

COUNCIL

THURSDAY, 25TH FEBRUARY 2016

MINUTES FOR CONFIRMATION

CABINET

WEDNESDAY, 10 FEBRUARY 2016

59. Budget 2016/17 and Beyond (Minute for Confirmation)

Councillor Russell Holland, Cabinet Member for Finance, People and Performance, and the Council's Board Director, Resources, submitted a joint report proposing a Budget for 2016-17. It was noted that, in accordance with the Council's Constitution, the Cabinet was required to recommend a budget and level of Special Expenses to Council as part of its formal Council Tax Setting responsibilities.

The report specifically addressed:

- a) The Forecast Out-turn 2015-16.
- b) The 2016-17 Finance Settlement.
- c) Council Tax 2016/17.
- d) Public Power Solution Limited (PPS) (formerly Swindon Commercial Services (SCS)) Business Plan 2016-17.
- e) Specific feedback on the budget setting process received from the Scrutiny Committee.
- f) Consultation Feedback.
- g) The Proposed Budget 2016-17.
- h) Business Rates Discounts 2016-17.
- i) The relationship between Revenue and Capital Budgets.
- j) Members' Allowances.
- k) Special Expenses (charges for services provided in the non-parished area).
- l) The reflection in the budget proposals of the adoption of the motion agreed at Council on 21st January 2016 that all staff will be paid at or above the Government's National Living Wage in 2016-17.
- m) Contingencies and Risk.
- n) One-off Resources commitments.
- o) Fees and Charges.
- p) General Reserves.
- q) The Schools Budget 2016-17.
- r) The outcome of Budget consultations.

Councillor Holland introduced the report, placing the budget proposals within the financial context for 2017-18 and beyond, most particularly the projected level of savings required to be made by the Council in the period of the next three years

against a background of an unprecedented reduction in the Revenue Support Grant and a reduction in New Homes Bonus. Councillor Holland commented that this significant decrease in Central Government funding was, almost inevitably, occurring at a time when inflation, particularly in relation to social care, continued to increase. He advised that there would be an increased level of funding available to the Council from changes in Business Rates but that the details remained to be confirmed.

Councillor Holland referred to the Final Local Government Finance Settlement, which was announced on 8th February 2016, sooner than expected but after the Cabinet agenda was published. He advised that, although a number of small adjustments were made to the provisional settlement announced in December, most of which did not affect Swindon, the Government had also announced £150m of additional one-off funding in the form of transitional grant, in both 2016-17 and 2017-18, for those councils most adversely affected by the change in Revenue Support Grant (RSG), and that Swindon would receive £826k and £827k respectively over the two years.

Councillor Holland commented that, in the context of the overall savings required to be made, the additional funding did not significantly change the Council's financial position but it did, however, present an opportunity to provide additional financial resource for existing programmes to achieve outcomes for the long term sustainability for the organisation and its services. Councillor Holland advised that additional recommendations, proposing how the additional funding might be utilised, had been tabled at the meeting.

The Director of Law and Democratic Services advised the meeting of members' equality duties under the Equality Act 2010 (the Act), in relation to decision making, covering the following nine protected characteristics:

Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

It was also noted that, under the Act, the Council must, when exercising its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

In concluding his advice, the Director of Law and Democratic Services advised that Cabinet must, therefore, in reaching its decision on the matter of its budget for 2016/17, consider its duties as set out above under the Equality Act. It was noted that the duty is a "have regard duty", and the weight to be attached to it is a matter for Cabinet, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.

Following Councillor Holland's introduction of the report, members were given the opportunity to put questions on the issues raised. Councillor Holland, with the Leader

of the Council, Councillor Brian Mattock, Cabinet Member for Adult Health and Social Care, Councillor Dale Heenan, Cabinet Member for Sustainability and Transport, Councillor Garry Perkins, Cabinet Member for the Economy, Regeneration and Skills, and Councillor Fionuala Foley, Cabinet Member for Children's Services, responded to questions put by Councillors Jim Grant (JG) and Stan Pajak (SP) on the following issues:

- The exploration of partnership opportunities to operate the Shopmobility service. (JG)
- The review of community transport service provision in order to achieve value for money whilst minimising impact on service users. (JG)
- The proposed street lighting electricity cost reductions. (JG)
- The potential net income from the introduction of car parking charges at Lydiard Park and House and Coate Water Country Park and the reduction in the overall subsidy for Lydiard Park and House. (JG)
- The proposed employment by the Council of a Communications Manager. (JG)
- The proposed use of the Government's additional one-off funding in the form of transitional grant in both 2016-17 and 2017-18. (SP)
- Additional income from planning, licencing and car parking enforcement. (SP)
- The enforcement of the town centre public service protection order. (SP)
- One-off resources commitments. (SP)
- Members allowances. (SP)

Resolved – (1) That the Cabinet notes:

- a) The medium term financial context and impact on Swindon of the Local Government Finance settlement.
- b) The projected out-turn for 2015-16 and that savings arising from the early delivery of 2016-17 Budget Proposals will be used to partly finance one-off costs incurred in-year to deliver the 2017-18 Budget, thus helping to preserve the level of funding held in reserves for future years' transformation.
- c) The Council does not expect to need to replenish General Reserves as part of the 2016-17 Budget Setting process.
- d) The consultation feedback set out in Appendix 11 to the report, in relation to the Budget proposals presented to Cabinet in December 2015.
- e) The minutes of a consultation meeting with business representatives from Swindon, on behalf of non-domestic rate payers, held on 27th January 2016 (Appendix 6 to the report, tabled at the meeting).
- f) That the detailed Dedicated Schools budget for 2016-17 has been set by the Interim Director of Children Services under her delegated powers, within the provisional funding envelope of £163.550m.
- g) That the proposed budget includes provision to pay all Council staff in line with or above the Government's National Living Wage, in accordance with the resolution at Council on 21st January 2016.
- h) That in line with the requirements of the Local Government Act 2003, the Board Director, Resources, in his Section 151 capacity, confirms the robustness of the estimates underlying the recommended Budget and having reviewed the financial risks being faced by the Council concludes that the proposed level of General Reserves (£6m) is adequate in the context of the

earmarked reserves held, specific contingencies and the proposed general contingency of £0.5m.

