MAYORAL AND LEADER COMMUNICATIONS

The Mayor paid tribute to Mrs Brenda Headley who had recently passed away.

C.727 PUBLIC QUESTION TIME

On inviting questions from members of the public present, the following issues were raised:-

No.	Issue	Questioner	Answered by
1	Radcliffe Secondary School	Mr O Kersch	Councillor Connolly

C.728 RECOMMENDATIONS OF THE CABINET ON 24 FEBRUARY 2016

(i) Housing Revenue Account 2016/2017

At the invitation of the Mayor, Councillor Shori, Cabinet Member Health and Wellbeing, made a statement on the Housing Revenue Account 2016/2017.

It was moved by Councillor Shori and seconded by Councillor Connolly that the recommendations contained in Minute CA.722 of the Cabinet meeting held on 24 February 2016 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 2016/17, the increase in council house and garage rents and changes to other charges.

ADD

1. Approve the Housing Revenue Account estimates set out in Appendix 1 subject to potential amendment to reflect the agreed Management Fee payable to Six Town Housing.
2. Decrease the Rents for dwellings other than Sheltered and Extra Care by 1% from the first rent week in April.
3. Increase the Rents for Sheltered and Extra Care dwellings by 0.9% from the first rent week in April.

4. Adopt the policy of re-letting dwellings at Target rents with effect from the first rent week in April.
5. Increase Garage rents by 0.9% from the first rent week in April.
6. Increase Sheltered Management and Amenity Charges by 0.9% from the first rent week in April.
7. Reduce Sheltered heating charges by 10% from the first rent week in April.
8. Approve that Sheltered support and Furnished Tenancy charges remain unchanged from the first rent week in April.
9. Increase tenancy charges at the Fernhill Caravan Site by 0.9% from the first rent week in April.

On being put, and with no Member voting against and the Mayor abstaining, it was:

RESOLVED:

That the recommendations set out in respect of the Housing Revenue Account for 2016/2017 be approved.

(ii) Budget 2016/2017

At the invitation of the Mayor, Councillor Shori, Deputy Leader and Cabinet Member for Finance and Housing, made a statement on the Budget for 2016/2017.

(A) It was moved by Councillor Shori and seconded by Councillor Connolly that the recommendations contained in Minute CA.721 of the Cabinet meeting held on 24 February 2016 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 2016/17 at its meeting on 24th February 2016.

ADD

Section A – Capital Programme

1. Approve the Capital Programme for 2016/17 and future years, as shown in Appendix 1.
2. Approve the proposed financing of the Capital Programme;

Section B – Revenue Budget

3. Note the details of the Settlement Funding Allocation (SFA) for 2016/17;

4. Note the recently approved level of repayment of principal on General Fund debt at the minimum of 2% in line with the current Minimum Revenue Provision policy;
5. Note that under delegated powers the Interim Executive Director of Resources & Regulation calculated the amount of **51,900** as the Council Tax base for the year 2016/17 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 2015/16;
7. Approve that the actual minimum level of balances for 2016/17 be reduced to £4,250,000 in view of a revised risk profile;
8. Approve the programme of cuts set out in Appendix 5;
9. Note the recommendations of the Schools' Forum around education funding issues;
10. Endorse the statements by the Interim Executive Director of Resources & Regulation on the robustness of budget assumptions and on the minimum level of balances;
11. Accept the 4 year indicative Settlement figures released by the Government; which requires the preparation of an Annual Efficiency Plan
12. Raise the Bury element of the 2016/17 Council Tax; by **1.94%**;
13. Apply a further **2%** increase to the Bury element of the Council Tax in respect of the Social Care Precept.
14. Note the proposals of the major preceptors;
15. Approve the net Revenue Budget for 2016/17 of **£122.869m** as set out in section 4.7 of the report; subject to the following amendments:

		£m
	Add:	
1.	Additional resources to further contribute towards the impact of the "Living Wage" (ongoing)	1.313
2.	Additional resources to support cost and demand pressures in Adult Social Care and support Health & Social Care Transformation (ongoing)	1.353
3.	Allocation to address highways issues e.g. potholes as a result of recent flooding (one-off)	0.500
4.	Increased frequency of gully cleansing and maintenance of culverts / drainage to enhance flood resilience (ongoing)	0.100
	Funded By:	
1.	1.94% Council Tax increase	1.313
2.	2.00% Social Care Precept	1.353
3.	Headroom created in 2015/16 from revised MRP Policy	0.500
4.	Additional New Homes Bonus	0.100

