



MEETING OF THE
COUNCIL OF THE BOROUGH OF MELTON

PARKSIDE, STATION APPROACH, BURTON STREET, MELTON MOWBRAY

1 FEBRUARY 2012

PRESENT

Councillors A. Freer (Mayor)
P.M. Baguley, M.W. Barnes,
G. Bush, P.M. Chandler, P. Cumbers, J. Douglas, S. Dungworth
M. Gordon, E. Holmes, L. Horton, E. Hutchison
J. Illingworth, S. Lumley, T. Moncrieff, J. Moulding
M. O'Callaghan, J.T. Orson, P.M. Posnett, J.B. Rhodes
M.R. Sheldon, J. Simpson, 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 prayers

(The Deputy Mayor, Councillor Illingworth, in the Chair.)

CO69. APOLOGY FOR ABSENCE

Apologies for absence were received from Councillors Botterill, Graham MBE, Manderson and Slater.

An apology for late attendance was received from the Mayor, Councillor Freer, due to her car breaking down when setting out to the meeting.

CO70. MINUTES

- (a) Minute CO56 : Questions from Members
Rural, Economic & Environmental Affairs Committee (REEA) : 16 November
2011 - Minute R42 : Melton Green Infrastructure Strategy : Revised Melton
Borough Biodiversity and Geodiversity Study; and Melton Open Space, Sport
and Recreation Study

Councillor Gordon requested that her amendment to the REEA Committee include the word 'say' after the first 'McDonalds' and the word 'was' be replaced by 'is'.

- (b) Subject to the foregoing, the minutes of the meeting held on the 14 December 2011 were confirmed and authorised to be signed by the Mayor.

CO71. DECLARATIONS OF INTEREST

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

Minutes CO76 : Recommendations and Reports from Committees
Community and Social Affairs Committee : 24 January 2012
Revenue Budget Proposals 2012/13 - Housing Revenue Account

Councillor Gordon declared a personal and non-prejudicial interest in this item due to being a housing tenant.

CO72. MAYOR'S ANNOUNCEMENTS

On behalf of the Mayor, the Deputy Mayor

- (a) stated that as this was the first Council Meeting in 2012, he took the opportunity to wish all a Happy New Year;
- (b) welcomed Councillor Edward Hutchison, the new Councillor to the Frisby on the Wreake Ward, who had been elected on 15 December 2011;
- (c) stated that since becoming Mayor she had attended numerous mayoral appointments, accompanied by her Consort, the Deputy Mayor, Young Mayor, other Councillors, and on occasions on her own. This year had been the first time the NSA Eastern Winter Fair was held in Melton. In the previous week, as Mayor she had officially opened the event with Mr Philip Stocker the new Chief Executive of the National Sheep Association. The Winter Fair was full of atmosphere and had been an enjoyable event. Events such as these were very important to the local farming community and to be held in Melton Mowbray gave everyone a valuable insight;
- (d) stated that she had attended the Swimming Club Presentation Evening at the Polish Club presenting trophies and medals earlier in January;
- (e) stated that she understood that the Budget Away Day went very well, as it was such an important day in helping to map out the Council's future;
- (f) stated that the Mayor's Awards process was about to start and if Councillors knew of any deserving individuals in their wards then they were to encourage an application. The closing date was early March.

