

# City Council

Monday 24 February 2014

## PRESENT:

Deputy Lord Mayor, Councillor Churchill, Vice Chair in the Chair.

Councillor K Foster, Vice Chair.

Councillors Mrs Aspinall, Ball, Mrs Beer, Bowie, Bowyer, Mrs Bowyer, Coker, Damarell, Darcy, Philippa Davey, Sam Davey, Mrs Dolan, Drean, Evans, Mrs Foster, Fox, Fry, Gordon, Haydon, James, Jarvis, Jordan, Michael Leaves, Sam Leaves, Lowry, Dr. Mahony, McDonald, Monahan, Morris, Murphy, Mrs Nelder, Nicholson, Mrs Nicholson, Parker, Penberthy, Rennie, Ricketts, Dr. Salter, Singh, John Smith, Peter Smith, Stark, Stevens, Jon Taylor, Tuffin, Tuohy, Vincent, Wheeler, Wiggins, Williams and Wright.

Also in attendance: Tracey Lee (Chief Executive), Tim Howes (Assistant Director for Law, Democracy and Governance), Nicola Kirby and Helen Wright (Democratic Support).

Apologies for absence: The Lord Mayor (Councillor Mrs Pengelly) and Councillors Casey, Martin Leaves and Kate Taylor.

The meeting started at 2.00 pm and finished at 5.25 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.*

### 93. THE LATE IAN PENGELLY

The Deputy Lord Mayor reported that the Lord Mayor's husband, Ian Pengelly, had sadly passed away last week and the Council joined with him in sending their deepest sympathy to the Lord Mayor, Councillor Mrs Pengelly, and her family at this difficult time.

He also reminded councillors of the arrangements for the funeral which was being held tomorrow, 25 February 2014.

### 94. VICE CHAIR FOR THE MEETING

In the absence of the Lord Mayor,

Agreed that Councillor K Foster is appointed Vice Chair for this meeting.

### 95. MINUTES

Agreed that the minutes of the meeting held on 27 January 2014 are confirmed.

96. **DECLARATIONS OF INTEREST**

The following declarations of interest were made in accordance with the code of conduct from councillors in relation to minute 100 on Delivering the Co-operative Vision within a Three Year Sustainable Balanced Budget and Proposed Council Tax Levels 2014/15, which was under consideration at this meeting –

<b>Councillor</b>	<b>Interest</b>	<b>Reason</b>
Councillor Mrs Beer	Private	Employee of Devon and Cornwall Police
Councillor Sam Leaves	Private	Employee of the NEW Devon Clinical Commissioning Group
Councillor Stevens	Private	Employee of Devon and Cornwall Police
Councillor Jon Taylor	Private	Employee of the NEW Devon Clinical Commissioning Group

97. **ANNOUNCEMENTS**

Councillor Vincent (Cabinet Member for Environment) reported that the Core Strategy had provided the Council with a target to designate 100 hectares of land as new local nature reserves by 2016. To date the Council had designated 123.4 hectares and following agreement with Natural England, a report would be submitted to Cabinet on 25 March 2014 to designate a further 75 hectares bringing the total in the city to 255 hectares. Cabinet would be asked to designate two new local nature reserves at Ham Woods and Radford Woods and to extend the Efford Local Nature Reserve.

98. **TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE INCOME STRATEGY AND REVENUE AND CAPITAL BUDGET 2014/15**

Councillor Coker (Cabinet Member for Transport) presented the Cabinet recommendations on the Tamar Bridge and Torpoint Ferry Joint Committee Income Strategy and Revenue and Capital Budget (Cabinet minute 105 referred).

The Cabinet report, which appended the report to the Tamar Bridge and Torpoint Ferry Joint Committee, was also submitted.

Councillor Wheeler (Joint Chair of the Tamar Bridge and Torpoint Ferry Joint Committee) seconded the proposals.

