

Council (Budget)

Minutes of Proceedings

At the **Extraordinary Meeting of the District Council of Ryedale** held in the **Council Chamber, Ryedale House, Malton** on **Monday 22 February 2010**

Present

Councillors Mrs D E Keal (In the Chair)
 G Acomb
 P J Andrews
 S Arnold NDF MICFor
 Mrs V M Arnold
 J R Bailey
 Mrs L M Burr MBE
 J S Clark
 B G Cottam
 Mrs S Cowan
 Mrs L Cowling
 D E Cussons
 Mrs P J De Wend Fenton
 G E Hawkins
 A E Hemesley OBE
 Mrs M Hodgson
 E Hope
 H L Keal
 B Maud
 J R Raper
 Mrs E L Shields BA MA
 C R Wainwright
 Ms N Warriner MBE
 Mrs J Wilford
 J Windress
 T B Woodward

In Attendance

T Anderson, Ms J Baldwin, Mrs L Carter, P Cresswell, Miss J Waggott and A Winship

Reverend G Sellars

Minutes

84 Bereavement

Councillors observed a minute's silence as a mark of respect in memory of the late Councillor David Jackson, who sadly passed away on the 11 February 2010.

85 Apologies for absence

Apologies for absence were received from Councillors Mrs Frank, Knaggs and Legard.

86 Public Question Time

There were no public questions.

87 Urgent Business

The Chairman reported that there were no items of urgent business to be considered by virtue of Section 100B(4)(b) of the Local Government Act 1972 (as amended).

88 Declarations of Interest

The Chairman sought declarations of interest from Members. Attention was drawn to the additional advice, which had been provided in relation to prejudicial interests and setting the Council's annual budget.

There were no declarations of interest received.

89 Announcements

The Chairman announced that a concert was to be given by the York Gospel Choir on Saturday 27 March 2010 at the Methodist Church, Saville Street, Malton. Tickets cost £8.00 and proceeds were in aid of her Chairman's Charities.

90 Revenue and Capital Budgets and Setting of Council Tax 2010/2011

The Chairman of Council reported on the procedure to be adopted in considering the above item.

It was proposed that the item be dealt with in two separate parts:

- (a) Firstly, consideration of the recommendations in Minute 66 of the Policy & Resources Budget Meeting held on 4 February 2010, together with item 6 paragraph roman numeral I relating to the Council's revenue budget
- (b) Secondly, item 6 paragraphs roman numerals II to V relating to the requisite calculations and the setting of Council Tax.

1. It was moved by Councillor Wainwright, Chairman of the Policy & Resources Committee, and seconded by Councillor Mrs Cowling that the recommendations (i) to (iv) in minute no. 66 (Financial Strategy 2010/2011) of the Budget Policy & Resources Committee meeting held on 4 February 2010 be approved and adopted, and the adoption of the budget recommendation under paragraph roman numeral 1 of item 6 on the agenda.

An amendment was moved by Councillor Keal and seconded by Councillor Mrs De Wend Fenton that:

“Savings and efficiencies totalling £298,000 are to be achieved as indicated subject to the withdrawal of the proposed cut in funding of the Festival of Fun.

The move to be funded by:

- £5000 additional grant income identified in the budget
- £5000 saved by using reserves from the ICE fund to provide the contribution to North Yorkshire Credit Union
- A further £3000 saved by Members abandoning the provision of meals or sandwiches before Council meetings in line with the recommendation of the Policy & Resources Committee.

Members requested that a recorded vote be taken on the amendment.

Recorded Vote

In favour of the amendment

Councillors Andrews, Mrs Burr, Clark, Mrs Cowan, Mrs De Wend Fenton, Mrs Hodgson, Mrs Keal, Keal, Maud, Mrs Shields, Ms Warriner, Mrs Wilford, Woodward (13)

Against the amendment

Councillors Acomb, Arnold, Mrs Arnold, Bailey, Cottam, Mrs Cowling, Cussons, Hawkins, Hemesley, Hope, Raper, Wainwright, Windress (13)

Upon the Chairman's casting vote the amendment was carried.

NB In accordance with the Members' Code of Conduct, Councillors Wainwright and Mrs De Wend Fenton declared personal interests in the above item as

trustees of Ryedale Voluntary Action. Councillor Mrs Wilford declared a personal interest as her husband is in charge of the Brooklyn Centre, and Councillors Clark and Mrs Arnold declared personal interests as members of the North Yorkshire County Council.

An amendment was moved by Councillor Clark and seconded by Councillor Woodward that the Leader of the Council's allowance of £3000 be deleted.

Upon being put to the vote the amendment was lost.

An amendment was proposed by Councillor Clark and seconded by Councillor Woodward to:

- reduce the Chairman's allowance by £5820
- reduce Chairman's travel by £5000
- delete the Vice Chairman's allowance of £1180
- delete Civic hospitality of £3850,

resulting in savings of £15,800.

