



POLICY, FINANCE AND ADMINISTRATION COMMITTEE

BOARDROOM, PHOENIX HOUSE, MELTON MOWBRAY

26 JANUARY 2011

PRESENT:-

Councillors M.C.R. Graham MBE (Chairman)
N.R.G. Angrave, A. Jackson, R. Marks, M. O'Callaghan,
J.T. Orson, P.M. Posnett, J.B. Rhodes, D.R. Wright

As Observer

Councillors Chandler, Freer and Holmes

Chief Executive
Corporate Director (KA)
Head of Central Services
Financial Well-Being Officer, Human Resources Officer
Senior Democracy Officer

P61. APOLOGIES FOR ABSENCE

There were no apologies for absence.

P62. MINUTES

(a) Minute P57/10 : Award of Merit Task Group – Melton Borough Award

Councillor Marks requested that the introduction to his first comment on page 29 be amended to read :-

'Councillor Marks spoke as a Member of the Task Group' rather than he 'spoke on behalf of the Task Group'

(b) Subject to the foregoing, the minutes of the meeting held on 8 December 2010 were confirmed and authorised to be signed by the Chairman.

P63. DECLARATIONS OF INTEREST

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

P64. RECOMMENDATIONS FROM OTHER COMMITTEES

There were no recommendations from other Committees.

P65. UPDATE ON DECISIONS

The Chief Executive submitted an update on decisions from previous meetings of the Committee.

RESOLVED that the Update on Decisions document be updated to reflect progress and work completed.

P66. USE OF SOCIAL MEDIA REVIEW

The Human Resources Officer submitted a report on behalf of the Head of Communications (copies of which had previously been circulated to Members) which updated the Committee on the use of social media and made recommendations for future development of social media.

It was noted that social media was a positive means of communication with the community however there was expectation for quick responses and this needed to be managed.

The Leader requested a training session for Members which the Human Resources Officer agreed to arrange.

RESOLVED that

- (1) Social Media be included in the Communication Policy and accepted as an alternative means of communication;
- (2) the Social Media Policy be approved and adopted by the Authority;
- (3) the Head of Communications be granted delegated authority to make amendments to the policy in line with legislation and good practice;
- (4) a training session on Social Media be arranged for Members.

P67. CALCULATION OF COUNCIL TAX BASE 2011/2012

The Financial Well-Being Officer submitted a report on behalf of the Head of Communities (copies of which had previously been circulated to Members) which stated that

- (a) the Local Government Finance Act 1992 required each billing authority to calculate a council tax base. The base was used in determining the level of council tax based on budget decisions within each billing and precepting authority and in the calculation of the amount of a precept payable by each billing authority to a major precepting authority;

- (b) to calculate the amount of council tax that needed to be paid by tax payers in Melton, the budget (amount required to be raised through Council Tax) was divided by the tax base. The report calculated the tax base.

It was noted that the reference to Redmile, should read Redmile, Barkestone and Plungar.

RESOLVED that

- (1) the report on the calculation of the Council's council tax base for the year 2011/12 be approved;
- (2) pursuant to the report and in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 1992 as amended, the amounts calculated by the Melton Borough Council as its council tax base for 2011-12 be approved.

P68. **ITEMS FOR APPROVAL UNDER FINANCIAL PROCEDURE RULES**

The Head of Central Services submitted a report (copies of which had previously been circulated to Members) which submitted requests for approval of this Committee under Financial Procedure Rules and provided information on amounts approved under delegated powers and reported the impact of these on the Council's reserves and balances.

RESOLVED that

- (1) the virements approved under delegated powers be noted;
- (2) the supplementary estimates approved under delegated powers be noted;
- (3) the budget reductions approved under delegated powers be noted;
- (4) an increase to the Decent Homes Grants capital project of £35k in 2010-11 be approved;
- (5) variations to the Housing Revenue Account Capital Programme in 2010-11 be approved.

P69. **MEDIUM TERM FINANCIAL STRATEGY**

The Head of Central Services submitted a report (copies of which had previously been circulated to Members) which reviewed the Council's Medium Term Financial Strategy (MTFS) in light of the key financial issues that would affect the Council in the next and later financial years.

RESOLVED that the MTFS be approved including the following key issues :

- (1) an estimate of a 7% to 12.5% reduction in Formula Grant is made for 2013/14 following the end of the current provisional settlement;

- (2) the enhanced working balance of £640,000 for General Expenses be retained in 2011/12 and any shortfall over that level be restored from the Corporate Priorities Reserve at the 31 March 2011;
- (3) that any shortfall on the approved working balance for Special Expenses (Melton Mowbray) of £50,000 at the 31 March 2011 be restored initially from the special expenses reserve with any residual shortfall being met from the 2011/12 revenue budget;
- (4) the budget forecast information provided and the assumptions on which it is based be noted;
- (5) the estimated availability of funding for capital spending be noted and the policy of seeking external funding for capital projects and working in partnership with other local authorities to attract funding to supplement the Council's own resources be continued;
- (6) the amounts in the corporate priorities reserve and general reserve (special expenses) be available to help fund projects (non-recurring cost element) which are in line with Council priorities.