CO73. LEADER'S ANNOUNCEMENTS

The Leader, Councillor Rhodes, made the following announcements :-

- (a) the Market Place was currently being repaved and this would make a big difference to the town centre;
- (b) he had recently visited The Melton Learning Hub and had been most impressed by the valuable work being carried out at that facility;
- (c) on 24 January 2012, he had hosted the Leicestershire County Council's Cabinet Briefing at Parkside. The feedback had been very positive and he looked forward to the two Councils working together in the future. He added that there had been a good working relationship between the officers at the two authorities;
- (d) he advised that the sale of the Nottingham Road site had been completed and the financial implications were included within the Council's budget;
- (e) he had recently visited Beckmill Court and Granby House and the visits had made him realise that there were issues to be addressed and the Council needed to tackle these areas;
- (f) he referred to the Fairmead Regeneration Project which had been considered by the Community and Social Affairs Committee in the previous week. He stated that it was the culmination of several years work and the scheme had been developed to enable a bid to be placed to work with housing associations to build additional affordable housing;
- (g) he referred to the reform of the Housing Revenue Account and that the Government had assigned a large amount of debt as a buyout to the money the Council was to pay over as a form of reserved subsidy – it would enable the Council to free up some revenue to do more repairs on the properties and to expand;
- (h) he advised that the Council was making progress on website development and looking to develop new software to take the Council forward;
- (i) he referred to the Warm Homes Grant bid and that Melton was the only Council in Leicestershire to receive this money to improve people's living standards. The grant was to be used before the end of March 2012 therefore he advised Members to contact Victoria Clarke as soon as possible if they had any nominations in their ward;
- (j) he advised that a bid had been placed for a Rural Enterprise Zone to bring the benefits of an Enterprise Zone to Melton – Melton was the only district in Leicestershire that had put in a bid.

(The Mayor here entered the meeting.)
(The Mayor in the Chair.)

CO74. QUESTIONS BY MEMBERS OF THE PUBLIC

There were no questions received.

CO75. PETITIONS

There were no petitions received.

(Councillor Gordon declared a personal and non-prejudicial interest in the following item due to being a housing tenant.)

CO76. RECOMMENDATIONS AND REPORTS FROM COMMITTEES

Community and Social Affairs Committee : 24 January 2012 Revenue Budget Proposals 2012/13 - Housing Revenue Account

The following recommendation was approved at the Community and Social Affairs Committee at its meeting on 24 January 2012 and referred to the Council for approval :-

RECOMMENDED that an average rent increase of 7.20% for Council dwellings for 2012/13 be approved with effect from 2 April 2012 and that when a property is re-let the rent is brought in line with the Government's formula rent.

The Chairman, Councillor Wright, presented the recommendation and advised that TFEC was in agreement with the rent increase.

Councillor Moncrieff stated that he had voted against the increase at the Community and Social Affairs Committee and would do so again at this meeting. He considered that the increase was inappropriate at a time when people were losing their jobs and having wages frozen.

RESOLVED that an average rent increase of 7.20% for Council dwellings for 2012/13 be approved with effect from 2 April 2012 and that when a property is re-let the rent is brought in line with the Government's formula rent.

CO77. CAPITAL PROGRAMME 2012-13

The Chief Accountant submitted a report on behalf of the Head of Central Services (copies of which had previously been circulated to Members) which requested the Council to approve the Council's Capital Programme for 2012/13 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 25 January 2012.

The Leader proposed the recommendations and Councillor Posnett seconded.

Councillor O'Callaghan stated that the Labour Group would be voting against as although some of the programme was useful, he disagreed on the Waterfield Leisure Pool refurbishment and considered that the money would be better used in being put towards a new leisure facility.

On being put the vote the majority were in favour therefore the motion was carried.

RESOLVED that

- (1) funding for capital schemes in respect of General and Special 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 25 January 2012 as set out in Appendices A to C;
- (2) should sufficient capital receipts become available any schemes funded from the Corporate Priorities Reserve be adjusted to be funded from capital receipts.

CO78. REVENUE BUDGET 2012-13

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 2012/13, sought a decision on the level of the budget requirement including any growth or savings and requested the Council to agree the level of Council Tax for Borough Council purposes;
- (b) stated that the final formula grant had now been received and was as expected therefore recommendation (iv) was not required;
- (c) circulated a revised Appendix D which included the recommendations of the Town Area Working Group meeting which had been held on the same day. This group had proposed that the Cemetery savings considered at the Budget Away Day be included in the budget following the staff consultation. It was noted that this change would affect the figures in the other appendices;
- (d) reported that no comments had been received from the business ratepayers following the website consultation.

