

The Executive : Record of Decision and Minutes

18:00- 20:10

PRESENT:

Executive Councillors:

The Leader: Councillor Ian Nimmo-Smith (Chair)
Arts & Recreation – Julie Smith
Climate Change & Growth – Sian Reid
Community Development & Health – Sheila Stuart
Customer Services and Resources - Rod Cantrill
Environmental & Waste Services – Colin Rosentiel
Housing – Catherine Smart

Councillors in attendance:

Councillors Blair, Herbert, Hipkin, Howell, Walker and Wright

Note – Following a decision of Council on 4 December 2008, the Executive meeting was open to any member of the Council who wished to ask questions on the Executive's budget strategy.

09/EX/01 Minutes

The minutes of the meeting held on 24th January, 2008 were signed as a correct record.

09/EX/02 Apologies for Absence

There were none.

09/EX/03 Public Questions

None

09/EX/04 Draft Revenue and Capital Budgets – Revised 2008/09, Proposed 2009/10, 2010/11 Forecast

Minute

The Leader of the Council ruled that under 100B(4)(b) of the Local Government Act 1972, the report from the Director of Finance be considered despite not being made publicly available five clear days prior to the meeting. The reason for this was that the information was not available at the time notice of the meeting was given. Despite only being available on Tuesday 27 January, the Leader stated that the report must

be considered as it was an essential component of the Executive's budget proposal.

The Leader stated that because of some exceptional financial circumstances whilst the Executive's budget was being prepared, it would be sensible to include it on the agenda for Strategy & Resources Scrutiny Committee on 13 February. Cllr Herbert welcomed this decision and asked whether this approach would be undertaken in future years. The Leader stated that the arrangement for scrutiny committees in January to debate and scrutinize budget proposals had been the convention and he saw no reason for departing from that approach under normal circumstances.

The Leader introduced the Executive amendment by highlighting the issues impacting on the proposed overall strategy some of which had happened late in the budget preparation: a reduced return on investments because of lower interest rates; underfunding of the concessionary fares scheme; loss of owed income from a private company which undertook Folk Festival internet ticket sales; forecast reduced income from planning fees and; written-off interest which had been expected from investments in Icelandic banks. He stated that the Council would be committed to further reviews of services and savings exercises to ensure that borrowing if needed would be kept to a minimum. The budget strategy protected front-line services and adhered to delivering the Council's Medium Term Objectives.

Councillors Herbert, Howell, Hipkin and Wright made the following points in debate on the Executive's budget strategy noting that there would be an opportunity to go into more detail on 13 February:

It was difficult to see how front line services wouldn't be affected and that savings could be entirely internal.

How could a budget be proposed that wasn't balanced.

Is the budget sufficiently robust for the worsening economic situation.

There needed to be further scrutiny of the proposals regarding s106 contributions.

The Leader asked the Executive for amendments to the report as published:

i) The Executive Councillor for Climate Change & Growth asked that the wording in the Executive amendment (page 4 RB2148 – Cycleways capital programme) be revised to state 'One off saving from the City Council's contribution to the joint City Council and County Council cycleways programme to reflect revised timing of approved schemes. No change to commitment of £150k pa in future years by both local authorities. County

Council funding is now supplemented by Cycling England resources for programmes and for staff support thus increased delivery of schemes in future years will come forward'.

ii) The overhead savings/costs of Local Authority Parking Enforcement from 2009/10 is to transfer from the Climate Change & Growth to Customer Services & Resources portfolio as this will become a corporate overhead.

It was noted that these amendments would be included in the version of the Budget Setting Report to Council published on 18 February.

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Record of Decision

Matter for Decision

The Executive was required to recommend a budget for consideration by Council on 26 February. The Budget Setting Report had been published on 19 December and since publication changes had been reported at January's Scrutiny Committee round culminating in the Executive Amendment published on 27 January.

Decision

The Executive agreed to recommend to the Council:

On Revenue Budgets and Cash Limits (page references are to Budget Setting Report – Version 1 and the Executive Amendment (29/1/09)

Budget 2008/09:

1) Approve, the overall revised budget for 2008/09, as shown in Section 3 and Appendix Y (Executive) for General Fund Services.

Budget 2009/10:

2) Bids to be funded from External or Earmarked Funds [*Appendix E, page 123, refers*]; Revenue Savings and Bids [*Appendix G, page 135, refers*]

3) To recommend to Council increases in savings targets in 2011/12 and 2012/13 by £100,000 in each year, as shown in "Appendix Y [Executive]".

4) To recommend to Council authorisation to enter into short-term borrowing, if required, in 2010/11 as described in section 5.

5) To approve a change in accounting policy and practice, with effect from 2008/09, whereby the Council ceases to allocate interest to unspent developers contributions under planning obligations (commonly referred to as Section 106 funds) held by the Council, as described in section 6 (Executive Amendment).

6) Recommend to Council the Council Tax base, as per Appendix H (page 167), and the level of Council Tax for 2009/10, based on a 99% collection rate [Section 8, page 47 refers].

7) Recommend to Council to approve:

- (i) the Prudential Indicators as set out in Appendix L, Annex 1 (page 190) and to note that the "Authorised Limit" determined for 2009/10 will be the statutory limit determined under section 3 of the Local Government Act 2003 [Section 14, page 79 refers].
- (ii) to delegate to the Director of Finance, within the borrowing totals for any financial year within (i) above, to effect movement between the separately agreed figures for 'borrowing' and 'other long term liabilities'.
- (iii) the Treasury Management and Annual Investment Strategy set out in Appendix U (page 256).
- (iv) amendments to the Council's Approved Lending List, shown in Appendix V (page 256).

8) Delegate to the Director of Finance authority to finalise changes relating to the reallocation of support service and central costs in accordance with the CIPFA Best Value Accounting Code of Practice [para 6.38, page 43 refers].

Capital:

Capital Plan: [section 13, page 73]

9) Approve the following project appraisals, which have been referred by Executive Councillors :

Executive Councillor for Customer Services and Resources:

- o Revenue and Benefit Services – Replacement Northgate Sun Server

- CCTV line from Grafton West Car Park to Guildhall (SC247)
£5,000 *

Note: the asterisked items will result in return to reserves to enable funding of other capital items, totalling £174k (note that the items for Customer Services and Strategy were omitted from the scrutiny committee reports so have been included here for completeness).

12) Approve the transfer of £4,000 from the Local Nature Conservation Capital Programme (PR022) to the Local Nature Reserves revenue budget in 2009/10 and 2010/11 (as referred by the Executive Councillor for Climate Change and Growth).

13) Agree the Capital Plan as presented to committees with rephrasing and reproduced as Appendix N (page 196) for the General Fund and Appendix O (page 204) for the HRA, to be as amended by the above decisions.

14) Note the impact of revenue, capital and other approvals and approve the level of reserves to be used to:

- a. support the 2008/09 budget
- b. support 2009/10 and future years.

[Section 16 (page 83) refers].

Housing Revenue Account

15) To note that minor amendments resulting from the announcement of the final subsidy determination for the HRA will be reflected in the in the updated BSR which will be presented to Council on 26 February 2009.

Reason for the Decision: The Executive's decision was based on the reasons set out in the Executive Amendment (published 27 January 2009) and the Budget Setting Report (published December 2008).

Any alternative options considered and rejected: N/A

Conflicts of interest declared by any Executive Councillor (and any dispensations granted): None