P70. REVENUE BUDGET 2011/12

The Head of Central Services submitted a report (copies of which had previously been circulated to Members) which outlined the key budget issues that would be going forward to the Council's budget setting meeting on 2 February 2011.

Councillor Wright proposed recommendation 2.1 and with regard to 2.2 that it be recommended to Full Council that there be no increase to Council Tax with regard to General Expenses and that a reduction be applied to Special Expenses (Melton Mowbray) that results in an overall nil increase in the average Council Tax across all funds. The Chairman seconded the motion.

It was noted that with regard to parish council areas that had a parish precept amount, this was not itemised as such on the Council Tax statements and was merged into the general expense. It was stated that this could not be altered on the existing software and due to this merging of figures, the statements for these areas would show a change in Council Tax for the Council. With regard to Special Expenses for the town area, this had previously been included as an itemised 'line' on the Council Tax statements.

Following a discussion on the above and Members' wish that the public be aware that a nil increase had been applied by Melton Borough Council, it was suggested that the wording on the front page of the bill could be amended to reflect that the Council had not raised its Council Tax this year as directed by the government and the Head of Central Services would liaise with the Financial Well-Being Officer to provide this wording.

Upon the motion being put to the vote, there were 5 in favour and 3 against therefore the motion was carried.

RESOLVED that Members note the proposed list of reductions and enhancements for submission to the Full Council budget meeting on 2 February 2011.

RECOMMENDED to the Full Council that there be no increase to Council Tax with regard to General Expenses and that a reduction be applied to Special Expenses (Melton Mowbray) that results in an overall nil increase in the average Council Tax across all funds.

P71. CAPITAL PROGRAMME 2010 - 2015

The Head of Central Services submitted a report (copies of which had previously been circulated to Members) which consolidated the Capital Programme across all committees, to revise authorised spending as appropriate and to consider the overall funding position for 2011/12 and make recommendations to Full Council on the Capital Programme for all funds for 2011/12. In determining the appropriate funding the provisions contained within the Local Government & Housing Act 1989 have been considered, in particular, the strict controls applied to the amounts available from capital receipts.

RESOLVED that the revised capital programme and funding for 2010/11, as shown in the report be approved;

RECOMMENDED that the Full Council be requested to approve funding for the capital schemes in respect of General Expenses and the Housing Revenue Account (HRA) and the sources that funding will be taken from for 2011/12 as set out in the report. Members note that no funding was being recommended in respect of Special Expenses schemes.

P72. EXEMPTION FROM CONTRACT PROCEDURE RULES : ELECTIONS

The Head of Communications submitted a report (copies of which had previously been circulated to Members) which requested permission for the printing of election stationery for Borough, Parish Council Elections and the Referendum planned for May 2011 without adhering to Contract Procedure Rules.

There was concern that the company in question may be aware that organisations such as the Council were seeking exemption from contract procedure rules and may therefore set its own price and the cost may not be as competitive for the Council as it would if the Council went through its recognised contract procedure. It was also mentioned that the quality of printing was down to thorough checking of proofs.

The Chief Executive responded that the company in question provided a good printing service for the Council's elections and delivered in good time making themselves available for our needs. She would not be comfortable to go through a procurement process that may result in an inexperienced company being appointed for this important printing work.

RESOLVED that the exemption from the Contract Procedure Rules for printing of Election and Referendum stationery be approved to enable use of Print UK.

(Councillor Angrave here left the meeting.)

P73. EXTRAORDINARY EFFICIENCY TASK GROUP UPDATE

The Chief Executive submitted a report (copies of which had previously been circulated to Members) which briefed Members upon the meeting of the Task Group with the Chair of the Community and Social Affairs Committee at the Task Group's recent meeting on 14 January 2011.

There was a discussion around the report writing issue raised in the recommendations. The Chief Executive explained that this was to encourage report writers to include reference in the key issues as to how the report subject could create an efficiency and/or help to make the organisation more efficient.

RESOLVED that

- (1) Officers to be tasked with working upon relevant efficiency costing techniques and improvements to report writing;
- (2) the report of the Extraordinary Efficiency Task Group be noted.

(Councillor Freer here left the meeting.)

P74. URGENT BUSINESS

There was no urgent business.

The meeting which commenced at 6.30 p.m., closed at 7.31 p.m.

Chairman