(2) That, in respect of Children Centres:

- a) The responses to the consultation carried out on the proposals to changes to children's centre provision, set out in Appendix 11 to the report, be noted.
- b) It be noted that there have been initial discussions with the providers of early years' education currently in the children's centre buildings and they would all be interested in providing additional early years' places and can also see the benefit of having protected space for parents of 0 – 5 year olds and health provision.
- c) The approach set out in this report, in relation to improving children's lives in those areas with the most vulnerable children and families, through the development of a Family Service 0 – 18 delivered out of Penhill Sure Start Children's Centre building at an investment of £672k, be endorsed.
- d) That the children's centres at Penhill & Pinehurst, Drove, Moredon, Gorse Hill and Parks & Walcot East be de-registered.
- e) It be noted that, in response to the specific consultation issues, the Council is committed to the on-going conversation with parents and carers and will be making funding available of £76k per annum for two years for staffing (£66k) and premises costs (£10k) to facilitate parent groups for parents of 0 – 3 year olds. That the staff will be working three-fifths of the time in Goddard Park (Parks and Walcot East), one-fifth in Drove (Central) and one-fifth in Swindon Academy (Pinehurst). That this will be funded from the £826k 2016-17 Transition Grant.
- f) The Board Director Commissioning (DCS/DASS) be authorised to implement the proposals after giving notice to existing providers of three months from 1st April 2016.
- g) The Director of Law and Democratic Services, in consultation with the Cabinet Member for Children's Services, the Head of Property Services and the Interim Directors of Children Services (DCS) and Adult Social Care (DASS), be authorised to agree terms and conditions on which any changes to lease arrangements would be made to protect the Council's interests and ensure continued use of children's centre buildings for services for children and families.

(3) That the 2015-16 virements set out in Appendix 5 to the report be approved.

(4) That the Medium Term Financial Strategy, set out in Appendix 9 to the report, be endorsed and that it be noted that this will be updated and presented to Cabinet before submission to the Secretary of State before the deadline of 14th October 2016.

(5) That no changes be made to the proposed fees and charges set out in Appendix 1 to the report to Cabinet on 9th December 2015 but that it be noted that the HMRC is exploring the possibility of requiring councils to charge VAT on land charges "Con29 - Standard Enquiries relating to information pending or not disclosed on LLC1".

(6) That the Specific Reserves held in support of the 2016-17 Revenue Budget, set out in Appendix 7 to the report, be agreed.

(7) That it be agreed that one-off funding of £2m is earmarked to support delivery of the 2016-17 Budget, as set out in paragraph 16.1 of the report.

(8) That the detailed budget proposals set out in Appendix 4 to the report, and summarised in Table 3 of the report, as amended by the proposals under paragraph 1.4 in the tabled update Paper, that the £826k 2016-17 Transition Grant is used to smooth the implementation of planned services changes, including for Libraries, to allow more time and/or increased pump-priming capacity to ensure that the transition to new service models is managed as effectively as possible, be agreed.

(9) That the previous decision of Cabinet to cease the business rates scheme under which small business rate discounts are doubled from 31st March 2016, be endorsed.

(10) That the Council be recommended:

- a) **That the level of Special Expenses for 2016-17 shall be £1,770,000 and that the areas of land and services that will be charged as special and general expenses be as set out in Appendix 10 to the report.**
- b) **That the 2016-17 Budget be set at £135.226m and the Budget Requirement for tax setting purposes be set at £133.632m, with the difference being the Adult Social Care precept.**

The reasons for the decision and alternative options are as set out in the report to the meeting.

60. Capital Programme 2016/17 (Minute for Confirmation)

The Cabinet Member for Finance, People and Performance and the Board Director, Resources, submitted a joint report concerning new Capital Programme requirements for the period 2016/17 to 2017/18 and beyond, including:

- a) Children's Services schemes.
- b) Local Priority Highways and Transport Schemes.
- c) Property and Assets.
- d) Older People and Other Proposals.
- e) The Waterside depot.

Resolved – That the Council be recommended:

- a) **That the position and future budget requirement for the additional Children's Services schemes, referred to at paragraphs 3.7 of the report, be noted.**
- b) **That a budget of £2.090m for the schemes referred to at paragraph 3.8 in the report and detailed in Appendix 1 to the report, be approved.**
- c) **That a total budget of £3.944m for the 2016/17 local priority Highways and Transport schemes, referred to at paragraph 3.9 in the report and detailed at Appendix 2 to the report, be approved.**
- d) **That a total budget of £2.391m for 2016/17 for Repairs and Maintenance on Corporate Property, as referred to in paragraphs 3.11 and detailed at Appendix 3 to the report, be approved.**
- e) **That a total budget requirement of £1.188m for Older Peoples and other capital schemes, referred to in paragraph 3.15 and detailed at Appendix 4 to the report, be approved.**
- f) **That a budget of £38,507 for refurbishment work to the Highdown play area, funded from Abbey Stadium S106 monies, as detailed at paragraph 3.18 in the report, be approved.**

- g) That an increase in the budget for Waterside improvement works, from £3.8m to £4.0m, as detailed at paragraphs 3.19 to 3.21 of the report, be approved.**

The reasons for the decision and alternative options are as set out in the report to the meeting.