Agreed -

- (1) that a monthly account fee of 80p per month is applied to all TamarTag accounts with effect from 1 April 2014;

- (2) the proposed Tamar Bridge and Torpoint Ferry revenue budget for 2014/15 as set out in Appendix 2 of the Cabinet report;
- (3) the proposed Tamar Bridge and Torpoint Ferry capital programme as set out in Appendix 2 of the Cabinet report; and
- (4) that the longer term revenue forecast to 2017/18 is noted, as set out in Appendix 2 Cabinet report.

## **DELIVERING THE CO-OPERATIVE VISION WITHIN A THREE YEAR SUSTAINABLE BALANCED BUDGET AND PROPOSED COUNCIL TAX LEVELS**

### **99. Length of Debate for the Leader and the 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 by Councillor Bowyer and following a vote, it was agreed.

### **100. Updated Report on Delivering the Co-operative Vision within a Three Year Sustainable Balanced Budget and Proposed Council Tax Levels 2014/15**

The Chief Executive submitted a written report updating members following the Cabinet meeting on 11 February 2014, on Delivering the Co-operative Vision within a Three Year Sustainable Balanced Budget and Proposed Council Tax Levels 2014/15.

The City Council also considered -

- (a) the draft Co-operative Council Finance Plan 2014 – 2017;
- (b) Cabinet minute 106 (of 11 February 2014) and the Cabinet report on delivering the co-operative vision within a three year sustainable balanced budget;
- (c) Cabinet minute 102 (of 11 February 2014) on the Scrutiny Report following scrutiny of the delivery the co-operative vision within a three year sustainable balanced budget including Cabinet's response to the recommendations and the Scrutiny Report;
- (d) Cabinet minute 107 (of 11 February 2014) on the Treasury Management Strategy and Annual Investment Strategy.

Councillor Evans (Council Leader) –

- (e) expressed concern that the Devon and Somerset Fire and Rescue Authority were meeting to agree their precept on the same day as the City Council to set the Council Tax and asked the Chief Executive to write to the authority to try and prevent similar circumstances in future years;
- (f) asked that recorded votes were taken on any amendments to and the final decision on the budget and Council Tax rates;
- (g) moved the recommendations in the written report of the Chief Executive to the City Council, including the 2014/15 Council Tax rates.

In presenting the proposals, Councillor Evans referred to –

- (h) the scale of the cuts made by the Coalition Government which had resulted in a real terms funding reduction of nine point five per cent (9.5%) amounting to £12m;
- (i) the Council's reduction in costs of over £30m in the last three years and the need to reduce costs by a further £33m over the next three years;
- (j) the projected shortfall of £64.5m over three years;
- (k) the proposal to set an indicative three year budget for the first time, from 2014/15 to 2017;
- (l) the three year transformation programme to provide a fundamental rethink about how services were provided, joining services up with partners and running services in new ways;
- (m) the initiatives to deliver growth including -
  - investing in jobs with the Plan for Jobs;
  - supporting new homes with the Plan for Homes, the Get Plymouth Building programme and the affordable housing loan facility;
  - the Plymouth and South West Peninsula City Deal;
  - the Council's commitment to roads with £2m extra each year for ongoing road resurfacing;
- (n) the Council's priority to be a caring city, to promote a fairer, more equal city by investing in communities, putting citizens at the heart of decision making, promoting independence and reducing health and social inequality;
- (o) the adult social services gross budget of £90m with £77m dedicated to care packages;

