

FINANCE COUNCIL
7th March 2011

PRESENT – *The Deputy Mayor Councillor Foster K.O.M. in the Chair; Councillors Akhtar, Bateson, Browne, Cottam, Davies, Desai, Doherty, Entwistle, Foster D., Gee, Gordon, Hardman, Harling, Hirst, Hollern, Humphrys, Hussain F., Hussain I., Jan-Virmani, Johnson, Jones, Kay, Khan M., Khan Z, Khonat, Law-Riding, Lee, Mahmood, Maxfield, McFall, Melia, O’Keeffe, Oldfield, Patel, A., Patel M., Pearson D., Pearson J., Rigby C., Rigby J., Rizwan, Shorrock, Sidat, Slater Jacqueline, Slater John, Smith D., Smith James, Smith Joseph, Solkar, Surve, Talbot, Tapp, Thayne, Walsh and Wright.*

104 Apologies for Absence

Apologies for absence were received from Councillor S Williams (The Mayor) A Barry, A Graham, S Huggill, M McGarvey, A Meleady, S Mulla, A Rehman, and Julie Slater.

105 Declarations of interest

Noted: that at a meeting of the Standards Committee on the 2nd March dispensation was granted for Councillors Bateson, Hardman, Harling, Lee McFall and Mulla under the Standards Committee (Further Provisions) (England) Regulations 2009 and that the dispensation be granted for a period of one calendar month (2nd March 2011 - 2nd April 2011). Damian Talbot declared a Personal Interest on Turton Tower.

106 Mayoral communications.

The Mayor noted the passing of an ex Councillor: Jack Fairless and the retirement of Steve Rigby Director of Culture Leisure and Sport. She also remarked on several engagements she had attended since the last meeting of Council.

107 The Treasury Management Strategy, Prudential Indicators, and Minimum Revenue Provision Policy 2011/12

The Executive Member for Resources introduced the Treasury Management Strategy, Prudential Indicators and Minimum Revenue Provision Policy 2011/12, 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 approve;

- (a) The proposed Treasury Management Strategy for 2011/12, including Treasury Management Indicators, as outlined in Appendix 1;

(b) The proposed Prudential Indicators for 2011/12, as outlined in Appendix 2;

(c) The policy proposals for determination of Minimum Revenue Provision for repayment of debt, as outlined in Appendix 3.

108 The Robustness of the 2011/12 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 take note of the report of the Director of Finance which provides advice on:

- The robustness of the Revenue Budget and Capital Programme for 2011/12 outlined in the report of the Executive Member, Resources
- The recommended level of proposed financial reserves.

109 The Revenue Budget 2011/12 and the Medium Term Financial Strategy and Capital Programme 2011/15.

The Executive Member for Resources presented the Budget and Council Tax proposals for Blackburn with Darwen Borough Council for the forthcoming Financial Year 2011/12 and the Medium Term Financial Strategy on behalf of the Ruling Group.

The report informed Members of:

- The Local Government Finance Settlement.
- Changes to Area Based Grant and the un-ringfencing of a number of funding streams.
- A budget update.
- A budget strategy.
- Consultations by the Council on local priorities; where the Council provided participants with a consistent list of services and asked:
 - What services should the Council protect?
 - What services could be cut back?
 - What services should be stopped?

Corporate budget pressures were highlighted in terms of:

- Adult Social Care,
- Children's Safeguarding and Commissioning
- Costs for energy
- Treasury Management and investment income
- Reductions in income

- Waste services
- Blackburn Market / Mall
- Efficiencies, and
- Service Reviews

The report further detailed the requirement for each portfolio to set out proposals to achieve budget reductions of 25% for front line services and 35% for “back office” functions as well as, bear the impact of reductions in specific grants. Portfolios were therefore expected to contribute towards corporate budget pressures arising from the reduction in government funding. In addition to this it detailed the investment in delivering priorities in the following four Strategic Objectives; Connected, Prosperous, Clean, Safe and Healthy and two Corporate Priorities: Managing Risk and Delivering Transformation and Downsizing. The level of Capital Programme, Reserves, Council Tax, and the Medium Term Financial Strategy were also referred to.

RESOLVED –

1. That the proposals for the Revenue Budget for the financial year 2011/12 and the indicative revenue budget for 2012/15 outlined in this report be approved.
2. That the proposals for the Capital Programme for the period 2011/12 to 2014/15 as outlined in this report be approved.
3. That the impact of fees and charges approved at the Extraordinary Council meeting on 6th January 2011 on the budget proposals within the report be noted.
4. That the Medium Term Financial Strategy 2011/15 be approved with the final version to be published incorporating the approved budget proposals, and
5. That subject to recommendation 1 outlined above that the Council be requested to approve the consequent Council Tax levels detailed in the formal resolution of the Director of Finance’s report.

