



BUDGET COUNCIL

7.30 p.m. – 9.45 p.m.

23 February 2010

Present: Councillors Collishaw (Lord Mayor), Arthur, Banham, Bearman, Blakeway, Blower, Bradford, Bremner, Brociek-Coulton, Cannell, Divers, Driver, Dylan, Fairbairn, Fisher, George, Gihawi, Gledhill, Holmes, Hooke, Jago, Jeraj, Lay, Little (S), Llewellyn, Lubbock, Makoff, Morphew, Morrey, Offord, Ramsay, Read, Sands, Stephenson, Waters, Watkins, Wiltshire and Wright

Apologies Councillor Little (A)

1. MINUTES

RESOLVED to agree the accuracy of the minutes of the meeting held on 26 January 2010.

2. BUDGET 2009/2010 – GENERAL FUND

Councillor Waters moved and Councillor Morphew seconded the recommendations in the annexed report -

Councillor Watkins proposed and Councillor Lubbock seconded that the motion be amended as follows:-

To reduce the budgetary requirement to £25,057.5 million which will give an increase in Council Tax of 1.8% - a Band D equivalent rate of £224.89

The budgetary requirement to be amended by the savings and expenditures outlined below:-

To remove the following 'recommended growth' items 5:

Phase 2 Accommodation Review (EF20) £100,000	100000
Strategic ICT Review (EF50) £50,000	50000
Members Allowances inflation rise (EF48) £3,500	3500
Asset Improvement Plan and Review (EF22) £100,000	100000
	253500

£253,000 savings would fund:

Economic and Development Budget (£100,000):

Staff - retention of part-time marketing post, and addition of new Economic Development post with specific responsibility for small business development. Both one year fixed term appointments. (£50,000)	50000
Budgets - Additional economic development resources: 'Enterprise Fund' for business of £30,000 to be managed by the new Economic Development Officer in conjunction with other senior staff within city council's Economic Development Unit. £10,000 funding for both the marketing and the economic development posts. (£50,000)	50000
Neighbourhood Funds: An increased grant to the Neighbourhood Teams/Officers of £5,000 per neighbourhood. (£20,000)	20000
Road Safety: Begin implementation of a blanket 20mph in residential areas strategy. (£30,000)	30000
Call-Centre: Keep the council's call-centre in-house (rather than outsourcing to Connaught) for the first year of the contract. (£64,000 allocated)	64000
	214000
Amendment to budgetary requirement (reduction)	39500

With 6 voting in favour, 18 against and 12 abstentions, the amendment was declared lost.

Councillor Wiltshire proposed and Councillor George seconded that the motion be amended as follows:-

To amend the budgetary requirement to £24,898.4 million which will result in Council Tax remaining at the Band D equivalent of £220.93 (an increase of 0%)

To be achieved by making additional savings, expenditures as listed below plus an addition to the General Fund reserve:-

Additional Savings

Restructure of Senior Management	£125,534
Remove Political Assistants Posts	£62,238
Restructure Communications, Civic Office & Events	£40,000
No Strategic ICT Review	£50,000
No rise in Councillors Allowances	£3,500
Reduce Publication of Citizen	£30,000
Reduce courier / car / taxi service	£5,000
Reduction in recruitment budget	£30,000

Reduction in cost of postage	£2,000
Reduction in training budget	£150,000
Cease magazine / newspaper subs	£10,000
	£508,272
Additional Expenditure	
Re-establish cashier service	£156,282
Reverse Economic Development Cuts	£75,729
	£232,011
	£276,261
Added back to the General Fund Reserve	£77,700
Adjustment to budgetary requirement	£198,561

With 3 voting in favour and 32 against, the amendment was declared lost.

Councillor Waters proposed and Councillor Morpew seconded that the motion be amended as follows:-

To make the following adjustments resulting in no change to the proposed budgetary requirement:-

- £20,000 be vired from the current small grants and play scheme budgets into the current allocation of £20,000 for Neighbourhood Managers to give a total allocation of £40,000 for Participatory Budgeting. A cross party working group be set up to consider the future development of Participatory Budgeting and the mechanisms for its distribution.
- £23,500 be allocated to invest in energy efficiency initiatives in the City. This to be funded from
 - not increasing the Councillors allowance by £3,500
 - reducing the cost of the Strategic ICT Review from £50,000 to £40,000
 - Asset Management Review reduced from £100000 to £90000
- £50,000 be allocated from the Housing and Planning Delivery Grant to be invested in Economic Development activity across the Council.
- A cross party working group be set up to look at the most effective way to deliver the Council's sustainable economic development activities.

