



MEETING OF THE  
COUNCIL OF THE BOROUGH OF MELTON

BAPTIST CHURCH, LEICESTER ROAD, MELTON MOWBRAY

2 FEBRUARY 2011

PRESENT

Councillors M. Moore (Mayor)  
N.R.G. Angrave, P. Baguley, M.W. Barnes, G.E. Botterill, P.M. Chandler  
P. Cumbers, S. Dungworth, A. Freer, M.C.R. Graham MBE  
E. Holmes, J. Illingworth, A. Jackson, T. Moncrieff  
M. O'Callaghan, D.E. Orson, J.T. Orson, P.M. Posnett  
J.B. Rhodes, M.R. Sheldon, N. Slater, D.R. Wright, J. Wyatt

Chief Executive  
Strategic Director (KA), Strategic Director (CM)  
Head of Central Services, Chief Accountant  
Senior Democracy Officer

The Reverend Kevin Ashby offered a prayer

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CO53. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Chapman, Dean, Holt, Marks and Moore-Coltman.

CO54. MINUTES

The minutes of the meeting held on the 15 December 2010 were confirmed and authorised to be signed by the Mayor.

CO55. DECLARATIONS OF INTEREST

Councillors J.T. Orson, Posnett and Rhodes each declared a personal and non-prejudicial interest in any matters relating to the Leicestershire County Council due to their roles as County Councillors.

CO56. MAYOR'S ANNOUNCEMENTS

The Mayor stated that

- since becoming Mayor she had attended numerous engagements, sometimes accompanied by the Deputy Mayor, Young Mayor, other Councillors, and on occasions on her own;
- in December and January she had visited many elderly residential homes, although many things were curtailed due to the weather. She understood that half the Councillors managed get to the Budget Away Day which she had heard went very well as it was such an important day mapping out our future;
- on the following evening the Young Mayor was looking forward to seeing the King Edward VII School's performance of 'Fame' and she was to present awards at the 'Say Yes' event at PERA in the following week;
- the Civic Dinner at Scalford Hall was to be held on Friday 11 March and George Simpson would be providing the entertainment. The Mayor further stated that Members' attendance and support at this event would be most appreciated.

(Councillor Moncrieff entered the meeting during the preceding item.)

#### CO57. LEADER'S ANNOUNCEMENTS

The Leader reported that he had no announcements.

#### CO58. QUESTIONS BY MEMBERS OF THE PUBLIC

There were no questions received.

#### CO59. PETITIONS

In accordance with Procedure Rule 24.1 and Part 2 of the Petitions Scheme, the Chief Executive shall report the receipt of a petition to the next meeting of the Council where there shall be no debate or comment thereon.

The Young Mayor, David Dowling, who was the organiser of a petition, attended the meeting and spoke in support of a petition which was received on 24 January 2011 and contained 263 signatories. The petition stated the following:-

**'In my manifesto I promised to try to keep free swimming for the under 17s. I would like to campaign for free swimming for the under 17s in the school holidays. For me to take this forward to Melton Borough Council I need your support.'**

In accordance with the above Procedure Rule, the Petition would be referred to the next meeting of the Community and Social Affairs Committee at its meeting to be held on 9 March 2011.

**RESOLVED** that receipt of the petition be noted and that it be referred to the next meeting of the Community and Social Affairs Committee on 9 March 2011.

## CO60. RECOMMENDATIONS AND REPORTS FROM OTHER COMMITTEES

### (a) Licensing and Regulatory Committee : 8 December 2010 Minute L27/10 – Sex Entertainment Venues

**RECOMMENDED** that the Council adopt the Local Government (Miscellaneous Provisions) Act 1982 Schedule 3 as amended by the Policing and Crime Act 2009.

The Council considered that the above recommendation could not be considered due to the relevant report not being available at the meeting. Therefore it was agreed that the item be deferred to the next Meeting of the Council.

**RESOLVED** that the item be deferred to the next Meeting of the Council to enable the relevant report to be available for Members.

### (b) Community and Social Affairs Committee : 25 January 2011 Revenue Budget Proposals 2011/12 - Housing Revenue Account

(i) Subject to the following recommendation being approved at the Community and Social Affairs Committee at its meeting on 25 January 2011, the Council to consider the following :-

**RECOMMENDED** that an average rent increase of 6.30% for Council dwellings for 2011-12 be approved with effect from 4 April 2011 and that when a property is re-let the rent is brought in line with the Government's formula rent.

(ii) The Council considered the above recommendation.

Councillor Holmes requested that consideration be given by the Committee that planning permission be obtained for Council garage sites before being marketed as she considered this would make a difference to the sale and value.

**RESOLVED** that an average rent increase of 6.30% for Council dwellings for 2011-12 be approved with effect from 4 April 2011 and that when a property is re-let the rent is brought in line with the Government's formula rent.

