

City Council

Monday 27 February 2012

PRESENT:

The Lord Mayor, Councillor Brookshaw, in the Chair.

The Deputy Lord Mayor, Councillor Delbridge, Vice Chair.

Councillors Mrs Aspinall, Ball, Mrs Beer, Berrow, Bowyer, Mrs Bowyer, Mrs Bragg, Browne, Casey, Churchill, Coker, Davey, Mrs Dolan, Drean, K Foster, Mrs Foster, Fry, Gordon, Haydon, James, Jordan, Martin Leaves, Michael Leaves, Sam Leaves, Lock, Lowry, Dr. Mahony, McDonald, Monahan, Murphy, Mrs Nelder, Nicholson, Mrs Nicholson, Penberthy, Mrs Pengelly, Rennie, Reynolds, Ricketts, Dr. Salter, Singh, John Smith, Peter Smith, Stevens, Thompson, Tuffin, Tuohy, Vincent, Wheeler, Wiggins, Wildy, Williams and Wright.

Apologies for absence: Councillors Bowie and Stark.

The meeting started at 2pm and finished at 4.15 pm.

Note: At a future meeting, the Council will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

113. MINUTES

Agreed that the minutes of the meeting held on 30 January 2012 are confirmed as a correct record.

114. DECLARATIONS OF INTEREST

There were no declarations of interest in accordance with the code of conduct from councillors in relation to items under consideration at this meeting.

ANNOUNCEMENTS

115. The Late David Mockett

The Lord Mayor advised the Council that David Mockett, a British expat from Plympton, had been killed by a suspected terrorist bomb as he drove through the city of Aden in Yemen in July 2011.

Mr Mockett had worked as a marine surveyor for the Arab Company for Inspection and Marine Consulting and his car exploded after he left the hotel where he was staying.

The Lord Mayor indicated that the Council's thoughts were with his family and the Council stood in silence, for one minute, as a mark of respect.

116. **Major General Clive Chapman**

The Lord Mayor reported that Major General Clive Chapman had been awarded one of the top military awards in the New Year Honour's list and had been made a Companion of the Order of the Bath. He was a platoon commander during the Falkland's War in 1982. Major General Chapman went to school at St Budeaux Foundation School and the former Southway School and was now senior British adviser to US Central Command in Tampa, Florida.

The Lord Mayor paid tribute to his achievement and undertook to send the Council's congratulations to him.

117. **Councillors Wendy and Ken Foster**

The Leader (Councillor Mrs Pengelly) congratulated Councillors Wendy and Ken Foster on their 30th wedding anniversary today.

CORPORATE PLAN 2012 -15, REVENUE AND CAPITAL BUDGET 2012/13 AND PROPOSED COUNCIL TAX LEVELS

118. **Length of Debate for Leader and Leader of the Opposition**

Before the commencement of the debate, the Leader sought approval in accordance with Part B, Council Procedure Rule 14.6 of the Constitution, to suspend Rule of Debate 4.2 (in Appendix One) (which limits speeches to five minutes) for the following item in relation to speeches by the Leader and Leader of the Opposition.

The proposal was seconded and following a vote it was agreed.

119. **Corporate Plan 2012 -15, Revenue and Capital Budget 2012/13 and Proposed Council Tax Levels**

The Chief Executive and the Director for Corporate Services submitted written reports on the Corporate Plan 2012 -15, the revenue and capital budget 2012/13, the treasury management strategy statement and annual investment strategy and the proposed Council tax levels.

The City Council considered -

- (a) the updated draft Corporate Plan 2012-2015 (following Cabinet on 7 February 2012) (appendix A);
- (b) Cabinet minute 116 (of 7 February 2012) on the Corporate Plan 2012 - 2015 (appendix B);
- (c) Cabinet minute 117a (of 7 February 2012) on new capital schemes for investment from the performance and finance report (appendix C);
- (d) the Medium Term Capital Programme 2011/12 -14/15 (appendix D);

- (e) Cabinet minute 115 (of 7 February 2012) on the Budget and Corporate Plan Scrutiny Report 2012/13 including Cabinet's response to the recommendations (appendix E);
- (f) the Budget and Corporate Plan Scrutiny Report 2012/13 (appendix F);
- (g) Cabinet minute 119 (of 7 February 2012) on the 2012/13 updated draft budget (revenue and capital) allocated to corporate priorities (appendix G);
- (h) the Cabinet report on the 2012/13 updated draft budget (revenue and capital) allocated to corporate priorities (appendix H);
- (i) Cabinet minute 118a (of 7 February 2012) on Treasury Management Strategy Statement and Annual Investment Strategy 2012/13 (appendix I);
- (j) the Cabinet report (of 7 February 2012) on Treasury Management Strategy Statement and Annual Investment Strategy 2012/13 (appendix J).