Members requested that a recorded vote be taken on the proposed amendment.

Recorded vote

In favour of the amendment

Councillors Clark, Mrs Cowan and Woodward (3)

Against the amendment

Councillors Acomb, Andrews, Arnold, Mrs Arnold, Bailey, Mrs Burr, Cottam, Mrs Cowling, Cussons, Mrs De Wend Fenton, Hawkins, Mrs Hodgson, Hope, Maud, Raper, Mrs Shields, Wainwright, Ms Warriner, Mrs Wilford, Windress (20)

Abstentions

Councillors Hemesley, Mrs Keal and Keal (3)

The amendment was lost.

An amendment was moved by Councillor Clark and seconded by Councillor Woodward "that a part-time post of dedicated Scrutiny Officer be created".

The Chief Executive reported that discussions had taken place with the Chairmen of the Overview & Scrutiny and Policy & Resources Committees and that some support for the Overview & Scrutiny Committee was to be provided from existing resources from May 2010.

An amendment was moved by Councillor Clark and seconded by Councillor Woodward that £100,000 to £150,000 be provided to support the Tourism Partnership so as to enable the Tourism Partnership and Tourist Information Centres to achieve financial independence by 2012/2013.

The Chairman reminded Members that, in proposing an increase or decrease in any expenditure, Members should identify the implications of that increase or decrease on the remainder of the budget. Councillor Clark proposed that the funding be provided from the Council's reserves. Councillor Clark reminded Members that he had raised the matter at the Budget meeting of the Policy & Resources Committee held on 4 February 2010. The Corporate Director (s151) reported that in his role of Section 151 Officer he must be in a position to pass comment on the robustness of the proposal and sought clarification as to which of the Council's reserves was to provide the funding. Councillor Clark withdrew the proposed amendment.

An amendment was moved by Councillor Clark and seconded by Councillor Woodward that:

"The Heads of Service Layer of Management be removed to produce a saving of £300,000. £150,000 saving in 2010/2011".

Members were reminded that, in accordance with the Council Constitution paragraph 11.01 (Management Structure) (d) this was a matter for the Head of Paid Service, not Members of the Council, to determine. Any such proposal would need an evaluation of the financial implications. In the event that the motion was carried, the Council would be in breach of its Constitution.

It was moved, seconded and agreed that the matter now be put. Upon being put to the vote the amendment was lost.

The recommendations in Minute No. 66 of the Policy & Resources Committee held on 4 February 2010 and the adoption of the budget recommendations under paragraph roman numeral 1 of item 6 on the agenda as amended, were put to the vote as the substantive motion

Resolved

A That, subject to it being noted that (c) Savings and efficiencies be amended to £298,000 and that the savings and efficiencies totalling £298,000 are to be achieved as indicated subject to the withdrawal of the proposed cut in funding of the Festival of Fun. The move to be funded by;

- £5000 additional grant income identified in the budget
 - £5000 saved by using reserves from the ICE fund to provide the contribution to North Yorkshire Credit Union
 - A further £3000 saved by Members abandoning the provision of meals or sandwiches before Council meetings in line with the recommendation of the Policy & Resources Committee at its meeting held on 4 February 2010
- (i) The Council's Financial Strategy, detailed at Annex A of the report, subject to the abolition of Members' teas, which includes:

- (a) The prudential indicators
 - (b) The revised Capital Programme
 - (c) Savings/efficiencies totalling £298,000
 - (d) Investment in priorities of £110,000
- (ii) A Revenue Budget for 2010/2011 of £8,280,060, which represents no increase in the Ryedale District Council Tax of £176.72 for a Band D property (note that total Council Tax, including the County Council, Fire and Police is covered within the separate Council Tax setting report)
- (iii) The Special Expenses amounting to £51,980 be approved
- (iv) The Capital Contingency Fund balance of £150,000 be transferred to the General Reserve

B I Budget 2010/2011

That the revised revenue estimates for the year 2009/2010 and the revenue estimates for 2010/2011, as submitted in the Council's Finance Strategy and Revenue Budget 2010/2011 Book be approved (copy enclosed).

2. It was moved by Councillor Wainwright and seconded by Councillor Mrs Cowling that Item 6 parts II, III, IV and V be approved. Upon being put to the vote the motion was carried.

Resolved

II Council Tax Base

That it be noted that, in accordance with Minute No. 363(d)/2005 of the Policy & Resources Committee held on 8 December 2005, which was subsequently approved by Council at its meeting on 12 January 2006, Ryedale District Council has (pursuant to Section 101 of the Local Government Act 1972) delegated responsibility to adopt the council tax base to the Chief Executive and Chief Finance Officer in consultation with the Chairman of the Policy & Resources Committee. The Council calculated the amounts for the year 2009/10 in accordance with regulations made under Section 33 (5) of the Local Government Finance Act 1992 as set out in Annex A.