## CO61. CAPITAL PROGRAMME 2011-12

The Head of Central Services submitted a report (copies of which had previously been circulated to Members) which requested the Council approve the Council's Capital Programme for 2011/12 for all funds and the sources from which that funding will be taken as recommended by the Policy, Finance and Administration Committee at its meeting held on 26 January 2011.

**RESOLVED** that funding for capital schemes in respect of General Expenses and the Housing Revenue Account (HRA) and the sources that funding will be taken from, be as recommended by, the Policy Finance and Administration Committee on 26 January 2011.

## CO62. REVENUE BUDGET 2011-12

### The Head of Central Services

- (a) submitted a report (copies of which had previously been circulated to Members) which provided information on the budget issues facing the Council in 2011/12, sought a decision on the level of the budget requirement including any service enhancements or reductions and agreement on the level of Council Tax for Borough Council purposes;
- (b) reported there had been amendments to some figures in the report due to the final settlement now having been received along with an error in the provisional figures quoted in the report in respect of 2012/13. The final settlement figures notified subject to Government approval on 9 February 2011 were :

2011/12 £3,042,945

2012/13 £2,600,434

- (c) presented the appendices as 3 options for Members' consideration.

Councillor Graham, the Leader, stated that

- (a) he had pleasure in proposing what would be the last budget of this Council. Each of the four budgets that this Council had produced had been looked at and debated on the grounds that everyone had a different view and a consensus was arrived at;
- (b) two years ago Councillors debated about the seriousness of the economic future of this Country and at what level the Council's tax should be set to face that future, last year the Council debated the toilet provision in the town and how that was to be paid for. All those debates were held against a background of a capping limit and an uncertainty of how the Council would manage after the loss of our Council Offices. Arguments were won and lost but at the end of the day the principle that the Council must live with in its means and budget for the fact, that the Council pays for the services that are needed and not leave it for those in the future to pick up the tab, was paramount. This overriding principle had meant that, unlike so many other Councils, this Council had managed to avoid a knee jerk reaction to the current situation;
- (c) Melton Borough Council was not an island, it was a ship which was dependant to a great extent on the storms that developed and over which it had no control. The previous Government had racked up the borrowing requirement and last May there was an election of a new Government that agreed with his principles; that future generations should not pay for past extravagances. This had meant that once the spending of the previous government ceased, there would be financial 'pain' ahead for everyone;
- (d) this Council's share in this 'pain' was manifested in Government decisions that saw a compensation for not increasing the Council tax rate and a 15.8% cut in the revenue support grant this year followed by a further 12.5% cut next year. Those facts, with probably only minor changes, were a given. What was more uncertain and was well set out in the Medium Term Financial Strategy, were things such as inflation, interest rates and income streams. Those were

unknown to all, unknown to the Council were details on the new homes bonus and the Council's share of it, the level of the Baxter index, the ceasing of the Council's three year temporary insurance cover and one of the biggest unknowns this year was the savings that would accrue from the move into the new offices. As had been on the Council's policy for the last four years the Council was predicting realistic but cautious forecasts on the effect that these would have on the budget;

- (e) one of the more fun and interesting benefits of being Leader of this Council was the relationship that was built up with members of staff – he stated that he knew it could seem like a cliché when people praised their staff but in Melton's case the Council was so incredibly lucky with every one of them. It therefore made it extremely hard, for Councillors personally, to oversee a restructuring exercise that meant, not just that they lost friends but also that the organisation lost talent and experience that Councillors had all in the past been so grateful for. In a service industry, like a Council, wages were by far the biggest overhead they had to bear and to continue to serve the community, that overhead had to be kept in proportion to the finances available. Councillors also had to consider and plan for the new way of working that would take place when the Council moved into Parkside this summer. He was extremely grateful to all those who had managed the restructuring so professionally but was desperately sorry for those whose lives would change enormously because of it;
- (f) this was the last budget of this Council and it has been formed following consultation with the public and Members, they had been advised professionally by the Head of Central Services and her team, to who he was incredibly grateful and although tough it had still allowed for some growth. This budget would be the foundation of a strong economic structure for the new Council, which would be able to capitalise on the careful budgeting of the last four years, whilst looking at the direction it needed to take, to absorb the 12.5% cut in the grant due next year;
- (g) he had pleasure in proposing that on recommendation 1, the level of inflation in the Baxter index of 4% be used and as a change from the Policy, Finance and Administration Committee's recommendation - because of the weight of representations that had been made to him - that option 2 be accepted. In light of the additional formula grant in 11/12, he moved that this be used to reduce the contribution from the Corporate Priorities reserve to fund the non-recurring enhancements. He advised that every tax payer in the Borough would see that their tax charge would reduce by 39p per band D per annum. This reduction occurred because of a technical arrangement to balance the figures and enabled the Council to maximise the Government Grant available;
- (h) he moved the other recommendations in the report for agenda item 10.

