

## **BOROUGH OF TELFORD & WREKIN**

### **Minutes of a meeting of the Borough of Telford & Wrekin held on Thursday, 4 March, 2010 at 6.30 p.m. at the Civic Offices, Telford.**

#### **PRESENT:**

Councillors I.T.W. Fletcher (Speaker), G. Ashcroft, R.K. Austin, R. Aveley, S. Bentley, K.T. Blundell (Mayor), S.P. Burrell, E.J. Carter, D.R. Chaplin, R.G. Chaplin, E.A. Clare, J.A. Dixon, N.A. Dugmore, A.J. Eade (Leader), V.A. Fletcher, J.A. Francis, G.M. Green, E.J. Greenaway, R.E. Groom, Y.C. Hicks, P.A.E. Homer, T.J. Hope, M.B. Hosken, G.P. Hossell, S.M. Kelly, R.T. Kiernan, A. Lawrence, L. Lomax, A.A. Mackenzie, C.N. Mason, A.D. McClements, A.A. Meredith, C.P.R. Mollett, R.A. Overton, H. Rhodes, K.S. Sahota, J.M. Seymour, C.F. Smith, M.J. Smith, A.J. Stanton, E.M. Swift, K.L. Tomlinson, W.L. Tomlinson, H.J. Unwin, V. Tonks, R.M. Tyler, D.R.W. White, A.G.P. Williams, H.J. Williams and D.G. Wright

#### **84. NEW COUNCILLORS**

The Speaker noted that, following the recent by-elections, the Council had two new Borough councillors. He welcomed Councillors H.J. Unwin (The Nedge) and D.R. Chaplin (College) to their first Full Council meeting.

#### **85. PRAYERS**

The Reverend Kevin Smith, Vicar for Wombridge Parish, led Members in prayer.

#### **86. MINUTES OF THE COUNCIL**

**RESOLVED** – that the minutes of the meeting of the Borough Council held on 28 January 2010, be confirmed and signed by the Speaker.

#### **87. APOLOGIES FOR ABSENCE**

Councillors D.G. Allen, D.W.D. Ashley and J.C. Minor.

#### **88. DECLARATIONS OF INTEREST**

Councillors K.T. Blundell, N.A. Dugmore, J.A. Francis, M.B. Hosken, H. Rhodes, J.M. Seymour and A.G.P. Williams declared a personal and prejudicial interest in agenda item 9 (ii), Cabinet recommendation 2009/10 Financial Monitoring.

Councillor V.A. Fletcher declared a personal interest in agenda item 11, Service & Financial Planning 2010/11-2012/13.

Councillor S.P. Burrell declared a personal and prejudicial interest in agenda item 14, the motion on the Personal Care at Home Bill.

## **89. ANNOUNCEMENTS**

### **(a) Mayoral Engagements**

The Mayor briefly updated Members on her recent engagements. She highlighted her attendance at a Valentine's evening at the Officer's Mess, Donnington. The Mayor thanked fellow Councillors who had supported this event. The Mayor also highlighted her attendance at the grand re-opening of Leegomery Methodist Church as well as the opening of The Maws Craft Centre at Jackfield. She told Members that she had been highly impressed by the creativity of the craftspeople at the Centre. Members noted the engagements undertaken by the Mayor or the Deputy Mayor between 20<sup>th</sup> January 2010 and 20<sup>th</sup> February 2010.

## **90. REPORT OF LEADER**

The Leader told Members that the budget report, later on the agenda, was the main item for discussion and he had no separate issues to report.

## **91. CABINET DECISIONS MADE SINCE THE LAST MEETING OF THE COUNCIL**

Members received the report on the Cabinet decisions made since the last meeting of the Council on 28 January, 2010.

Councillor E.J. Carter, Cabinet Member: Housing, Regeneration & Prosperity, drew Members' attention to the Partnership Local Investment Plan for Housing and Housing-Led Regeneration 2010-13, which had been determined by Cabinet in late January. He told Members that the Local Investment Plan established the commitment of the Council and of HCA to a series of local strategic investment priorities for housing and housing-led regeneration for the next 3 years. The plan also set a framework for the Council and its partners to work together over the long term to use the investment of public and private sector funds, land and expertise to stimulate provision of new housing and support regeneration, meet local housing needs and improve existing stock.

