



MEETING OF THE
COUNCIL OF THE BOROUGH OF MELTON

PARKSIDE, STATION APPROACH, BURTON STREET, MELTON MOWBRAY

10 FEBRUARY 2016

PRESENT

Councillor J. Douglas (Mayor)
P. Baguley, T.S. Bains, .M. Chandler,
T. Culley, P. Cumbers, R. de Burle, M, Glancy,
M.C.R. Graham MBE, T. Greenow, L. Higgins,
E. Holmes, J. Illingworth, V. Manderson, J.T. Orson,
A. Pearson, P. Posnett, J.B. Rhodes, J. Simpson,
D.R. Wright, J. Wyatt

Chief Executive, Strategic Director (KA),
Head of Communications & Monitoring Officer;
Head of Central Services; Central Services Manager,
Democracy & Involvement Officer

The Reverend Kevin Ashby offered prayers

Before the start of the formal business, the Leader, Councillor Rhodes, paid tribute to Councillor Roger Begy, Leader of Rutland County Council who had recently passed away after a short illness. Councillor Rhodes said he knew Councillor Begy well and he had been an outstanding Leader who had helped a small authority like Rutland punch well above its weight. Councillor Begy was well regarded in local government circles and had brought his expertise as a successful businessman to public service. He would be a hard act to follow. The Leader would represent Melton Borough Council at Councillor Begy's funeral service. The Full Council then stood for a short period of silence to remember Councillor Begy.

Councillor Holmes endorsed the Leader's remarks and wished to place on record her thanks to Members for the kindness and sympathy shown to her following the recent death of her husband.

CO62. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Beaken, Botterill, Hurrell, Hutchison, Lumley, and Sheldon.

CO63. MINUTES

The minutes of the Extraordinary Meeting of the Council held on 8 December 2015 and the Ordinary Meeting held on 16 December 2015 were confirmed and authorised to be signed by the Mayor.

CO64. DECLARATIONS OF INTEREST

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

Councillor Greenow declared a pecuniary interest in the item relating to the Capital Programme having regard to his employment at the Cattle Market and indicated he would leave the meeting during consideration of this item.

CO65. MAYOR'S ANNOUNCEMENTS

The Mayor

(a) reported that she had enjoyed the busy run up to Christmas and had attended a number of Carol Services one of which had been at Burton Park in Melton which was now a care home for patients with brain injuries; she had been very impressed with this well resourced facility. On Christmas Day she had given a live broadcast on 103 The Eye's Community Focus programme and also enjoyed the hospitality of the Mayor of Grantham at the Belvoir Hunt's Boxing Day meet;

(b) stated that in the New Year she was focusing on more local events and mentioned the visit to Melton by the High Sheriff, Mr Gordon Arthur who had been to see the Melton Furniture Project and Me and My Learning which he had found extremely interesting. The Mayor commended the Me and My Learning team for their excellent presentation;

(c) highlighted a number of events she had attended, in particular, a preview of the new exhibition at the Melton Carnegie Museum about the Polish post war community in Leicestershire, a Holocaust Memorial Day Commemorative event at Kettering Borough Council, and the Chairman of South Kesteven District Council's Charity Gala which had showcased a high standard of local talent;

(d) reminded Members that the closing date for nominations for the Mayor's Awards was 7 March and that the special presentation evening would be on 20 April. She also requested Members to reply to the Civic Dinner invitation for 11 March if they had not already done so, expressing the wish to see as many Members attending as possible;

(e) reported on forthcoming fund raising events for her chosen charities which included a quiz night at Parkside on 15 April for which donations of raffle prizes would be welcome.

CO66. LEADER'S ANNOUNCEMENTS

The Leader, Councillor Rhodes, reported that he did not have a report for this meeting but would reserve his announcements for the Council meeting later in the month.

CO67. PUBLIC QUESTION TIME

There were no questions received.

CO68. PETITIONS

There were no petitions received.

CO69. RECOMMENDATIONS AND REPORTS FROM COMMITTEES

(1) Policy, Finance & Administration Committee: 26 January 2016 REVENUE AND CAPITAL BUDGET PROPOSALS 2016-17

The Leader advised that it was a formal requirement for the budget proposals made at the Budget Away Day and the Policy, Finance & Administration Committee to be referred to Full Council for approval and so moved the recommendation. This was seconded by Councillor Posnett. Following a vote this was carried unanimously.