The Leader paid tribute to the Financial Services Team for making so much effort to explain the budget and also thanked the wider Council Teams for adjusting the way the Council had worked within more stringent budgets over the past few years – he referred to a loss of half a million net last year and another £400k loss in this year which he considered was no mean achievement for any Council. He explained that these savings had been achieved by restructuring and reordering the way the Council delivered its services. The latest change was the collection of green waste and the change to the collection programme. He advised that he felt confident that this was the right thing to do and the new scheme was similar to South Kesteven and Charnwood's schemes therefore a precedent had been set. He advised that the New Homes Bonus money would help to balance the budget and some of this would be used to promote the scheme. He looked forward to a secure and well financed future but recognised that there were risks and these were listed in the report. He stated that now was not the time to do too much or overspend and the budget provided the Council the resilience against insecurities and for the moment this was the right thing to do. He referred to how the Financial Services Team controlled the budget within the year to ensure there was no overspending and this was a great strength of the Council. He announced that there would be no Council Tax increase this year and there was none last year.

The Leader moved the recommendations with the exception of recommendation (iv). Councillor Posnett seconded the motion.

Councillor O'Callaghan thanked the officers for their work on the budget and the Leader for his comments and advised that the Labour Group would not vote on it. He stated that the nil Council Tax increase was not accurate as it meant that people would have to pay for it in other ways and through general taxation. He referred to the new waste management initiative and that this was causing a lot of fuss in the South Kesteven and Charnwood districts and Melton had not consulted on the scheme. He explained that this scheme would mean that the Council Tax payer would be paying more. He felt that Special Expenses was helping to pay for the nil Council Tax rise and had concerns about the New Homes Bonus. He referred to the Medium Term Financial Strategy and the process for its approval being the Policy, Finance and Administration Committee, he considered that the Full Council should approve this and the budget be set within it. He also referred to his previous requests for a review of management and he had been promised by the then Leader that there would be a review when the Council was in the new building – he asked that it be said when this would happen or say that it was not going to be done. He queried the financial impact of Recommendation (v) and how much of the receipt would be utilised for this. On the Cemetery savings discussed at the Town Area Working Group, he queried how the redundancy costs were being met and whether Special Expenses would benefit from all the savings. He also mentioned concerns on the cuts to the voluntary sector and Voluntary Action Melton. He advised that he would vote against the motion.

The Head of Central Services responded that to repay the Council's debt was £5m, if the Council became debt-free the Council would also need to fund other schemes previously to be funded through borrowing resulting in a total amount of £8m therefore the Council would be left with £7m to spend elsewhere. With regard to the Cemetery, it was a Special Expense service for Melton Mowbray and the gross saving of the proposal would go into Special Expenses, however the Ground Maintenance Service was involved in the revised allocation of work and that was a General Fund Expense which would be recharged to the Special Expenses budget, as such it was proposed that Special Expenses meet the one-off costs of the redundancy payment. She advised that Members could choose differently if they wished.

Councillor Moncrieff stated that although there was a 0% Council Tax rise, the Council was putting up its rents by 7% and charging for garden waste. He explained that older properties had larger gardens and these type of homes were usually owned or rented by older and less well off people, therefore the budget would affect the more vulnerable.

Councillor Orson stated that he understood that those with small gardens would club together to share a bin for garden waste collection and those without a garden will not be funding those with larger gardens and more bins.

On being put the vote the majority were in favour therefore the motion was carried.

