

COUNCIL

THURSDAY, 23RD FEBRUARY 2017

MINUTES FOR CONFIRMATION

CABINET

WEDNESDAY, 8 FEBRUARY 2017

86. Budget 2017/18 and Beyond (Minute For Confirmation)

Councillor Russell Holland, the Cabinet Member for Finance and Corporate Services, and the Interim Corporate Director of Resources, submitted a joint report proposing a Budget for 2017/18 and setting out the financial context for 2018/19 and beyond. It was noted that, under the Council's Constitution, the Cabinet is required to recommend a budget to Council as part of its formal Council Tax Setting responsibilities.

Councillor Holland introduced the joint report, placing its recommendations in the context of continuing pressures on the Council's finances due to increased demand for services as a result of demographic factors and also Central Government's continuing policy to reduce the public expenditure, including the level of grants to local authorities. He made particular reference to the growing demand for Adult Social Care services and the importance of the Council continuing to support representations being made to Ministers concerning increased funding for Adult Social Care.

Councillor Holland commented that, in order to balance the budget, the Council was required to make some extremely challenging decisions in relation to its services provision and he specifically referred to the proposal within the report requiring staff costs to be reduced by £1.5m. He assured the meeting that that this was not a proposal that had been put forward lightly but one that was necessary in order to ensure the long-term sustainability of services that prioritised those most in need.

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, responded to questions put by Councillor Jim Grant (Leader of the Opposition Group) on the following issues:

- The level of the Council Tax increase proposed and the statutory threshold requiring a referendum to be held.
- The Labour Group's opposition to the Cabinet budget proposals and its intention to present a detailed response to these at the Full Council meeting

on 23rd February.

- The regulatory guidance governing how the former Special Expenses were incorporated into the general expenses.

Resolved – (1) That the following be noted:

- a) The medium term financial context and impact on Swindon of the draft Local Government Finance settlement;
 - b) The projected out-turn for 2016/17;
 - c) That the Council does not foresee any need to replenish general reserves as part of the 2017/18 Budget Setting process;
 - d) The consultation feedback, summarised in Appendix 3 to the report, in relation to the Budget proposals presented to Cabinet in December 2016;
 - e) The feedback received from a consultation meeting with business representatives from Swindon, on behalf of non-domestic rate payers, which took place on 23rd January 2017, as set out in Appendix 4 to the report;
 - f) That the detailed Dedicated Schools budget for 2017/18 has been set within the provisional funding envelope of £171.115m;
 - g) That, in line with the requirements of the Local Government Act 2003, the Interim Corporate Director of Resources, in her 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 minimum level of general reserves (£6m) is adequate in the context of the earmarked reserves held, specific contingencies and the proposed budget risk contingency of £4.1m.
- (2) That the 2016/17 virements, set out in Appendix 2 to the report, be agreed;
 - (3) That the medium term financial strategy, set out in Appendix 8 to the report, be endorsed;
 - (4) That the specific reserves held in support of the 2017/18 Revenue Budget set out in Appendix 7 to the report, be agreed;
 - (5) That it be agreed that the Transformation Fund be topped up to £2.5m from General Reserves at the year end to support delivery of the 2017/18 budget;
 - (6) That the Director of Law and Democratic Services in consultation with the Cabinet Member for Adult Services, Director of Adult Social Services and the Interim Corporate Director of Resources be authorised to complete documentation required to enter into a contract under the North East Purchasing Organisation (NEPO) framework for the provision of additional staffing capacity to deliver adult social care services, on such terms he considers appropriate to protect the Council's interests;
 - (7) That the Interim Corporate Director of Resources be authorised to balance any changes between the provisional local government finance settlement and the final numbers expected to be released in mid-February by adjusting the Budget Risk Contingency;
 - (8) That the change to the proposed fees and charges for allotment fees, as set out in 3.32 of the report, be agreed;
 - (9) That Council be recommended that, subject to any changes resulting from the Government's announcement of the final local government finance settlement for 2017/18:
 - a) The 2017/18 Budget be set at £136.464m;
 - b) The council tax be increased by 4.99%, comprising 1.99% for the basic amount of council tax and a specific adult social care precept of 3%, and;

- c) It be determined that the proposed increase in the basic amount of Council Tax for 2017/18 is not excessive in accordance with Schedule 5 of the Localism Act 2011 and therefore does not trigger the requirement for a referendum.

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

87. Capital Programme 2017/18 (Minute For Confirmation)

Councillor Russell Holland, the Cabinet Member for Finance and Corporate Services, and the Interim Corporate Director Resources, submitted a joint report on new Capital Programme requirements for the period 2017/18 to 2018/19.

Councillor Holland introduced the joint report and, in particular, invited members to note the level of investment in Children's Services, highways, landscaping and transport.

Resolved – That the Council be recommended:

- a) That the position and budget requirement for the additional Children's Services schemes referred to at paragraph 3.5 of the report, be noted.
- b) That a budget of £3.615m for the schemes referred to at paragraph 3.10 of the report and detailed in Appendix 1 to the report be approved.
- c) That a total budget of £5.191m for the 2017/18 local priority Highways and Transport schemes, referred to in paragraphs 3.11 to 3.14 of the report and detailed at Appendix 2 to the report be approved.
- d) That a total budget of £0.674m for 2016/17 for Repairs and Maintenance on Corporate Property as referred to in paragraphs 3.15 of the report and detailed at Appendix 3 to the report be approved.
- e) That a total budget requirement of £0.957m for Older Peoples and other capital schemes referred to in paragraph 3.17 of the report and detailed at Appendix 4 to the report be approved.
- f) That a budget of £0.750m to cover necessary replacements to vehicles used across all general fund service areas and managed by the fleet department be approved and that permission to proceed on acquiring new vehicles be delegated to the Cabinet Member for Street-Smart, Highways and Transport and the Board Director Communities & Place on approval of business cases as detailed in paragraph 3.20 of the report.
- g) That the use of CIL receipts as detailed in paragraph 3.24 of the report to support the existing capital programme be approved.

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

88. Treasury Strategy Statement 2017/18 (Minute For Confirmation)

Councillor Russell Holland, the Cabinet Member for Finance and Corporate Services, and the Interim Corporate Director Resources, submitted a joint report on the Treasury Management Strategy for 2017/18, including Prudential Indicators up to 2019/20, the Annual Investment Strategy, and the Minimum Revenue Provision

Policy Statement.

Resolved – That Council be recommended that the Treasury Management Strategy, Minimum Revenue Provision Policy and Prudential Indicators, as set out in Appendix 1 to the report, be approved.

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