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16. Approve the following recommendations in relation to the Revenue Budget and Council Tax for 2016/17:

- i) It be noted that on 31st January 2016 the Council calculated the Council Tax Base 2016/17 for the whole Council area as **51,900** [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 2016/17 (excluding precepts) as **£70,335,466**.
- iii) That the following amounts be calculated for the year 2016/17 in accordance with Sections 31 to 36 of the Act;
 - a) **£421,003,466** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
 - b) **£350,668,000** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - c) **£70,335,466** 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) **£1,355.21** 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 relevant basic amount of its Council Tax for the year, and;

e) **Bury Council**

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
903.47	1,054.05	1,204.63	1,355.21	1,656.37	1,957.53	2,258.68	2,710.42

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 and Crime Commissioner 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.

Police & Crime Commissioner for Greater Manchester

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
104.87	122.34	139.82	157.30	192.26	227.21	262.17	314.60

Greater Manchester Fire & Rescue Authority

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
39.18	45.71	52.24	58.78	71.84	84.90	97.96	117.56

- 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 2016/17 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
£	£	£	£	£	£	£	£
1,047.52	1,222.10	1,396.69	1,571.29	1,920.47	2,269.64	2,618.81	3,142.58

- vi) To determine whether the Council's relevant basic amount of Council Tax for 2016/17 is excessive in accordance with the principles approved under the Local Accountability and Audit Act 2014.

	2015/16	2016/17	% Change
Council Tax Base	51,227.93	51,900.00	
Council Tax Requirement	£66,793,088	£70,335,466	
Basic Amount of Council Tax	£1,303.84	£1,329.13	+1.94%
Social Care Precept	£0	£26.08	+2.00%
Relevant Amount of Council Tax	£1,303.84	£1,355.21	

- vii) The calculation in 14 vi) above is undertaken to assess the extent to which the Council has increased its relevant level of Council Tax.

The total increase of 3.94% is not excessive as it is within the increased referendum threshold for Authorities with responsibility of Adult Social Care (2% + 2% Social Care Precept).

Resources generated from the Social Care Precept will be spent exclusively on Adult Social Care.

The Authority is therefore not subject to a referendum.

(B) An amendment was moved by Councillor Gartside and seconded by Councillor Daly that:

The revenue and capital budgets submitted to Council should be approved, the Bury element of the Council Tax frozen, the Chancellor's 2% Social Care precept offer accepted and the 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"> Improve the environment of our Borough by increasing funding for highway maintenance, repairing pot holes, undertaking line markings, fly tipping enforcement, gully and culvert cleansing, dog fouling enforcement, street light repairs and reinstating two-weekly residual bin collections Increase funding for help with demand pressures in social care and protecting vulnerable people Appoint an Inward Investment Manager 	<p>£3,100,000</p> <p>£1,800,000</p> <p>£100,000</p>
TOTAL	£5,000,000

To be funded by:

AMENDMENT	AMOUNT £
<ul style="list-style-type: none"> One-off contribution from General Fund balances leaving the residual above the agreed £4.25m minimum level Income from 2% Social Care precept (100% Ring-Fenced to the social care budget) Remove Deputy Cabinet members' allowances Savings in e agendas and courier services and withdrawing free meals for Councillors Top slice senior staff salaries by 10% where over £50,000 pa Reduce funding for Trade Union posts Reduce Councillors' Special Responsibility Allowances by 10% Savings from agency staff budget Outsource back office support services 	<p>£2,000,000</p> <p>£1,300,000</p> <p>£10,000</p> <p>£10,000</p> <p>£150,000</p> <p>£80,000</p> <p>£15,000</p> <p>£300,000</p> <p>£1,135,000</p>
TOTAL	£5,000,000

On being put the result of the vote was as follows:

For the Amendment:-

Councillors I Bevan, R Caserta, M D'Albert, J Daly, I Gartside, D Gunther, M Hankey, R Hodgkinson, K Hussain, G Keeley, S Nuttall, T Pickstone, R Walker, M Wiseman and Y Wright.