- (p) the budget of £26m for children's social care services next year with the majority being spent on placements in foster care and residential and secure placements. He also thanked all the Council's foster carers for the incredible work that they did on a daily basis;
- (q) the 80 per cent of the city's schools rated good or outstanding by Ofsted. The Council would be spending £18m on services to schools and £5m on youth services, in addition to the dedicated schools' grant that would go direct to schools;
- (r) his determination to tackle public health and underfunding issues to improve the health of Plymouth's residents;
- (s) the Council's need to be pioneering with the transformation of the way the Council provided services to customers and making it easier for them to contact the Council, with a single point of contact;
- (t) his aim to reduce the current spend of £9.3m on environmental services however remaining committed to weekly bin collections;
- (u) further rationalisation of corporate services in order to protect front line services;
- (v) the work undertaken to create a confident city, with a cultural offer, including -
  - the launch of the Britain's Ocean City branding;
  - plans for a Plymouth History Centre;
  - plans for the Mayflower 2020 anniversary;
- (w) the proposed capital programme of £208m to March 2017;
- (x) major investments -
  - to attract new businesses to Plymouth such as £2.5m in employment units at Langage;
  - for improvements to the transport infrastructure and road network such as the £1.5m Marjon link road;
  - in two new schools, including £5m for a new Knowle Primary School;
- (y) the completion of 87 manifesto commitments;
- (z) the work of the Finance officers and the Cabinet, in particular Councillor Lowry, and he thanked them all for their hard work;
- (aa) the proposed revenue budget of £205m, four year capital budget of £208m with a gross budget of £553m;

- (bb) the proposed Council Tax increase of one point nine nine per cent (1.99%).

The proposal was seconded by Councillor Peter Smith.

Councillor Lowry moved, and Councillor Stevens seconded, the following amendment –

‘To add a new recommendation (8) as follows and renumber the subsequent recommendations accordingly -

- (8) to agree a £5 million contribution from the capital budget of £207,670m, towards the first phase development of a marine industries production campus at South Yard, Devonport Naval Base as part of the £65 million project to create 1,600 marine industry jobs and new homes following the recently approved City Deal;

To amend current recommendation (8) (proposed recommendation (9)) to read as follows (new wording is underlined) -

- (9) to give delegated authority to the Leader, in consultation with the Cabinet Member for Finance and relevant portfolio holder, to commit to the following capital proposals (or any substitute proposals), including key decisions, within the overall affordability envelope, based on sound business cases -
  - (a) the City Council owns significant land holdings across the city in industrial areas. We will commit an investment of £2.5 million to one of those employment sites (subject to a robust business case) to deliver circa 20,000 square feet of new employment accommodation targeted at business start-ups and SME’s creating new jobs and business opportunities in the city;
  - (b) to make financial provision to support the regeneration of the city centre. A fund will be set aside to support mixed use development opportunities within the city centre. This will recognise and provide the opportunity to address challenges that areas such as the West End face; reshaping the city centre to meet modern day living and life styles. Opportunities to bring forward a range of uses that support a more mixed and broader offer such as residential, business and leisure uses will be supported. We will do this working in partnership with the private sector to bring forward stalled schemes / development sites, creating jobs and promoting alternative uses.’

During the debate, issues were raised about the lack of figures in the proposal and Councillor Lowry responded that the limits would be set by the budget agreed at the meeting and that the decisions referred to in the amendment would be signed off by the section 151 Officer (Assistant Director for Finance) and set out in monitoring reports submitted to the Co-operative Scrutiny Board.

Following the debate and a request from ten councillors for a recorded vote, there voted –

For the amendment (30)

*Councillors Mrs Aspinall, Bowie, Coker, Damarell, P. Davey, S Davey, Evans, Fox, Gordon, Haydon, Jarvis, Lowry, McDonald, Morris, Murphy, Mrs Nelder, Parker, Penberthy, Rennie, Singh, J. Smith, P. Smith, Stevens, J. Taylor, Tuffin, Tuohy, Vincent, Wheeler, Williams and Wright.*

Against the amendment (0)

Abstentions (21)

*Councillors Ball, Mrs Beer, Bowyer, Mrs Bowyer, Darcy, Mrs Dolan, Drean, Foster, Mrs Foster, James, Jordan, Michael Leaves, Sam Leaves, Dr Mahony, Monahan, Mrs Nicholson, Ricketts, Dr Salter, Stark and Wiggins.*

*Deputy Lord Mayor (Chair)*

The following members were absent (6)

*Councillors Casey, Fry, Martin Leaves, Nicholson, Mrs Pengelly (Lord Mayor) and K Taylor.*

The Deputy Lord Mayor reported that the amendment was agreed.