RESOLVED that the recommendations in the report be approved as follows with the exception of recommendation (iv) :-

(1) any increase against the target working balance on General and Special

Expenses Melton Mowbray at 31 March 2012 be transferred to the Corporate Priorities Reserve and the Special Expenses Reserve respectively. Any shortfall be restored from within the 2012/13 budget;

- (2) any balance on the Special Expenses account for Broughton and Old Dalby at 31 March 2012 be transferred to the Parish Council;
- (3) the proposals for General and Special Expenses (Melton Mowbray) as set out in Appendices B, C and D be approved for inclusion in the 2012/13 budget resulting in the estimates set out in Appendix E;
- (4) the budget requirements and Council Tax amounts for all funds be as set out in Appendix F;
- (5) delegated authority be given to the Head of Central Services in consultation with the Strategic Director (CAM) and the Chair of the Policy, Finance and Administration Committee to utilise a portion of the capital receipt from the sale of land at Nottingham Road to repay all general fund debt by transferring the debt to the HRA and finance any existing capital programme items currently being funded from borrowing. The revenue estimates to be amended to reflect the budget implications of such a decision;
- (6) a further report be made to Members of the relevant policy committees of the remaining financial implications/impact on the revenue budget of the capital receipt and service issues arising;
- (7) the permanent establishment be revised accordingly in line with the growth and savings approved;
- (8) the changes made to the risk categorisation of budgets as set out in the report and Appendix I be noted;
- (9) a review of industrial units be undertaken during 2012/13 and a report be made to the Rural Economic and Environmental Affairs Committee;
- (10) the creation of a New Home Bonus Reserve be approved; the policy covering the level of contribution and use to be determined by the Policy, Finance and Administration Committee. Following consideration of this policy the contribution to the revenue fund be adjusted accordingly should resources enable this.

CO79. 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 2012/13 – 2014/15 and set out the expected treasury operations for this period.

The Leader proposed the recommendations and Councillor Posnett seconded. On being put the vote the majority were in favour therefore the motion was carried.

RESOLVED that

- (1) the prudential indicators and limits be adopted and approved;
- (2) the Treasury Management Strategy and treasury management prudential indicators be adopted and approved;
- (3) the Minimum Revenue Provision (MRP) Statement which sets out the Council's policy on MRP be approved;
- (4) the counterparty list as set out in Appendix B and the use of the creditworthiness service provided by the treasury consultants be adopted and approved;
- (5) the revised limits for borrowing activity (authorised limit and operational boundary) and prudential indicators and limits on treasury activity for 2011-12 be approved;
- (6) following any formal decision to utilise the capital receipt monies to repay general fund debt the impact of the Prudential Indicators and Treasury Management Strategy be calculated and reported to Members along with the Mid Year Report on the Treasury Management Activities & Prudential Indicators.

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

CO80. BY-ELECTION : 15 DECEMBER 2011 – ALLOCATION OF SEATS ON COMMITTEES, SUB-COMMITTEES AND CATTLE MARKET WORKING GROUP

The Chief Executive submitted a report (copies of which had previously been circulated to Members) the purpose of which was as follows :-

- (a) following the by-election for the Frisby on the Wreake Ward held on 15 December 2011 when Councillor Edward Hutchison was elected, and the resulting change in political balance, it was a requirement that the Council reconsidered and determined the allocation of seats on Committees and Sub-Committees in accordance with the political balance rules set out in the Local Government and Housing Act 1989, S15-17 (as amended) for the period to the Annual Meeting in May 2012;
- (b) the Council was also requested to consider and determine the proposals of the political groups for the membership of the Cattle Market Working Group for the period to the Annual Meeting in 2012.

The Leader proposed the recommendations and Councillor O'Callaghan seconded.

Councillor Holmes congratulated Councillor Hutchison on his election and welcomed him to the Council.

The Council approved the motion by assent.