III District/Parish Council Tax Rates

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 (The Act):

(a) **District/Parish Gross Expenditure**

£33,324,700 being the aggregate of the amounts, which the Council estimates for the items, set out in Sections 32(2) (a) to (e) of the Act.

(b) **Income**

£24,354,180 being the aggregate of the amount, which the Council estimates for the items set out in Sections 32(3)(a) to (c) of the Act.

(c) **District/Parish Net Expenditure**

£8,970,520 being the amount by which the aggregate of 2(a) above exceeds the aggregate of 2(b) above calculated by the Council in accordance with section 32(4) of the Act as its Budget requirement for the year.

(d) **Government Grants and Collection Fund Surpluses** £4,570,347 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, revenue support grant, additional grant or relevant special 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 Regulation 4(7) of the Local Government Changes for England (Collection Fund Surpluses and Deficits) Regulations 1995, and reduced by the amount which the Council estimates will be transferred from its General Fund to its Collection Fund pursuant to the Collection Fund (Council Tax Benefit) (England) Direction under Section 98 (5) of the Local Government Act 1988.

(e) **Basic amount of Tax (including Parish Precepts)**

£209.61 being the amount of 2(c) above less the amount at 2(d) above, all divided by the amount at Part I 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) **Parish Precept and Special Expenses**

£690,460 being the aggregate amount of all special items referred to in Section 34(1) of the Act.

(g) **Basic Amount of Tax (excluding Parish Precepts)**

£176.72 being the amount at 2(e) above less the results given by dividing the amount at 2(f) above by the amount given at Part I 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) **Basic Amount of Tax in Parishes/Towns**

The details for each Parish as shown in Annex B, column headed "Aggregate amount at Band D" being the amounts given by adding to the amount at 2(g) above, 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 Part I 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) **District/Parish Council Tax Rates**

The details as shown in columns "A" to "H" of Annex B, 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 of categories of dwellings listed in different valuation bands.

IV County Council, Police and Fire & Rescue Authority Tax Rates (Provisional)

That it be noted that for the year 2010/11 precepting Authorities have 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:-

BAND	NORTH YORKSHIRE COUNTY COUNCIL	NORTH YORKSHIRE POLICE AUTHORITY	NORTH YORKSHIRE FIRE & RESCUE AUTHORITY

A	704.99	136.37	41.40
B	822.48	159.09	48.30
C	939.98	181.82	55.20
D	1057.48	204.55	62.10
E	1292.48	250.01	75.90
F	1527.47	295.46	89.70
G	1762.47	340.92	103.50
H	2114.96	409.10	124.20

V Total Council Tax Rates

That having calculated the aggregate in each case of the amounts at 2(i) and 3 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the amounts set out in Annex C as the amounts of Council Tax for 2010/11 for each of the categories of dwellings shown.

91 Treasury Management Statement and Annual Investment Strategy Statement 2010/11

The Corporate Director (s151) submitted a report, the purpose of which was to consider the Treasury Management and Annual Investment Strategies, the Minimum Revenue Provision Policy and set the Prudential Indicators for 2010/11.

The CIPFA Code stated that Members would receive reports on its Treasury Management Policies, practices and activities at intervals, to include quarterly statements and an annual strategy together with an annual post year review. The Code had recently been reviewed and the changes for Members to consider for adoption were shown in the report.

The Local Government Act 2003 introduced legislation governing capital investment decisions, emphasis was now placed on Local Authority self regulation, which was governed by the 2003 Prudential Code for Capital Finance in Local Authorities.

The Prudential Code regulated the manner in which capital spending plans were to be considered and approved, and in conjunction with this, the development of an integrated Treasury Management Strategy. The Council was required to set a number of Prudential Indicators, and these were to be considered when determining the Council's Treasury Management Strategy.

The Treasury Management Strategy Statement detailed the expected activities of the Treasury function in the forthcoming financial year. Its production and submission to the Council was a requirement of the Code.

The Local Government Act 2003 also required authorities to produce an Annual Investment Strategy, to be approved by Council. The Strategy to set out the Council's policies for the prudent management of its investments including the security and liquidity of those investments. It detailed the specified and non-specified investment instruments to be used by the Council and any fund manager in 2010/11. Approval was also sought for the specified use of credit ratings and the maximum periods for which funds may be prudently committed in each asset.

The suggested strategies for 2010/11 were based on advice from the Council's treasury advisors, Sector Treasury Services Limited.

Resolved

- (a) That the report be received
- (b) That the revised CIPFA Treasury Management Code of Practice as outlined in Annex B to the report be noted and approved
- (c) That the Treasury Management and Investment Strategies be noted
- (d) That the Prudential Indicators, as set out in Annex F to the report, be approved.

The meeting closed at 9.10pm.