Councillor Bowyer responded to the main motion, as amended, and referred to –

- (cc) the lack of certainty on the savings to accrue from the transformation programme, the absence of a business case and risk register;
- (dd) the lack of information provided to scrutiny on transformation;
- (ee) the continuing use of the Council's reserves;
- (ff) the refusal of government money to freeze the Council Tax;
- (gg) the evidence from scrutiny that working relations with partners were not what the Council had hoped;
- (hh) the lack of detail, the lack of credibility with the transformation programme, the uncertainty on the level of the redundancy reserve required and the use of reserves to balance the budget which made it, in his opinion, an unsafe budget.

During the debate, the following additional issues were raised –

- (ii) further information had not been provided to members of the Co-operative Scrutiny Board as requested during the budget scrutiny;
- (jj) support packages had not been identified for staff;
- (kk) no funding had been identified to meet costs of agency backfilling;
- (ll) the lack of openness and transparency;
- (mm) that the transformation costs represented less than half a per cent of the budget and that a cautious approach had been taken with regard to figures as the outcome was reliant on partners;
- (nn) a revised risk register was included in the papers presented;
- (oo) that Councillors Bowyer and James were members of the Transformation Advisory Group and had had access to summaries of the outline business cases and would receive the business plans in due course;
- (pp) that the papers provided lacked the detail presented by Devon County Council to their councillors;
- (qq) that monthly monitoring reports were provided now in place of the previous quarterly reports.

Following the debate, a recorded vote was taken and there voted –

For the motion, as amended (30)

*Councillors Mrs Aspinall, Bowie, Coker, Damarell, P. Davey, S Davey, Evans, Fox, Gordon, Haydon, Jarvis, Lowry, McDonald, Morris, Murphy, Mrs Nelder, Parker, Penberthy, Rennie, Singh, J. Smith, P. Smith, Stevens, J. Taylor, Tuffin, Tuohy, Vincent, Wheeler, Williams and Wright.*

Against the amendment (0)

Abstentions (23)

*Councillors Ball, Mrs Beer, Bowyer, Mrs Bowyer, Darcy, Mrs Dolan, Drean, Foster, Mrs Foster, Fry, James, Jordan, Michael Leaves, Sam Leaves, Dr Mahony, Monahan, Nicholson, Mrs Nicholson, Ricketts, Dr Salter, Stark and Wiggins.*

*Deputy Lord Mayor (Chair)*

The following members were absent (4)

*Councillors Casey, Martin Leaves, Mrs Pengelly (Lord Mayor) and K Taylor.*



The Council agreed the Leader's proposal to write to the Devon and Somerset Fire and Rescue Authority about future dates of precept meetings and also supported the thanks to all those mentioned by the Leader.

The Assistant Director for Law, Democracy and Governance advised members that as the Council had amended the recommendations of Cabinet, the decision would be an 'in principle' decision unless the Leader waived his right to object to the amendment.

The Leader indicated that he wished to waive his right to object.

Agreed -

- (1) to adopt the "Co-operative Council Finance Plan 2014 to 2017 and its implications on the revenue and capital budget.
- (2) to agree that an additional allocation of £0.500m is added to the staff pay contingency for 2014/15;
- (3) to agree that the revenue contingency of £1.300m in the 2013/14 base budget is reduced to £1.000m for 2014/15;
- (4) to agree that additional resources as determined through the December 2013 settlement are deployed to the 2014/15 revenue budget as required (and detailed in the written report);
- (5) to approve an increase of one point nine nine per cent (1.99%) in Council Tax for 2014/15;
- (6) to approve the proposed net revenue budget requirement for 2014/15 of £204.680m;
- (7) to approve the total capital budget of £207.670m for 2013 to 2017. Any changes to the overall capital funding available to be sanctioned by the Council's Section 151 Officer;
- (8) to agree a £5 million contribution from the capital budget of £207,670m, towards the first phase development of a marine industries production campus at South Yard, Devonport Naval Base as part of the £65 million project to create 1,600 marine industry jobs and new homes following the recently approved City Deal;
- (9) to give delegated authority to the Leader, in consultation with the Cabinet Member for Finance and relevant portfolio holder, to commit to the following capital proposals (or any substitute proposals), including key decisions, within the overall affordability envelope, based on sound business cases –