## **92. RECOMMENDATIONS FROM CABINET**

### **Central Telford Area Action Plan**

Councillor S. Bentley, Cabinet Member: Active Lifestyles presented the Central Telford Area Action Plan, with proposed amendments in order that the amendments could be consulted upon and submitted to the Planning Inspectorate as proposed changes to the Central Telford Area Action Plan.

**RESOLVED** - that approval be given for the amendments to the Central Telford Area Action Plan, attached at Appendix 1 of the report, in order that the amendments and supporting sustainability proposal at Appendix 2 can be published, subject to consultation and, along with

**representations received, be submitted to the Secretary of State for public examination.**

(Councillors K.T. Blundell, N.A. Dugmore, J.A. Francis, M.B. Hosken, H. Rhodes, J.M. Seymour and A.G.P. Williams left the room for the following item of business in line with their declarations of interest.)

**93. 2009/10 FINANCIAL MONITORING**

Councillor S.M. Kelly, Cabinet Member: Efficient Community Focussed Council presented the report of the Head of Finance. The report sought approval for new capital allocations, slippage and virements. The report showed overall revenue spending projected within approved budgets and provided an update on progress on capital programme spending. The report also highlighted a number of virements, capital allocation and slippage which required Council approval.

**RESOLVED – that the new capital allocations, slippage and virements detailed at section 5.1 of the report be approved**

**94. POLITICAL BALANCE**

Councillor A.J. Eade, Leader of the Council, presented the report of the Head of Governance. The report informed Members of changes in political balance and the resulting change in the allocation of seats following the by-elections in the College and The Nedge wards.

A number of Members paid tribute to the valued contribution of Councillor W.L. Tomlinson as a member of the Audit Committee.

**RESOLVED:**

- a) **That the change to the Council's political balance be noted;**
- b) **That the reduction in the Licensing Committee to 14 members be approved;**
- c) **That the change in the allocation of seats on the Licensing Committee and the Audit Committee be approved.**

**95. COUNCIL BUDGET 2010/11**

**(A) Service & Financial Planning 2010/11 – 2012/13 – Overview & Revenue Budget**

Councillor S.M. Kelly, Cabinet Member: Efficient Community Focussed Council, presented the report of the Chief Executive and the Chief Finance Officer which sought approval of a Service & Financial Planning strategy (Appendix G1) for the period 2010/11 – 2012/13, including specific budget proposals, as recommended by Cabinet at its meeting on 23rd February, 2010. The report, together with those covering the Capital Programme

(Appendix G2), the Treasury Management Strategy (Appendix G3), and the Prudential Indicators (Appendix G4) formed the overall Medium Term Service & Financial Planning framework for the Council and proposed the service priorities and budget for 2010/11. It also outlined the wide range of challenges facing the area, particularly from a potential significant reduction in real terms in the level of government grant from 2011/12 onwards.

In summary, the final proposals for the 2010/11 budget and a strategy for the three year period up to March 2013 were as follows:

- Confirmation of the proposed investment programme for 2010/11 supplemented by additional investments in Telford Town Centre, Civic Offices, Telford Town Park, housing, Sutton Hill and Hadley local centres and the tennis centre.
- A general savings package of £4.726m for 2010/11 plus a further £0.5m in Education services and target of at least £5m for the 2011/12 and 2012/13 years
- Use of £0.98m balances to support the ongoing net budget in 2010/11
- A council tax increase of 1.9% for 2010/11 with a commitment that the increase for future years in this planning period will be at, or below, this level - subject to the impact of the new 3 year grant settlement due for 2011/12 .

The summary below reflects the 2010/11 proposals, the impact of the changes summarised above since the 8<sup>th</sup> December Cabinet report and the projected budget gap for future years based on the central case scenario for government grant cuts set out in the 8<sup>th</sup> December report of a 5% real terms (3% cash – if inflation is 2%) grant cut in 2011/12 and an additional 5% cut in year 3.

	2010/11	2011/12	2012/13
	£m	£m	£m
<b>Base funding requirement set out in 8<sup>th</sup> December Cabinet requirement</b>	<b>2.010</b>	<b>9.080</b>	<b>16.640</b>
Change to treasury management base	0.018	0.068	0.068
Revenue impact of additional investment proposals	0.121	0.580	1.670
National insurance increases		0.520	0.520
Additional savings identified	(0.139)	(0.139)	(0.139)
<b>Updated funding requirement</b>	<b>2.010</b>	<b>10.109</b>	<b>18.759</b>
Council tax increase of 1.9% in 2010/11	(1.030)	(1.030)	(1.030)
Use of Balances in 2010/11	(0.980)		
<b>Funding Package to be met from further savings measures, council tax increases and use of balances.</b>	<b>0</b>	<b>9.079</b>	<b>17.729</b>

