

Finance Council 1st March 2010

PRESENT – *The Mayor Councillor Jim Hurst (in the Chair), Councillors, S Ali, A Barry, M Bateson, P Browne, A Cottam, R Davies, M Desai, M Doherty, E Entwistle, D Foster, K Foster, B Gordon, D Hardman, D Harling, K Hollern, D Hollings, S Huggill, T Humphrys, F Hussain, I Hussain, Y Jan-Virmani, M Johnson, P Jones, A Kay, M Khan, Z Khan, S Khonat, M Law-Riding, M Lee, S Lorgat, A Mahmood, T Maxfield, P McFall, M McGarvey, A Meleady, T Melia, J Milburn, R O'Keeffe, A Patel, M Patel, D Pearson, A Rehman, C Rigby, M Rizwan, Jacqueline Slater, Julie Slater, James Smith, Joseph Smith, D Talbot, K Tapp, C Thayne, A Waghat, D Walsh, J Williams, S Williams, J Wright.*

81 **Apologies for Absence**

Apologies for absence were received from Councillor J Slater, A Graham, J Rigby, J Shorrocks, M Rizwan, M Johnson.

82 **Declarations of interest**

No declarations of interest were declared.

83 **Mayoral communications.**

The Mayor remarked on several engagements he had attended since the last meeting of Council.

84 **The Treasury Management Strategy, Prudential Indicators, and Minimum Revenue Provision Policy 2010/11**

The Executive Member for Resources introduced the Treasury Management Strategy, Prudential Indicators and Minimum Revenue Provision Policy 2010/11, explaining that the Council is required to approve a Treasury Management Strategy before the start of each financial year, and that it is also required to determine a range of Prudential Indicators along with a policy for a "prudent" level of Minimum Revenue Provision for repayment of debt, both of which should be consistent with the Council's Budget Strategy.

Resolved

That the Council;

(a) approve the proposed amendments to Financial Procedure Rules, in the Council's Constitution, the Treasury Policy Statement and the Treasury Management Practices (TMPs) following adoption of CIPFA's revised *Treasury Management in the Public Services: Code of Practice* (the Treasury Management Code), as outlined in Appendix 1;

(b) instruct the Monitoring Officer to amend the Constitution to reflect the changes to Financial Procedure Rules referred to in 2.1(a) above;

(c) approved the proposed Treasury Management Strategy for 2010/11, including Treasury Management Indicators, as outlined in Appendix 2;

(d) approved the proposed Prudential Indicators for 2010/11, as outlined in Appendix 3;

(e) approved the policy proposals for determination of Minimum Revenue Provision for repayment of debt, as outlined in Appendix 4.

85 The Robustness of the 2010/11 Budget and the Recommended Level of Reserves

The Executive member for resources explained that it was necessary to provide statutory advice to Members when setting the budget in accordance with the Local Government Act 2003, and that the report needed to be received by Members prior to the Council formalising the budget process and setting the Council Tax.

Following a short debate the Mayor asked Members to vote on the recommendations contained in the report.

Resolved

That the Council resolves to take note of the report of the Director of Finance which provides advice on:

- The robustness of the Revenue Budget and Capital Programme for 2010/11 outlined in the report of the Executive Member, Resources.
- The recommended level of proposed financial reserves.

86 The Revenue Budget 2010/11 and the medium Term Financial Strategy and Capital Programme 2010/13.

The Executive Member for Resources presented the Budget and Council Tax proposals for Blackburn with Darwen Borough Council for the forthcoming financial year 2010/11 and the Medium Term Financial Strategy on behalf of the Ruling Partnership; the Conservative, Liberal Democrat and For Darwen Groups. He emphasised that the last three years had seen the worst economic crisis for decades and this had hit manufacturing in Blackburn and Darwen hard, and that more than most Councils, Blackburn with Darwen has boosted the local economy to reduce the effects of the recession, citing examples of the redevelopment of the Market and the Mall, support for the development of the University Centre and the new PCT building which along with the 500 place multi storey car park, a £250m secondary school building programme including the new Darwen Academy, the BSF programme and an investment in the future by employing 140 of young people via the Future Jobs Fund.