- (a) the City Council owns significant land holdings across the city in industrial areas and will commit an investment of £2.5 million to one of those employment sites (subject to a robust business case) to deliver circa 20,000 square feet of new employment accommodation targeted at business start-ups and SME's creating new jobs and business opportunities in the city;
  - (b) to make financial provision to support the regeneration of the city centre. A fund will be set aside to support mixed use development opportunities within the city centre. This will recognise and provide the opportunity to address challenges that areas such as the West End face; reshaping the city centre to meet modern day living and life styles. Opportunities to bring forward a range of uses that support a more mixed and broader offer such as residential, business and leisure uses will be supported. We will do this working in partnership with the private sector to bring forward stalled schemes / development sites, creating jobs and promoting alternative uses;
- (10) to agree that all newly approved capital schemes are incorporated within regular public finance reporting;
- (11) using the Council tax base for 2014/15 as 67066.0 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]; to agree that the **Council tax requirement** for the Council's own purposes for 2014/15 is £86,837,999;
- (12) to agree that the following amounts are calculated for the year 2014/15 in accordance with Sections 31 to 36 of the Act:
- (a) £554,486,577 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) £467,648,578 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 from Reserves);**
  - (c) £86,837,999 being the amount by which the aggregate at 12(a) above exceeds the aggregate at 12(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) £1,294.81 being the amount at 12(c) above (Item R), all divided by Item T (11 above), calculated by the Council, in accordance with Section 31B of the Act, as the **basic amount of its Council tax** for the year;

- (13) to note that the office of the Devon and Cornwall and Isles of Scilly Police Commissioner has 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. These are included in the tables below, reflecting a one point nine nine per cent (1.99%) increase;
- (14) to note that the Devon and Somerset Fire and Rescue Authority has 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. These are included in the tables below, showing a proposed one point nine nine per cent (1.99%) increase.
- (15) in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, to set the indicative aggregate amounts shown in the tables below as the amounts of Council Tax for 2014/15 for each part of its area and for each of the categories of dwellings -

**Plymouth City Council after one point nine nine per cent (1.99%) increase**

A	B	C	D
£863.21	£1,007.07	£1,150.94	£1,294.81

E	F	G	H
£1,582.55	£1,870.28	£2,158.02	£2,589.62

**Devon and Cornwall Police and Crime Commissioner after one point nine nine per cent (1.99%) increase**

A	B	C	D
£110.77	£129.24	£147.70	£166.16

E	F	G	H
£203.08	£240.01	£276.93	£332.32

**Devon and Somerset Fire Authority after one point nine nine per cent (1.99%) increase**

A	B	C	D
£51.26	£59.81	£68.34	£76.89

E	F	G	H
£93.97	£111.07	£128.15	£153.78

### Aggregate of Council Tax Requirements 2014/15

A	B	C	D
£1,025.24	£1,196.12	£1,366.98	£1,537.86

E	F	G	H
£1,879.60	£2,221.36	£2,563.10	£3,075.72

- (16) that in accordance with the principles approved under 52ZB of the Local Government Finance Act 1992, the Council's relevant basic amount of council tax for 2014/15 is not more than two per cent (2%) higher than the relevant basic amount of council tax for 2013/14 and that it is therefore determined that the Council's relevant basic amount of Council Tax for 2014/15 is not excessive and for this reason a referendum will not be required;
- (17) to agree the annual Treasury Management Strategy and Annual Investment Strategy 2014/15 (incorporating the authorised limits, operational boundaries and prudential indicators) as submitted.

#### 101. **CONSIDERATION OF THE MOTION ON RAIL ISSUES**

The Leader sought approval under Article 14 to suspend the rules of procedure (Council procedure rule 5.2) to allow a debate on a motion concerning rail issues following damage to the arterial line.