If Council tax increases in 2011/12 and 2012/13 were at broadly the same level as that proposed for 2010/11 and if the use of balances is capped at £1m for both years, additional savings of around £7m will be needed during 2011/12 and a further £7.5m in 2012/13 on this central case. Two alternative scenarios showing indicative levels of cumulative savings required are set out below:-

<b>Sensitivity analysis – potential level of future savings required assuming council tax increase and use of balances broadly in line with 2010/11</b>	<b>2011/12 £m</b>	<b>2012/13 £m</b>
Scenario a – our central case of 5% real terms (3% cash – if inflation is 2%) grant cut in 2011/12 and an additional 5% in year 3.	7.0	14.7
Scenario b – less harsh public spending cuts to protect slow recovery from recession: 3% real terms (1% cash – if inflation is 2%) grant cut in 2011/12 and an additional 3% in year 3.	5.0	10.7
Scenario c – harsher cutbacks to sustain UK financial credibility by addressing ballooning public funding deficit of 7% real terms (5% cash – if inflation is 2%) grant cut in 2011/12 and an additional 7% in year 3.	9.0	18.7

The Cabinet Member: Efficient Community Focussed Council presented the joint report of the Chief Finance Officer and the Heads of Finance, Property & Design and the Assistant Chief Executive, the 2010/11-2012/13 Capital Strategy and Capital Programme, including the proposed Asset Management Plan and related Building Maintenance Programme, for approval (Appendix G2).

The Cabinet Member: Efficient Community Focussed Council, presented the joint report of the Chief Finance Officer and the Head of Finance, which provided an update on the 2009/10 Treasury Management activities and sought approval for the Treasury Management Strategy, including borrowing limits and prudential indicators, Minimum Revenue Provision Policy and Annual Investment Strategies for 2010/11 (Appendix G3).

The Cabinet Member: Efficient Community Focussed Council also presented the joint report of the Chief Finance Officer and the Head of Finance which requested approval of the Prudential Indicators for 2010/11 to 2012/2013, as required under the Prudential Code of Capital Finance in Local Authorities (Appendix G4).

The Cabinet Member told Members that the budget strategy had been the subject of wide ranging consultation and had received widespread community support. He pointed out that the proposed Capital Programme demonstrated a commitment to improve the infrastructure of the Borough. He recommended

the budget to Members, highlighting the low level of Council Tax increase, the focus on value for money efficiencies and the prioritisation of front line services.

Councillor R.K. Austin told Members that he supported the level of Council Tax increase but would not support the Capital Programme. Councillor W.L. Tomlinson told Members that he had reservations about the Capital Programme. In particular, he was concerned that the spending plans and the uncertainty over reductions in future government funding would put a strain on the Revenue budget. A number of Members welcomed the budget proposals. Councillor E.J. Carter, Cabinet Member: Housing, Regeneration & Prosperity, told Members that the budget contained ambitious plans for capital expenditure that were based on prudent borrowing and would deliver improvement for the people of the Borough. Councillor A.J. Eade, Leader of the Council, described the budget as an investment in the future of the Borough.

Following a robust debate, the recommendations were voted upon and it was:

**RESOLVED –**

**Service & Financial Planning 2010/11 – 2012/13 – Overview & Revenue Budget**

- a) **The Base Budget summarised by Service Delivery Unit in Appendix 1 be approved;**
- b) **That new 2010/11 revenue investment in to services for Children & Families of £1.9m and in to Adult Social Services of £1.675m be approved;**
- c) **The creation of a contingency of £0.5m to cover further potential social services pressures be approved;**
- d) **The Investment Programme for 2010/11 and its funding outlined in Appendix 3 be approved and that the Investment Programme for future years be noted;**
- e) **The 2010/11 Savings Package of £4.726m in Appendix 4 plus £0.5m in Education services with an outline target of at least £5m additional savings in both 2011/12 and 2012/13; and associated costs of £0.400m relating to the implementation of the service reviews be approved;**
- f) **The Education budget strategy in paragraph 5.7 of the report be approved;**
- g) **The use of £0.98m balances to support the ongoing revenue budget plus the associated policy for Reserves and Balances in appendix 5 be approved;**
- h) **The Statement of the Chief Finance Officer in paragraph 5.8.2 (supported by appendix 5 outlining the Robustness of Budget Estimates and Adequacy of Reserves) be approved;**

- i) The policy framework for Reserves outlined in appendix 5C be approved;
- j) Council Tax increase of 1.9% - equivalent to 31p per week on the average bill for this Council's services be approved. Future increases will also be held at, or below, this level for the 3 year planning period, subject to the impact of the next 3 year grant settlement starting in 2011/12.