The Leader (Councillor Mrs Pengelly) moved, and Councillor Bowyer (Cabinet Member for Finance, Property and People) seconded, the recommendations in the updated written report of the Chief Executive and the Director for Corporate Services circulated today and commended to the City Council, for approval, the 2012/13 Council Tax levels.

In presenting the proposals, Councillor Mrs Pengelly referred to –

- (a) the achievements of the Council in the past year in the light of the economic downturn, reduced funding, reducing income and increasing demand for some services;
- (b) the proposals that would deliver the necessary savings, prioritise front line services to customers, had the needs of the families at its heart and focused on delivering Plymouth's priorities;
- (c) future investments that included -
 - £1.5m new homes bonus funding for growth;
 - £168m regeneration in North Prospect;
 - £3.1m investment in Operation Upgrade to improve roads and surfaces, in particular to tackle the city's pot hole problem;
- (d) plans for a new materials recycling facility;
- (e) consideration being given to an application for grant for weekly bin collections to support new initiatives around glass and garden waste collection;
- (f) an early intervention grant of £12m to support vulnerable families and children;

- (g) apprenticeships being offered by the Council in response to worklessness;
- (h) the completion of the Plymouth Life Centre;
- (j) plans for the North Prospect library;
- (j) £6m of health social care funding to continue the adult social care transformation;
- (k) the development of the customer contact centre to provide a single point of contact;
- (l) the capital programme investment of £173m in the city to include -
 - improving roads,
 - a major transport programme to improve walking, cycling and bus links between the east and the west of the city;
 - the launch of a pilot glass collection scheme;
 - the refurbishment of the Armada Way toilets
 - the refurbishment of key parts of the waterfront such as West Hoe Pier and Smeaton's Tower

Councillor Evans responded and indicated that -

- (m) the achievements listed by the Leader had been funded by the former Labour government;
- (n) the Conservative government had reduced money for schools;
- (o) a report had been recently published indicating that children in academies performed less well than in local authority maintained schools;
- (p) he was concerned about children leaving school as the Leader had not addressed jobs or prospects for future other than the employment of apprentices by the Council;
- (q) 17 per cent of the retail centre was empty and that growth should be the top priority for the city;
- (r) recycling was no longer a priority in Plymouth, recycling figures were not published at Council tips and the Council was going to import rubbish and burn it at Devonport;
- (s) with regard to roads a change of approach was required. There would be increased lorry movements carrying waste and operation upgrade had been necessary as a result of neglect in previous years;
- (t) the £12m early intervention grant was not new money for vulnerable families and children;

- (u) the funding for the North Prospect regeneration had been achieved by the former Labour Council;
- (v) there would be a series of consequences arising from the impact of the welfare reform changes with costs for the local authority;
- (w) the freeze on the Council tax was supported but the money would be used differently if the Labour Group were in control of the Council.

Councillor Evans moved and Councillor Lowry seconded an amendment to add a further bullet point to recommendation (5) in the officer's report –

'the Leader from 2012/13 is recommended to reduce the number of cabinet members from ten to eight, achieving a saving of £51,000 in a full year, that saving to be used to create a community economic development trust for the benefit of the St Budeaux, Budshead, Southway and Honicknowle wards'

During the debate on the amendment, the following issues were raised –

- (x) with the changes to the delivery of services and the reduced senior management team, the remaining services could be delivered by eight Cabinet Members;
- (y) the impact of the Wolseley and Millfields Community Economic Development Trusts on aspiration;
- (z) that people were losing jobs and needed immediate assistance;
- (aa) the Leader would make the decision on Cabinet Members, following the elections in May 2012;
- (bb) it was hoped that Plymouth would gain private sector jobs as the city had bucked the downward trend in the last unemployment figures.

During the debate, the Lord Mayor reminded Councillor Lock about his behaviour and the Lord Mayor accepted an apology from Councillor Lock.

In response to a query, the Assistant Director for Democracy and Governance advised that the decision about the number of Cabinet Members was for the Leader to take but that it was in order for the Council to make a recommendation to the Leader.

Following a vote, the amendment was lost.

The debate continued on the main motion and the following issues were raised -

- (cc) the lack of financial data provided to councillors leading to a lack of confidence with the proposals;

- (dd) the need for additional funding to address the health inequality gap. Councillors were advised that representations had been made to government in relation to funding for public health;
- (ee) the work undertaken and current position on apprenticeships in the City Council. Councillor James undertook to provide Councillor Evans with a copy of the briefing note he had received from Mark Grimley (Assistant Director for Human Resources and Organisational Development);
- (ff) the increases in the recycling rates, the reductions in waste and the best customer satisfaction levels for waste collection;
- (gg) a proposal to designate part of Central Park as the Queen Elizabeth II fields;
- (hh) the lack of provision in the budget to address the consequences from the welfare reforms;
- (ii) the recommendations of the Overview and Scrutiny Management Board following scrutiny of the corporate plan and the budget, which were not accepted by Cabinet;
- (jj) the Council had funded the change in the shape of the authority whilst funding reductions in spending and service improvements;;
- (kk) it was felt that there was no commitment by the Council to the wording in the corporate plan.