The proposal was seconded by Councillor Bowyer and following a vote, it was agreed.

#### 102. **MOTION ON RAIL ISSUES FOLLOWING DAMAGE TO THE ARTERIAL RAIL LINE**

Councillor Evans moved and Councillor Bowyer seconded the following motion, with the corrections indicated –

'This Council notes that:

- Recent events have again highlighted the inadequacies of the South West Peninsula rail network.
- The South West is "**Connectivity Poor**" with longer direct journey times than most other areas of the country which are a similar distance from London.
- The extreme weather events of the last two years and the resulting disruption to services, has demonstrated that the far south west is also "**resilience weak**".

- The economic impact, based on previous events and our current economic analysis, when the road and rail infrastructure shut down for ten days in 2012 was estimated to be that Devon and Cornwall took a hit of £20 million per day. An on-going survey of Plymouth businesses will reveal the current impacts of the rail closure next week, with £4-5 million being predicted as the direct daily consequence on the Plymouth economy.
- The network is not fit for purpose for Plymouth as the 15<sup>th</sup> largest city in England with an ambitious growth agenda and which is delivering a City Deal. We are founding members of the Key Cities Group and are committed to ambitious regeneration plans to grow the city to over 300,000 by 2031.
- The commitment to complete a rail study needs to extend to a commitment to act on the outcomes of the study and the delivery of an additional route (known as the Dawlish Avoiding Line or GW2) to serve Plymouth, Torbay and Cornwall **and the parts of Devon**, west of Exeter.
- All government agencies should be working co-operatively together to deliver the objectives of faster trains to the south west and a more resilient rail network overall: as opposed to agency-specific solutions that seek to protect some population centres whilst potentially prejudicing long-term rail resilience into the south west.

This Council believes that it is vital for -

- a reliable and resilient railway that is able to meet the needs of Plymouth's and the wider peninsula economy.
- increased train capacity to cater for the increasing demand for rail travel.
- better connectivity with the rest of the UK through faster trains and higher frequencies.

Plymouth City Council agrees to –

- (1) call on the Prime Minister to expedite the study into the delivery of a fast and resilient additional rail connection to the south west and Plymouth and for this to be completed and published before the end of 2014.
- (2) call on the Prime Minister to instruct the Department of Transport to immediately put Plymouth on the Department for Transport Strategic National Corridor.
- (3) call on all residents across the peninsula to write to their MP to get them to support the provision of fast and reliable trains to the south west and for them to attend the parliamentary meeting of the **Peninsula Rail Task Force Rail Resilience Task Group** on 25 February 2014.

- (4) call on the Department for Transport to work with Network Rail, Train Operators, local authorities and the Local Enterprise Partnerships on a package of infrastructure improvements and options for increasing rolling stock capacity for the medium term.
- (5) call on the Department of Transport to make a firm commitment to complete feasibility and groundwork with a commitment to extending a rolling programme of electrification from 2020 that serves the entire South West Peninsula.'

During the debate the following additional issues were raised –

- (a) that the Leader and the Chief Executive would be making the case for the South West Peninsula at the Transport Select Committee on 25 February 2014;
- (b) that government agencies were not currently working together to resolve the rail issues in the light of recent and potential flooding and storms;
- (c) the need for a single minister to be appointed to lead on this issue;
- (d) the lack of action following previous motions and discussions with government on the continuing poor rail connection;
- (e) the impact of signalling on journey speeds;
- (f) the impact of flooding outside of the south west (Maidenhead) on the only rail connection to Plymouth;
- (g) the impact of the loss of service on families of and armed forces personnel;
- (h) the need for a champion in government to promote the interests of the south west;
- (i) that representations should be made direct to the Prime Minister as well as to Ministers.

The Leader responded that he would be asking for a Minister for Rail Resilience to lead on the issues affecting the south west peninsula and would also be seeking a commitment on investment and timings.

Following a vote, the motion was agreed with the corrections indicated.