#### **Service & Financial Planning 2010/11-2012/13: Capital Programme**

- k) That the report (Appendix G2) and associated capital estimates which incorporates the Capital Strategy, the Capital Programme (Annex II), the Planned Building Maintenance Programme (Annex III), and the Asset Management Plan (Annex IV) be approved.

#### **Treasury Management Strategy and Update**

- l) That the Treasury Management, Minimum Revenue Provision and Investment Strategies for 2010/11 as outlined in report G3 be approved;

That the revised CIPFA Treasury Management Code of Practice 2009 and Revised Treasury Management Statement (Appendix 7) be adopted.

#### **Prudential Indicators**

- m) That the Prudential Indicators outlined in report G4 and recommended by Cabinet on 23<sup>rd</sup> February 2010, be approved as part of the setting of the budget for 2010/11.

#### **(B) Council Tax – Formal Resolution for 2010/11**

The Council Tax base had been determined at the Council meeting held on 28<sup>th</sup> January 2010 and, following approval of the Council's General and Special Fund budgets for 2010/11 the Cabinet Member: Efficient Community Focussed Council, moved approval of the appropriate resolutions (Appendix G5) to formally set Council Tax levels throughout the area for the spending requirements of Telford & Wrekin Council, the West Mercia Police Authority, Shropshire and Wrekin Fire Authority, and the Parish and Town Councils.

#### **RESOLVED:**

- 1) That it be noted that at its meeting on 28th January 2010 the Council calculated the following amounts for the year 2010/11 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 33(5) of the Local Government Finance Act 1992 (The Act):-

(a) 50,604.2 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (The Regulations), as its Council Tax base for the year (The Council Tax Base).

(b) Part of the Council's Area Tax Base

The Parish of:-

Chetwynd	241.2
Chetwynd Aston & Woodcote	165.9
Church Aston	494.1
Dawley Hamlets	2,043.1
Edgmond	548.8
Ercall Magna	617.3
The Gorge	1,113.8
Great Dawley	3,187.7
Hadley & Leegomery	4,066.3
Hollinswood & Randlay	1,562.0
Ketley	1,135.7
Kynnersley	74.8
Lawley & Overdale	2,017.2
Lilleshall & Donnington	4,385.8
Little Wenlock	234.5
Madeley	4,852.2
Newport	3,706.7
Oakengates	2,492.8
Preston	96.0
Rodington	346.9
St. Georges & Priorslee	3,848.0
Stirchley & Brookside	2,728.7
Tibberton & Cherrington	275.7
Waters Upton	391.3
Wellington	6,891.8
Wrockwardine	1,456.6
Wrockwardine Wood & Trench	1,592.4
	50,567.3

being the amounts calculated by the Council in accordance with Regulation 6 of The Regulations, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate.

2) That the following amounts be now calculated by the Council for the year 2010/11 in accordance with Sections 32 to 36 of The Act:-

- (a) £420,946,168 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2) (a) to (e) of the Act.
- (b) £291,890,830 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3) (a) to (c) of the Act.
- (c) £129,055,338 being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year.
- (d) £70,536,833 being the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates and revenue support grant, increased by the amount of the sums which the Council estimates will be transferred in the year from its collection fund to its general fund in accordance with Section 97(3) of the Local Government Finance Act 1988 (Council Tax Surplus) and increased by the amount of any sum which the Council estimates will be transferred from its collection fund to its general fund pursuant to the Collection Fund (Community Charges) directions made under Section 98(4) of the Local Government Finance Act 1988 made on 7 February 1994 (Community Charge Surplus), the Collection Fund (Adjustment for Previous Years) (England) Directions 2000 and the Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2010.
- (e) £1,156.40 being the amount at (c) above less the amount at (d) above, all divided by the Council Tax base, as the basic amount of its Council Tax for the year.
- (f) £3,743,488 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- (g) £1,082.42 being the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates (calculated by deducting from the amount at (e) above, the quotient of the amount at (f) above divided by the Council Tax Base). The only area that this relates to is the Parish of Eyton.