He explained that Blackburn with Darwen Borough Council have led the way in establishing Pennine Lancashire's leaders group and a new company

which is already bringing in £200m, over 10 years, of new RDA investment to boost our economy across Pennine Lancashire, a figure which far exceeds any previous grant of this nature. That in respect of housing over the last 3 years the Council have invested over £40m in improving and building many hundreds of new houses, and that the commencement in the next month of the £70m+ cathedral quarter which will bring more offices, hotels, car parks and high quality living into the town centre.

The report informed Members of

- The Local Government Finance Settlement.
- Area based grant and other grant funding.
- A budget update.
- The Partnership budget strategy.
- Consultations by the council and the emerging five strategic priorities;
- Improving public health and well-being,
- Improving your neighbourhood
- Improving the economy
- Achieving first class services
- Delivering a fit for purpose organisation

Corporate budget pressures were highlighted from

- Adult Social Care,
- Pay and Reward
- Energy
- Treasury Management and investment income
- Children's safeguarding and commissioning
- Reductions in income
- Waste services
- Blackburn Market / Mall
- Efficiencies

The report further detailed the requirement from portfolios to manage their own pressures and opportunities through the portfolio efficiency programmes together with the contribution to corporate budget pressures identified in the Medium Term Financial Strategy. In addition to this it detailed the investment in delivering priorities in Health and Well-being, neighbourhoods and communities, worklessness and skills together with a continuation of the significant capital investment programme with new and continuing schemes and programmes of investment in infrastructure and technology.

The level of reserves, Council Tax, and the Medium Term Financial Strategy were also referred to.

At the conclusion of the debate an amendment to the report was proposed by Councillor Dave Harling and seconded by Councillor Hollern.

The vote on the proposed motion was lost.

Subsequently the Mayor asked Members to vote on the substantive recommendations contained in the report.

Resolved

That The Council:

1. Approve the recommendations and the revenue budget and the capital programme for 2010/11,
2. Note the indicative budgets for 2011/12 and 2012/13; and
3. Approve the Medium Term Financial Strategy for 2010/13

87 Council Tax for 2010/11

The Executive Member for Resources, introduced the report of the Director of Finance to set the Council Tax for the borough and parishes for the financial year 2010/11 having regard to the precepts set by the Borough Council, the Combined Fire Authority, the Police Authority and the Parish Councils in the area of the Borough Council. He explained to Council, that as there had already been approval in principal under agenda item 8, he would move to the vote.

Resolved

- 1) That it be noted that the Council calculated the following amounts for the year 2010/11 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992:

- a) 39,397.73 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 as its Council Tax base for the year.

- b) Parts of the Council's area

Eccleshill Parish	95.94
Livesey Parish	1,996.20
North Turton Parish	1,671.94
Pleasington Parish	251.96
Tockholes Parish	205.18
Yate and Pickup Bank Parish	138.39
Darwen Town Council	8,713.41

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 Local Government Finance Act 1992:

- a) £386,332,499 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) £254,423,800 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) £131,908,699 being the amount by which the aggregate at 2(a) above exceeds the aggregate at 2(b) above, calculated by the Council, in accordance with Section 32 (4) of the Act, as its budget requirement for the year
- d) £81,819,282 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 (4) of the Local Government Finance Act 1988 (Council Tax Surplus).
- e) £1,271.38 being the amount at 2 (c) above less the amount at 2 (d) above, all divided by the amount at 1 (a) above, calculated by the Council, in accordance with Section 33 (1) of the Act, as the basic amount of its Council Tax for the year
- f) £178,599 being the aggregate amount of all special items referred to in Section 34 (1) of the Act
- g) £1,266.85 Being the amount at 2 (e) above less the result given by dividing the amount at 2 (f) above by the amount at 1 (a) above, calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates
- h)
- | | |
|----------------------------|-----------|
| Part of the Council's area | |
| Eccleshill Parish | £1,295.43 |
| Livesey Parish | £1,273.86 |
| North Turton Parish | £1,285.07 |

Pleasington Parish	£1,272.21
Tockholes Parish	£1,293.89
Yate and Pickup Bank Parish	£1,284.91
Darwen Town Council	£1,280.85

being the amounts given by adding to the amount at 2 (g) above to 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 1 (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)