Councillor Wright seconded the motion.

The Head of Central Services explained the implications of option 2 as requested.

Councillor O'Callaghan spoke on his opinion of the financial context of the Leader's speech relating to the previous and current governments and when applying his views to Melton advised that the Council needed to be cautious and take in savings year on year. He referred to the Away Day and the concept that all Councillors

were joined in the budget proposals together and advised that the Labour Group was not supporting the budget. He stated that the Labour Group had requested the restructure 3 years ago that was now taking place and this restructure had not addressed the posts at the higher level of the establishment as suggested by him previously.

#### Amendment

Councillor O'Callaghan stated he had an area of concern regarding the support to the Voluntary Sector and particularly the grant to Voluntary Action Melton (VAM). He proposed an amendment that this grant be given direct to VAM and not via the countywide body, Voluntary Action Leicestershire.

Councillor Moncrieff seconded the amendment.

Councillor Graham responded to Councillor O'Callaghan's speech on the financial context and specifically stated that with regard to the 3 members of Corporate Management Team, their joint salaries were only a little less than the salary of the County Council's Chief Executive. He advised that he agreed with the VAM proposal but understood that this was not possible currently and that Melton's grant of £15,000 was only part of the funding VAM received and as it was a relatively small contribution to their funding would not make that much difference for VAM to receive this direct.

The Strategic Director (KA) advised that the Council was working with the voluntary sector on funding matters and negotiations were ongoing and this was the best way to achieve any change in arrangements. He advised that the results of these discussions would be reported to the relevant Committee.

#### Amendment - Withdrawn

Councillor O'Callaghan agreed with this approach and withdrew his amendment. Councillor Moncrieff also agreed to the withdrawal.

#### Amendment

Councillor Moncrieff proposed an amendment that the Vice Chairs allowance be withdrawn and this would make a saving of approximately £7,000.

Councillor O'Callaghan seconded the amendment.

Councillor Graham responded that he considered that this Council had previously reviewed and debated the current system and any change should be for the new Council to consider. He considered this was 'kneejerk' reaction that needed more thought in the context of a review of all the allowances.

Councillors O'Callaghan and Dungworth spoke in support of the amendment and considered that due to the harsh financial climate such a sacrifice by Members would set a positive example in the light of other cuts and savings.

Councillors Jackson, J.T. Orson and Rhodes agreed that allowances should be reviewed but not at this time and agreed with the Leader's view.

#### Amendment - Vote

On the amendment being put to the vote, there were 4 in favour, 17 against and 2 abstentions.

(Councillors Dungworth, Moncrieff and O'Callaghan requested that their vote in favour of the amendment be recorded.)

Substantive Motion - Vote

On the substantive motion being put to the vote, there were 18 in favour, none against and 5 abstentions.

**RESOLVED** that

- (1) the level of inflation to be provided for in the estimates in respect of the waste contract as per the Baxter's index be included at 4%;
- (2) the proposals for General and Special Expenses (Melton Mowbray) as set out in Option 2 be approved for inclusion in the 2011/12 budget resulting in the estimates set out in the appendices as amended due to changes in government funding and this be a change from the Policy, Finance and Administration Committee's recommendation;
- (3) the budget requirements and Council Tax amounts for all funds be as set out in appendix G, option 2 as amended due to changes in government funding;
- (4) the permanent establishment be revised accordingly in line with the disinvestments approved;
- (5) the attendance allowance for planning site visits be reduced to £25;
- (6) the services set out in the report be reviewed by officers during 2011/12 in order for the outcome to be incorporated into the 2012/13 budget;
- (7) the Council property renewal and repair fund be re-designated as the Council offices renewal and repair fund with funding being allocated through the approved budget setting process.

(Councillor Sheldon left and re-entered the meeting during the debate on the preceding item and was present for each vote.)

**CO63. PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT STRATEGY**

The Head of Central Services submitted a report (copies of which had previously been circulated to Members) which outlined the Council's prudential indicators for 2011/12 – 2013/14 and set out the expected treasury operations for this period.

**RESOLVED** that

- (1) the prudential indicators and limits as set out in the report be adopted and approved;
- (2) the Treasury Management Strategy and Treasury Management Prudential Indicators set out in the report be adopted and approved;

- (3) the Minimum Revenue Provision (MRP) Statement contained within the report which sets out the Council's policy on MRP be approved;
- (4) the counterparty list as set out in the report be adopted and approved;
- (5) the investment strategy contained in the treasury management strategy and the detailed criteria included in the report be approved.

The meeting which commenced at 6.30 p.m., closed at 7.30 p.m.

Mayor