Against the Amendment:-

Councillors P Adams, N Bayley, J Black, S Briggs, D Cassidy, M Connolly, E FitzGerald, L Fitzwalter, J Grimshaw, S Haroon, P Heneghan, T Holt, A Isherwood, M James, J Kelly, S Kerrison, J Lewis, J Mallon, E O'Brien, N Parnell, C Preston, A Quinn, R Shori, A Simpson, R Skillen, Sarah Southworth, Susan Southworth, T Tariq, J Walker, S Walmsley, and M Whitby.

Abstaining from the Vote:-

The Worshipful the Mayor.

The Mayor declared the amendment lost.

(C) An amendment was moved by Councillor Pickstone and seconded by Councillor D'Albert that:

That the budget contained in the Council report should be approved subject to the following changes;

Road Repairs	£
<ul style="list-style-type: none"> Additional £2m from useable balances to fund essential road repairs 	2,000,000
Adult Social Care	
<ul style="list-style-type: none"> Additional investment to cease practice of 15 minute care visits 	536,000
<ul style="list-style-type: none"> Contribution to Adult Social Care cost and demand pressures 	817,000
Clean Neighbourhoods	
<ul style="list-style-type: none"> £5,000 per annum fund per ward (x 17) to tackle environmental issues - graffiti, grot-spots, fly-tipping, minor repairs, dog fouling, alleyways, trees and other local priorities as identified by the three ward councillors in each area. 	85,000
	3,438,000

To be funded by;

	£
<ul style="list-style-type: none"> Useable Balances 	2,000,000
<ul style="list-style-type: none"> Adult Social Care Precept (2%) 	1,353,000
<ul style="list-style-type: none"> New Homes Bonus 	85,000
	3,438,000

On being put the result of the vote was as follows:

For the Amendment:-

Councillors I Bevan, R Caserta, M D'Albert, J Daly, I Gartside, D Gunther, M Hankey, R Hodgkinson, K Hussain, G Keeley, S Nuttall, T Pickstone, R Walker, M Wiseman and Y Wright.

Against the Amendment:-

Councillors P Adams, N Bayley, J Black, S Briggs, D Cassidy, M Connolly, E FitzGerald, L Fitzwalter, J Grimshaw, S Haroon, P Heneghan, T Holt, A Isherwood, M James, J Kelly, S Kerrison, J Lewis, J Mallon, E O'Brien, N Parnell, C Preston, A Quinn, R Shori, A Simpson, R Skillen, Sarah Southworth, Susan Southworth, T Tariq, J Walker, S Walmsley, and M Whitby.

Abstaining from the Vote:-

The Worshipful the Mayor.

The Mayor declared the amendment lost.

The substantive motion (as set out in A) was put to the vote which was as follows:-

For the Motion:-

Councillors P Adams, N Bayley, J Black, S Briggs, D Cassidy, M Connolly, E FitzGerald, L Fitzwalter, J Grimshaw, S Haroon, P Heneghan, T Holt, A Isherwood, M James, J Kelly, S Kerrison, J Lewis, J Mallon, E O'Brien, N Parnell, C Preston, A Quinn, R Shori, A Simpson, R Skillen, Sarah Southworth, Susan Southworth, T Tariq, J Walker, S Walmsley, and M Whitby.

Against the Motion:-

Councillors I Bevan, R Caserta, M D'Albert, J Daly, I Gartside, D Gunther, M Hankey, R Hodgkinson, K Hussain, G Keeley, S Nuttall, T Pickstone, R Walker, M Wiseman and Y Wright.

Abstaining from the Motion:-

The Worshipful the Mayor

The Mayor declared the substantive Motion carried.

(iii) Treasury Management Strategy and Prudential Indicators 2016/17

On being put with no Members voting against and the Mayor abstaining it was:

RESOLVED:

That the recommendations contained in the Minute CA.723 of the Cabinet dated 24 February 2016 be approved and adopted.

C.729 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 9.45 pm)