110 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 2011/12 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992:

a) 39,698.65 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	101.16
Livesey Parish	1,999.85
North Turton Parish	1,671.25
Pleasington Parish	249.01
Tockholes Parish	203.50
Yate and Pickup Bank Parish	142.73
Darwen Town Council	8,227.02

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 2011/12 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:

a) £389,150,540 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) £256,112,810 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) £133,037,730 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) £82,565,346 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) £1,271.39 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) £180,230 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	£1,293.95
Livesey Parish	£1,273.85
North Turton Parish	£1,285.00
Pleasington Parish	£1,272.27
Tockholes Parish	£1,294.93
Yate and Pickup Bank Parish	£1,295.47
Darwen Town Council	£1,281.68

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)

Part of the Council's Area	Valuation Bands							
	A	B	C	D	E	F	G	H
Eccleshill Parish	£862.63	£1,006.41	£1,150.18	£1,293.95	£1,581.49	£1,869.04	£2,156.58	£2,587.90
Livesey Parish	£849.23	£990.77	£1,132.31	£1,273.85	£1,556.93	£1,840.01	£2,123.08	£2,547.70
North Turton Parish	£856.67	£999.44	£1,142.22	£1,285.00	£1,570.56	£1,856.11	£2,141.67	£2,570.00
Pleasington Parish	£848.18	£989.54	£1,130.91	£1,272.27	£1,555.00	£1,837.72	£2,120.45	£2,544.54
Tockholes Parish	£863.29	£1,007.17	£1,151.05	£1,294.93	£1,582.69	£1,870.45	£2,158.22	£2,589.86
Yate and Pickup Bank Parish	£863.65	£1,007.59	£1,151.53	£1,295.47	£1,583.35	£1,871.23	£2,159.12	£2,590.94

Darwen Town Council	£854.45	£996.86	£1,139.27	£1,281.68	£1,566.50	£1,851.32	£2,136.13	£2,563.36
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 2011/12 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 2011/12 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 2011/12 for each of the categories of dwellings shown below:-

<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	£1,002.57	£1,169.69	£1,336.78	£1,503.87	£1,838.05	£2,172.26	£2,506.44	£3,007.74
Livesey Parish	£989.17	£1,154.05	£1,318.91	£1,483.77	£1,813.49	£2,143.23	£2,472.94	£2,967.54
North Turton Parish	£996.61	£1,162.72	£1,328.82	£1,494.92	£1,827.12	£2,159.33	£2,491.53	£2,989.84
Pleasington Parish	£988.12	£1,152.82	£1,317.51	£1,482.19	£1,811.56	£2,140.94	£2,470.31	£2,964.38
Tockholes Parish	£1,003.23	£1,170.45	£1,337.65	£1,504.85	£1,839.25	£2,173.67	£2,508.08	£3,009.70
Yate and Pickup Bank Parish	£1,003.59	£1,170.87	£1,338.13	£1,505.39	£1,839.91	£2,174.45	£2,508.98	£3,010.78
Darwen Town Council	£994.39	£1,160.14	£1,325.87	£1,491.60	£1,823.06	£2,154.54	£2,485.99	£2,983.20
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

110 To Consider motions submitted under Procedure Rule 15.1 (motion to rescind a previous decision)

The following Notice of Motion had been submitted:

"We give notice that we intend to move a motion to rescind the decision made at the Council Forum on 27 January 2011 to reduce the number of scrutiny committees from six to three".

The motion was signed by the following Members: Michael Law -Riding, Roy Davies, Derek Hardman, Simon Huggill, Chris Thayne and Brian Gordon.

As the Revenue Budget was approved at Item 8, this motion was not able to proceed, as the budget confirmed the reduction in staffing and capacity of Democratic Services, including officer support for scrutiny committees and therefore re-affirmed the decision of the Council Forum meeting on the 27th January 2011 to reduce the number of overview and scrutiny committees to 3.

111 Appointment of Monitoring Officer

Following the Chief Officer restructure and the appointments made by the Chief Officer (and Percentage related Chief Officers) Employment Committee on 9 December 2010, David Fairclough was appointed to the post of Director of HR & Legal. The post included the Monitoring Officer role, which was previously undertaken by Linda Comstive, the Director of Legal Services who left the Council's employment in December 2010.

Section 5 of the Local Government & Housing Act 1989 required Councils to appoint a Monitoring Officer to undertake the statutory responsibilities and the duties contained in the Constitution.

RESOLVED -

- 1) That David Fairclough, Director of HR & Legal be appointed as the Monitoring Officer for the Council with immediate effect and;
- 2) That the Constitution be updated as appropriate to reflect the change.

Signed at a meeting of the Council

on the day of

(being the next ensuing meeting of the Council)

by
MAYOR