RESOLVED: To refer the revenue and capital budget proposals 2016-17 as made at the Budget Away Day and considered by the Policy, Finance & Administration Committee to Full Council for approval.

(2) Community & Social Affairs Committee: 27 January 2016 REVENUE BUDGET PROPOSALS 2016-17 - HOUSING REVENUE ACCOUNT (HRA)

The recommendation from the Community & Social Affairs Committee regarding Council house rents was moved by the Chairman of the Committee, Councillor Wright and seconded by Councillor Bains. Following a vote the motion was carried unanimously.

RESOLVED: That an average rent decrease of 1% for all Council dwellings for 2016-17 be approved with effect from 4 April 2016 and that when a property is re-let the rent continues to be brought into line with the Governments formula rent.

(3) Governance Committee: 1 February 2016 CONSTITUTION UPDATE 2015/16

The recommendations relating to the updates to the Constitution made by the Governance Committee were moved en bloc by the Committee Chairman, Councillor Chandler and seconded by Councillor Cumbers.

Before moving to the vote, a question was raised on the reduced cost of insurance for the Wheels to Work scheme. The Head of Central Services confirmed that the insurance premiums for the scheme had reduced significantly and this had resulted in a saving in the base budget. However, the change to the officer's delegation was to enable discretion to be exercised to allow the excess charge being waived in exceptional circumstances.

Following a brief explanation about the reasons for changes to the OJEU thresholds by Councillor Chandler, a vote was taken and the motion was unanimously carried.

RECOMMENDED: That the Council adopts the following updates for adoption within the Constitution:

(a) Head of Central Services – Change to existing Officer Delegation - 65

To increase the income threshold of this existing Officer Delegation from £10,000 per annum to £20,000 per annum and the amended delegation read as follows :-

‘To effect the taking or the grant, renewal, rent assignment, transfer, surrender review and termination of any leases, licences, easements, wayleaves, consents and rights in land or buildings, the income from which does not exceed £20,000 per annum or a premium payable does not exceed £20,000 per annum.’

(b) Corporate Property Officer – Change to existing Officer Delegation - 1

To increase the income threshold of this existing Officer Delegation from £10,000 per annum to £20,000 per annum and the amended delegation read as follows :-

‘To effect the taking or the grant, renewal, rent assignment, transfer, surrender review and termination of any leases, licences, easements, wayleaves, consents and rights in land or buildings, the income from which does not exceed £20,000 per annum or a premium payable does not exceed £20,000 per annum.’

(c) Head of Communities and Neighbourhoods – New Officer Delegation

A new Officer Delegation for the Head of Communities and Neighbourhoods is needed in relation to the Wheels to Work scheme to allow the insurance excess charge to be waived in exceptional circumstances. The new delegation to read as follows :-

‘In respect of the Wheels to Work scheme, to determine whether to waive the insurance excess charge in exceptional circumstances.’

(d) Contract Procedure Rules : OJEU Thresholds

It be noted that the Head of Central Services had exercised her delegation for an amendment to the Contract Procedure Rules of the following revised OJEU thresholds which came into effect from 1 January 2016 and will apply for two years :-

Goods and Services

New threshold: £164,176 (was £172,514)

Works

New threshold: £4,104,394 (was £4,322,012)

Light Touch (mainly care contracts)

New threshold : £589,148

CO70. QUESTIONS FROM MEMBERS

There were no questions submitted in accordance with Procedure Rule 10.3 and 10.5

CO71. MOTION ON NOTICE

No Motions on Notice were submitted under Procedure Rule 11.

[Councillor Greenhow here left the meeting at 6.55pm.]

CO72. CAPITAL PROGRAMME 2016-17

The Leader presented the report prepared by the Head of Central Services, as circulated with the agenda, concerning the proposals for funding the Council's Capital Programme for 2016/17, being the first of three budget papers before the Council at this meeting. The Leader reported that he had received a query from a Member asking how many years the total cost shown on the paper of £2m represented with regard to disabled facilities grants.