With 32 voting in favour and 3 against, the amendment was carried and became part of the substantive motion.

RESOLVED, with 15 voting in favour, 8 against and 12 abstentions to:-

- (1) set Council Tax at £225.87 for Band D, which is an increase of 2.2%;
- (2) set the Council's budgetary requirement at £25.097 million;

- (3) set the prudent level of reserves for the Council at £4.644 million in accordance with the recommendation of the Head of Finance;
- (4) authorise the Head of Finance in consultation with Portfolio Holder for Resources and Governance to transfer such sums as deemed necessary from the element of the General Fund Reserve identified as contingency in annex 6
- (5) earmark £500,000 within the General Fund reserves to be used on spend to save projects and that any project requiring support from this must have Executive approval;
- (6) use the uncommitted elements of the area based grant to fund the redundancy costs of the transformation programme and to use any residual amount of the grant remaining to support the Council's non-housing capital programme;
- (7) make a contribution of £400,000 to reserves from the revenue budget;
- (8) authorise the Chief Executive Officer to transfer up to £500,000 from the General Fund Reserve, and with the agreement of the Executive such further amounts as maybe deemed necessary, to fund the transitional arrangements for the Council moving to unitary status;
- (9) calculate the precept of the collection fund for 2010/11 in accordance with Sections 32-36 of the Local Government Finance Act 1992 as per the determinations attached at Annex 7.
- (10) Make the following adjustments resulting in no change to the proposed budgetary requirement:-
 - a) £20,000 be vired from the current small grants and play scheme budgets into the current allocation of £20,000 for Neighbourhood Managers to give a total allocation of £40,000 for Participatory Budgeting. A cross party working group be set up to consider the future development of Participatory Budgeting and the mechanisms for its distribution;
 - b) £23,500 be allocated to invest in energy efficiency initiatives in the City. This to be funded from
 - o not increasing the Councillors allowance by £3,500
 - o reducing the cost of the Strategic ICT Review from £50,000 to £40,000
 - o Asset Management Review reduced from £100000 to £90000
 - c) £50,000 be allocated from the Housing and Planning Delivery Grant to be invested in Economic Development activity across the Council;

- d) a cross party working group be set up to look at the most effective way to deliver the Council's sustainable economic development activities.

3. CAPITAL STRATEGY

Councillor Waters moved and Councillor Morpew seconded the recommendations in the annexed report -

RESOLVED with 24 voting in favour and 12 abstentions, to adopt the Capital Strategy.

4. NON-HOUSING CAPITAL PROGRAMME 2009/2010

Councillor Waters moved and Councillor Morpew seconded the recommendations in the annexed report -

RESOLVED, unanimously, to:-

- (1) approve the Non Housing Capital Plan 2010-2015;
- (2) approve the Non Housing Capital Programme 2010/11 as set out in the report;
- (3) note the forecast position on the Non Housing Capital Programme 2009

2 hours having passed since the start of the meeting it was decided that the remaining business could be taken as unopposed business.

5. COUNCIL RENTS AND OTHER HOUSING CHARGES FOR 2009/2010

RESOLVED to:-

- (1) approve an average rent increase of 2.4%, being £1.45 per week for Housing Revenue Account dwellings, and a corresponding average rent increase of 2.03% (£1.38) for General Fund dwellings;
- (2) note the service charges for district heating, premises management, sheltered housing and good neighbour services, at the levels set out in paragraph 32.

6. HOUSING REVENUE ACCOUNT BUDGET

RESOLVED to approve the:-

- (1) Housing Revenue Account budgets for 2010/11, as shown in Table 1;

- (2) minimum level of HRA Balances as £2.8m as advised by the Chief Financial Officer and shown in Appendix 2.

**7. HOUSING CAPITAL PLAN 2009/2013 AND CAPITAL PROGRAMME
2009/2010**

RESOLVED to:-

- (1) approve the Housing Capital Plan 2010-2015;
- (2) approve the Housing Capital Programme 2010/11 as set out in the report;
- (3) note the forecast position on the Housing Capital Programme 2009/10

LORD MAYOR