<u>Part of the Council's Area</u>	<u>Valuation Bands</u>							
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>
Eccleshill Parish	£863.62	£1,007.56	£1,151.49	£1,295.43	£1,583.30	£1,871.18	£2,159.05	£2,590.86
Livesey Parish	£849.24	£990.78	£1,132.32	£1,273.86	£1,556.94	£1,840.02	£2,123.10	£2,547.72
North Turton Parish	£856.71	£999.50	£1,142.28	£1,285.07	£1,570.64	£1,856.21	£2,141.78	£2,570.14
Pleasington Parish	£848.14	£989.50	£1,130.85	£1,272.21	£1,554.92	£1,837.64	£2,120.35	£2,544.42
Tockholes Parish	£862.59	£1,006.36	£1,150.12	£1,293.89	£1,581.42	£1,868.95	£2,156.48	£2,587.78
Yate and Pickup Bank Parish	£856.61	£999.37	£1,142.14	£1,284.91	£1,570.45	£1,855.98	£2,141.52	£2,569.82
Darwen Town Council	£853.90	£996.22	£1,138.53	£1,280.85	£1,565.48	£1,850.12	£2,134.75	£2,561.70
All other parts of the Council's area	£844.57	£985.33	£1,126.09	£1,266.85	£1,548.37	£1,829.89	£2,111.42	£2,533.70

being the amounts given by multiplying the amounts at 2 (g) and 2 (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 categories of dwellings listed in different valuation bands.

3. That it be noted that for the year 2010/11 the Lancashire Police Authority has stated the following amounts 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>Precepting Authority</u>	<u>Valuation Bands</u>							
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>
Lancashire Police Authority	£97.51	£113.77	£130.02	£146.27	£178.77	£211.28	£243.78	£292.54

4. That it be noted that for the year 2010/11 the Lancashire Combined Fire Authority has stated the following amounts 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>Precepting Authority</u>	<u>Valuation Bands</u>							
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>
Lancashire Combined Fire Authority	£42.43	£49.51	£56.58	£63.65	£77.79	£91.94	£106.08	£127.30

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

<u>Part of the Council's Area</u>	<u>Valuation Bands</u>							
	A	B	C	D	E	F	G	H
Eccleshill Parish	£1,003.56	£1,170.84	£1,338.09	£1,505.35	£1,839.86	£2,174.40	£2,508.91	£3,010.70
Livesey Parish	£989.18	£1,154.06	£1,318.92	£1,483.78	£1,813.50	£2,143.24	£2,472.96	£2,967.56
North Turton Parish	£996.65	£1,162.78	£1,328.88	£1,494.99	£1,827.20	£2,159.43	£2,491.64	£2,989.98
Pleasington Parish	£988.08	£1,152.78	£1,317.45	£1,482.13	£1,811.48	£2,140.86	£2,470.21	£2,964.26
Tockholes Parish	£1,002.53	£1,169.64	£1,336.72	£1,503.81	£1,837.98	£2,172.17	£2,506.34	£3,007.62
Yate and Pickup Bank Parish	£996.55	£1,162.65	£1,328.74	£1,494.83	£1,827.01	£2,159.20	£2,491.38	£2,989.66
Darwen Town Council	£993.84	£1,159.50	£1,325.13	£1,490.77	£1,822.04	£2,153.34	£2,484.61	£2,981.54
All other parts of the Council's area	£984.51	£1,148.61	£1,312.69	£1,476.77	£1,804.93	£2,133.11	£2,461.28	£2,953.54

88 Council Proportionality

The Leader of the Council explained that a review of the political balance allocation of seats following the resignation of Councillor Waghat from the Partnership, the resignation of Councillor Yusuf Sidat and the election of Councillor Mustafa Desai had taken place.

The Leader of the Liberal Democrat Group as for a correction to the second line of the report; deselection should read resignation of Councillor Sidat.

Resolved

That Council note the revised political allocation as a result of the political balance changes, i.e. three appointments; one to Planning and Highways Committee and one to Licensing Committee for the Labour Group, and one to Policy and Review Committee for the Independent Members.

That, as a result of no names being agreed at the meeting, delegation of the decision was made to the Leader of the Council in conjunction with the Chief Executive.

Signed at a meeting of the Council

on the day of

(being the next ensuing meeting of the Council)

by
MAYOR

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