The Head of Central Services confirmed that the scheme cost was an on going annual amount and that she advised that she would need to research the matter in order to respond to the request for clarification on how many years the £2m represented and undertook to provide this information after the meeting.

The Leader moved the recommendations as contained in the report which was seconded by Councillor Posnett. Following a vote, the motion was unanimously carried.

RESOLVED: that

(1) funding for capital schemes in respect of General and Special Expenses and the sources that funding will be taken from, be as set out in Appendices A and B to the report, and;

(2) funding for capital schemes in respect of the Housing Revenue Account (HRA) and the sources that funding will be taken from be as approved by the Community and Social Affairs committee and set out in Appendix C to the report..

[Councillor Greenow returned to the meeting at 7.00pm]

CO73. REVENUE BUDGET 2016-17 AND MEDIUM TERM FINANCIAL STRATEGY

Members had previously been circulated with a revised version of a report prepared by the Head of Central Services following the despatch of the agenda. This was as a result of some anomalies in the original document. The report provided information on the budget issues facing the Council in 2016/17 and beyond, and sought a decision on the level of the budget including growth and savings and to agree the level of Council Tax for Borough Council purposes.

In presenting the Revenue Budget for 2016-17 and the Medium Term Financial Strategy, the Leader

(a) explained that the revenue budget had been particularly difficult to compile to bring before Members this year due to the lateness of the original provisional settlement and the late issue of the final settlement this Monday. The provisional figures showed that Melton Borough, like many councils and especially districts, faced a worsening financial position over the next few years as the Rate Support Grant was withdrawn and the New Homes Bonus substantially reduced;

(b) advised that the District Councils Network, County Councils Network, and the Rural Sparsity Group combined to make strong representations to the Secretary of State and as a result the final settlement was much better than the provisional, but still left the Council with a very challenging financial position over the next 4 years;

(c) referred to the amended paper that had been circulated at the meeting and advised Members that it had only been possible to complete this information today due to earlier difficulty in accessing the details on the Department for Communities & Local Government website;

(d) set out the following issues facing the Council:

- even with the improved position announced by the Secretary of State, there was still a deteriorating financial position to be resolved;
- this was in no way a crisis as the budget for 2016/17 could be balanced but the settlement changes did affect the decisions to be made at this meeting;
- although the adjustments brought in another £203K over 2 years, the money would not continue after that which meant the Council was still facing a reduction of £933K grant per annum by 2019/20 equivalent to 42% of that received in the current year. This was in addition to the reduction of £1859K per annum that the Council had to deal with since 2010/11;
- the Council would now have to take significant action to avoid these reductions eating up reserves and plunging the Council into debt. By 2019/20, the Council would be looking at a deficit of £863K;
- in order to deal with this problem, two measures were proposed by the Leader: (1) a root and branch examination of all the Council's programmes and costs to determine what it really needed to do and what was no longer effective or possible alongside measures to improve the Council's income streams from other sources; and (2) to protect existing income, to take advantage of another concession announced by the Secretary of State which would permit those Councils with low council tax rates, including Melton, to

increase their average Band D council tax rate by £5 even when that was more than the 2% which previously would have required a costly referendum.

- The impact of the proposed £5 increase on Band D in 2016/17 would improve the Council's income by £28K per year. For a Band D council tax payer it would mean they would pay an additional £2 per year, less than 4p per week over what was originally proposed and recommended by the PFA Committee. It was hoped that council tax payers would accept this necessary measure. The revised Appendix B showed the impact of a £5 increase in each of the three successive years. The Council would receive cumulatively an additional £284K in additional income by 2019/20;

(e) concluded by moving the amended recommendation as set out on the order paper circulated at the meeting in order to give effect to these measures and other matters contained in the report.

The motion was seconded by Councillor Posnett.

A debate ensued during which the Leader was thanked for his remarks about Councillor Begy. It was suggested that the Council should hold a Budget Away Day in the autumn in order to assess the position at that stage and allow Members and Officers to contribute to a budget for the next three years. Support was indicated for this suggestion. A Member raised concern over other councils receiving so called 'sweetheart deals' and asked what representation had been made on Leicestershire's behalf to address this uneven funding situation. A point was made that preventative programmes to reduce people's reliance on council services were the long term solutions to saving money. A further comment was made that factors such as the lower income tax rate, Melton's unemployment position being better than both the regional and national figures, and a decrease in council house rents would all help residents to offset the small increase in their council tax rates. In noting the point made about preventative programmes, a Member advised that at a recent meeting of the Leicester, Leicestershire & Rutland Police and Crime Panel the reduced funding for Supporting Families had been raised. The Panel had agreed that this would be reconsidered after the May PCC elections.