The Leader in summing up the proposal, thanked all the directors and finance officers for their hard work during the year and specifically referred to Malcolm Coe (Assistant Director for Finance, Technology, Assets and Efficiencies), David Northey (Head of Finance) and Chris Randall (Finance Client Manager (Capital and Major Projects)).

Following a vote, it was agreed –

Corporate Plan 2012 - 2015

- (1) to adopt the Corporate Plan 2012 -2015 subject to agreement on any minor amendments and editorial design changes being delegated to Chief Executive in consultation with the Leader and to reflect the final approved budget;

Revenue and capital budget and Council Tax

- (2) that for the current year, the net 'one-off' receipt of £1.6m from Her Majesty's Revenue and Customs from VAT overpayment is transferred to the redundancy reserve, subject to the final outturn position for 2011/12;
- (3) to approve the new capital schemes for investment amounting to £0.056m in 2011/12 and £2.026m for future years as set out in Cabinet minute 117a;

- (4) to approve the four year capital programme (2011/12 – 2014/15) of £173.461m, which includes an additional £0.400m from Sustrans;
- (5) to approve the proposed net revenue budget requirement for 2012/13 of £203.766m, including –
- a transfer of £0.8m from the waste management reserve to meet additional costs of landfill tax and increased gate fees; and
 - the additional allocation of New Homes Bonus and Early Intervention Grants to be passported to Place and People respectively, as this reflects the Council’s priorities;
 - a third and fourth tier management review to deliver full year savings of £0.800m per annum;
 - savings to be delivered by the Place and People Directorates in relation to the transfer of services to both the Customer Centre and Transaction Centre to deliver full year savings of £0.300m per annum, allocated £0.150m to each directorate;
- (6) to freeze the 2012/13 Council tax and accept the one-off Council tax freeze grant of £2.398m;
- (7) that it is noted that on 13 December 2011, the Cabinet calculated the Council Tax Base 2012/13 for the whole Council area as 77,271 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the “Act”)];
- (8) to calculate that the **Council Tax requirement** for the Council’s own purposes for 2012/13 is £96,176,896;
- (9) that the following amounts are calculated for the year 2012/13 in accordance with Sections 31 to 36 of the Act:
- (a) £557,771,550 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act (**Gross Expenditure and Transfers to Reserves**);
 - (b) £461,594,654 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act (**Gross Income and Transfers to Reserves**);
 - (c) £96,176,896 being the amount by which the aggregate at 9(a) above exceeds the aggregate at 9(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its **Council Tax requirement** for the year. (Item R in the formula in section 31B of the Act);

(d) £1244.67 being the amount at 9(c) above (Item R), all divided by Item T (7 above), calculated by the Council, in accordance with Section 31B of the Act, as the **basic amount of its Council Tax** for the year;

(10) to note that the Police Authority and the Fire and Rescue Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the tables below;

(11) that the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2012/13 for each part of its area and for each of the categories of dwellings –

Plymouth City Council

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
829.78	968.08	1106.37	1244.67	1521.26	1797.86	2074.45	2489.34

Devon and Cornwall Police Authority

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
106.49	124.23	141.98	159.73	195.23	230.72	266.22	319.46

Devon and Somerset Fire Authority

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
£49.28	£57.49	£65.71	£73.92	£90.35	£106.77	£123.20	£147.84

Aggregate of Council Tax Requirements

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
985.55	1149.80	1314.06	1478.32	1806.84	2135.35	2463.87	2956.64

(12) that having considered the principles approved by the House of Commons on the 8 February 2012 under 52ZB of the Act, the Council's relevant basic amount of Council tax for 2012/13 is not excessive;

Treasury Management Strategy Statement and Annual Investment Strategy 2012/13

(13) to approve the Treasury Management Policy Statement as submitted in Appendix A (to the written report referred to in appendix J);

- (14) to approve the Treasury Management Strategy Statement for 2012/13;
- (15) to approve the Investment Strategy for 2012/13 as set out in Sections 8 and 9 of the written report including the use of specified and non-specified investments;
- (16) to approve the lending organisations and counterparty limits as set out in Appendix D (to the written report referred to in appendix J);
- (17) to approve the prudential indicators as set out in the written report covering the revised indicators/limits for 2011/12 and the forecasts/limits for 2012/13 to 2014/15;
- (18) to approve the authorised borrowing limits of £309m, £284m and £274m for the period 2012/13 to 2014/15;
- (19) to approve the operational boundary of £279m, £268m and £259m for 2012/13 to 2014/15;
- (20) to approve the minimum revenue provision for debt redemption policy for 2012/13.