RESOLVED that

- (1) the political balance percentages and number of seats allocated to each political group as set out below be approved :-

Group	No. of Councillors	Percentage		Allocation of Seats over 6 Committees
Conservative	19	68%	(67.85)	38.76 = 39
Labour	7	25%	(25.00)	14.25 = 14
Independent	2	7%	(7.14)	3.99 = 4
Totals	28	100%	99.99	57 seats

- (2) the allocation of Councillors to each Committee and Sub-Committee (where required) as submitted by the Political Group Leaders for the period to the Annual Meeting in 2012 be approved as follows :-

2011/12	APP	CSA	DEV	OSA	PFA	REEA	TOTALS
Conservative	4 (3.40%)	7 (6.80%)	7 (7.48%)	7 (6.80%)	7 (6.80%)	7 (7.48%)	39 (39)
Labour	1 (1.25%)	2 (2.5%)	3 (2.75%)	3 (2.5%)	2 (2.5%)	3 (2.75%)	14 (14)
Independent	0 (0.35%)	1 (0.70%)	1 (0.77%)	0 (0.70%)	1 (0.70%)	1 (0.77)	4 (4)
Totals	5	10	11	10	10	11	57

<u>Community & Social Affairs Committee</u> 10 Members Political Balance : Required 7 Conservative 2 Labour 1 Independent	<u>Conservative</u> P.M. Chandler J.B. Rhodes M.C.R. Graham MBE V.J. Manderson (VC) P.M. Posnett D.R. Wright (C) J. Wyatt <u>Labour</u> T. Moncrieff J. Moulding <u>Independent</u> E. Holmes
--	---

<p><u>Development Committee</u></p> <p>11 Members</p> <p>Political Balance : Required</p> <p>7 Conservative 3 Labour 1 Independent</p>	<p><u>Conservative</u> P. Baguley G.E. Botterill P.M. Chandler (C) P. Cumbers (VC) J. Douglas J. Illingworth J. Simpson</p> <p><u>Labour</u> M. Gordon T. Moncrieff J. Moulding</p> <p><u>Independent</u> E. Holmes</p>
<p><u>Overview, Scrutiny & Audit Committee</u></p> <p>10 Members</p> <p>Political Balance : Required</p> <p>7 Conservative 3 Labour</p>	<p>No change</p>

<u>Policy, Finance & Administration Committee</u> 10 Members Political Balance : Required 7 Conservative 2 Labour 1 Independent	<u>Conservative</u> M.W. Barnes M.C.R. Graham MBE J.T. Orson P.M. Posnett (VC) J.B. Rhodes (C) D.R. Wright J. Wyatt <u>Labour</u> G. Bush S. Dungworth <u>Independent</u> E. Hutchison
<u>Rural, Economic and Environmental Affairs Committee</u> 11 Members Political Balance : Required 7 Conservative 3 Labour 1 Independent	<u>Conservative</u> P. Baguley M.W. Barnes G.E. Botterill J.T. Orson (C) J.B. Rhodes M.R. Sheldon (VC) J. Simpson <u>Labour</u> M. Gordon L. Horton M. O'Callaghan <u>Independent</u> E. Hutchison

- (3) the proposals of the political groups for membership of the Cattle Market Working Group for the period to the Annual Meeting in 2012 be approved as follows :-

<u>Cattle Market Working Group</u> Political Balance required: = 8 5 Conservative 2 Labour 1 Independent	<u>Conservative</u> M.C.R. Graham MBE J.T. Orson (C) J.B. Rhodes D.R. Wright J. Wyatt <u>Labour</u> M. Gordon M. O'Callaghan <u>Independent</u> E. Holmes
---	---

- (4) it be noted that political balance is not required for the Licensing or Standards Committees and that there is no change in the membership of these Committees as a result of this report;
- (5) it be noted that as a result of the by-election, there is no change to Chairs, Vice Chairs, Forums, Partnerships, Outside Organisations, Lead Members and memberships of the Working Groups apart from the Cattle Market;
- (6) it be noted that in accordance with the political balance rules set out in the Local Government and Housing Act 1989, S15-17 (as amended) political balance is to be achieved in total across all the Committees and within all individual Committees requiring political balance and to note also that political balance applies to Sub-Committees as required.

The meeting which commenced at 6.30 p.m., closed at 7.24 p.m.

Mayor