In responding to the debate, the Leader accepted the suggestion of an Autumn Away Day and agreed to take this on board under the motion as an officer instruction. He acknowledged the point about the inequality of funding for some councils and referred to the rural services delivery grant which had been increased five fold for two years; it was hoped this would continue for future years. Representations on behalf of the county had been made with MP's but the Leader undertook to raise this with Sir Alan Duncan MP. In conclusion, the Leader also referred to the Supporting Families programme which he said was one of this Council's most treasured and successful programmes now being taken on by the County Council.

In accordance with Procedure Rule 15.5 (b) a recorded vote was then taken:

Councillor	For	Against	Abstain	Absent
Baguley	√			
Bains	√			
Beaken				√
Botterill				√
Chandler	√			
Culley	√			
Cumbers	√			
De Burle	√			
Douglas	√			
Glancy	√			
Graham	√			
Greenow	√			
Higgins	√			
Holmes	√			
Hurrell				√
Hutchison				√
Illingworth	√			
Lumley				√
Manderson	√			
Orson	√			
Pearson	√			
Posnett	√			
Rhodes	√			
Sheldon				√
Simpson	√			
Wright	√			
Wyatt	√			
Totals	21			6

RESOLVED: that

- (1) Any increase or shortfall against the target working balance on General Expenses 31 March 2016 be adjusted by transfers to/from the Corporate Priorities Reserve and for Special Expenses Melton Mowbray any surplus be transferred to the Special Expenses Reserve and any shortfall be replenished from within the 2016/17 budget (paras 3.4.2, 3.4.3 and 3.5.4 refer);
- (2) The proposals for General and Special Expenses MM as set out in amended Appendix A be approved for inclusion in the 2016/17 budget resulting in the estimates set out in Amended Appendix B;
- (3) The revenue budget for 2016/17 for General and Special Expenses as set out in amended Appendix B be approved resulting in an overall average council tax increase of £5, the individual council tax levels being as set out in amended para 3.5.5;
- (4) That delegated authority be given to the Head of Central Services to amend the estimates to account for any changes to the final Formula Funding amount over the provisional figure by adjusting the contribution to/from the Corporate Priorities Reserve;
- (5) That delegated authority is given to the Head of Central Services in consultation with the Chief Executive, to finalise and submit the Councils Efficiency Statement to the DCLG should the timing necessitate this action being taken following consultation with the Budget and Strategic Planning Working Group, a report to be made retrospectively to the next available Policy Finance and Administration Committee;
- (6) That members note the changes made to the risk categorisation of budgets as set out in para 3.6.3 and Appendix E;
- (7) As recommended by the Policy Finance and Administration Committee the Council approve that the Council Tax Support Scheme approved for 2015/16 (Year 3) remain unaltered for 2016/17 (Year 4) and applicable amounts (e.g. Single Person Allowance) to be adjusted for inflation in line with the Government's Adjudication and Operations Circular.

CO74. PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT STRATEGY

Members had before them a report prepared by the Head of Central Services which outlined the Council's prudential indicators for 2016/17 – 2018/19 and set out the expected treasury operations for this period. The legislative and policy framework which governed the Council's day to day capital and treasury activities was summarised. The Leader commended the report to Members and moved the recommendations contained therein. The motion was seconded by Councillor Posnett. Upon being put to the vote, the motion was unanimously carried.

RESOLVED: That, having considered the recommendations of the Budget and Strategic Planning Working Group

- (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.

Before the Mayor formally closed the meeting, Councillor Culley referred to the recent resignation from the Council by Peter Faulkner. She wished to place on record her thanks to Peter for all his help and support in the Melton Egerton ward and wished him well in the future. Members endorsed these remarks.

The meeting, which commenced at 6.30 p.m., closed at 7.28 p.m.

Mayor