(h) Part of the Council's £  
Area

The Parish of:

Chetwynd	1,088.63
Chetwynd Aston & Woodcote	1,093.27
Church Aston	1,112.77
Dawley Hamlets	1,119.46
Edgmond	1,104.94
Ercall Magna	1,129.87
The Gorge	1,163.05
Great Dawley	1,188.55
Hadley & Leegomery	1,143.76
Hollinswood & Randlay	1,205.47
Ketley	1,153.74
Kynnersley	1,098.46
Lawley & Overdale	1,156.51
Lilleshall & Donnington	1,125.05
Little Wenlock	1,129.32
Madeley	1,181.05
Newport	1,192.79
Oakengates	1,171.45
Preston	1,086.06
Rodington	1,109.20
St. Georges & Priorslee	1,121.51
Stirchley & Brookside	1,212.59
Tibberton & Cherrington	1,093.30
Waters Upton	1,114.62
Wellington	1,156.73
Wrockwardine	1,113.31
Wrockwardine Wood & Trench	1,151.69

being the amounts given by adding to the amount at (g) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at (b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate.

- (i) The amounts in Appendix 1 of the report being the amounts given by multiplying the amounts at g) and h) 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.
- 3) The West Mercia Police Authority's precept for 2010/11 was set at its meeting on 16 February 2010. The following amounts were stated in precepts issued to the Council, in accordance with

Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

<u>Valuation Band</u>	<u>Amount £</u>
A	119.15
B	139.01
C	158.86
D	178.72
E	218.44
F	258.15
G	297.87
H	357.44

- 4) The Shropshire & Wrekin Fire and Rescue Authority's precept for 2010/11 was set at its meeting on 10 February 2010. The following amounts were stated in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

<u>Valuation Band</u>	<u>Amount £</u>
A	55.87
B	65.19
C	74.50
D	83.81
E	102.43
F	121.06
G	139.68
H	167.62

- 5) That, having calculated the aggregate in each case of the amounts at (i) and 3 and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act, 1992, hereby sets the amounts in Appendix 2 of the report as the amounts of council tax for the year 2010/11 for each of the categories of dwellings shown.

96. **MINUTES OF BOARDS AND COMMITTEES**

Council noted the resolved minutes of the Plans Board for 6 and 27 January and 17 February 2010, of the Licensing Committee of 25 January, 2010 and of the Scrutiny Leadership Board of 14 January and 4 February 2010.

## **97. QUESTIONS**

The following Questions were asked in accordance with Council Procedure Rule 10:

- a) Councillor R.K. Austin had submitted the following question:

“Can the Leader give Council an indication of the detailed role and function for Cabinet Members and Cabinet Assistants within the revised Council structure?”

Councillor A.J. Eade, Leader of the Council, responded:

“Details will be made available shortly as the One Council restructure develops”

- b) Councillor R. A. Overton had submitted the following question:

“Further to the Labour group's request for information on the list of potential Council office sites at the Opposition group briefing on 21st January, could the Cabinet Member for Housing, Regeneration & Prosperity please inform Council of why there has been a delay in providing this information?”

Councillor E. J. Carter, Cabinet Member: Housing, Regeneration & Prosperity, responded:

“This will be discussed at Scrutiny Leadership Board on 25 March; this issue was referred to Scrutiny, as agreed at the Call-In meeting on 4 February.”

Councillor R.A. Overton asked a further question:

“Does this delay mean there is a problem putting these sites down on paper?”

Councillor E. J. Carter, Cabinet Member: Housing, Regeneration & Prosperity, responded:

“No. The details will go to the Scrutiny Leadership Board meeting.”

## **98. NOTICES OF MOTION**

- (a) Councillor J.M. Seymour had submitted the following motion:

‘This Council notes the Government’s proposals in the Personal Care at Home Bill to offer free care at home to people with the highest needs. While this Council welcomes the general principle of enabling people to stay in their own homes for as long as possible, this Council

is appalled that the Government is proposing to fund only a limited part of the costs and leave the rest to local authorities.'

The motion was seconded by Councillor R.G. Chaplin.  
Councillor S.P. Burrell left the room for this item of business.

Councillor J.M. Seymour told Members that she supported the principle of providing care to allow people to stay in their own homes. However, she felt that the legislation had been hastily conceived and that the government would not provide adequate funding, leaving the Council to fund any shortfall. Following a debate it was:

**RESOLVED – that the motion be approved**

The meeting ended at 8.40 p.m.

**Speaker:** .....

**Date:** .....