

Norfolk County Council
Minutes of the Meeting Held on 16 February 2009

Present: Mr W Northam in the Chair

Mr A Adams	Mr J Joyce
Mr C Armes	Mrs B Lashley
Mr J Baskerville	Mr C Lloyd Owen
Mr D Baxter	Ms I Macdonald
Mr S Bett	Mr I Mackie
Mr R Blower	Mrs S Matthews
Mrs H Bolt	Ms M McKay
Dr A Boswell	Mrs R Monbiot
Mrs J Brown	Mr I Monson
Mr A Byrne	Mr P Moore
Mr D Callaby	Mr B Morrey
Mr M Carttiss	Mr P Morse
Mrs J Chamberlin	Mr C Mowle
Mr B Collins	Mr S Murphy
Miss E Collishaw	Mr G Nobbs
Mr J Collop	Mrs T Paines
Mr D Cox	Mrs H Panting
Mr S Dunn	Mr J Perry-Warnes
Mrs J Eells	Mr J Pitt-Pladdy
Mrs I Floering-Blackman	Mr A Pond
Mr R Goreham	Mr R Rockcliffe
Mr J Gretton	Mr J Rogers
Mr A Gunson	Mr D Rye
Mrs S Gurney	Mr M Scutter
Mr P Hacon	Mr N Shaw
Mr B Hannah	Mr J Shrimplin
Mrs G Harris	Mr B Spratt
Mr D Harrison	Mr M Taylor
Mr P Harwood	Mr A Tomkinson
Mr G Hemming	Miss J Virgo
Mr J Holmes	Mr T Wainwright
Mr C How	Mr B Walker
Mrs J Howe	Mrs C Walker
Mr C Hull	Mrs C Ward
Mr H Humphrey	Ms S Whitaker
Mrs S Hutson	Mr A White
Mr B Iles	Mr A Williams
Mr C Jordan	Mr A Wright
Mr C Joyce	Mr M Wright

Total present: 79

Apologies:

Apologies for absence were received from Dr B Connell, Mr S Dorrington, Mr T East, Mrs B Hacker and Mrs S Rice.

1. Minutes of previous meetings

The minutes of the meeting held on 19 January 2009 were confirmed as a correct record and signed by the Chairman, subject to the following amendment which was proposed by Dr Boswell, seconded by Mr Scutter and then carried:-

Item 9, Public Question, paragraph 1.2, amend first, second and third sentences of first paragraph to read: "Dr Boswell expressed his disappointment concerning table 5.4 of the Northern Distributor Road (NDR) Business Case Report as he said the table was misleading: he said there were either errors in the spreadsheet or the figures had been calculated in a non-intuitive way. Further, he had evidence from an independent traffic consultant that the benefit cost ratio calculated for the project could not be relied upon. Following a draft letter that Dr Boswell had obtained from GO-East under the Freedom of Information Act, it appeared that Go-East's view was that much greater priority was needed on carbon reduction and complementary sustainable transport measures in the LTP."

2. Chairman's Announcements

Cabinet meeting

The Chairman reminded members that there would be a special Cabinet meeting in the Council Chamber on the rise of Council.

Chairman's Events

On 26th January 2009 the Chairman hosted the sixth Norfolk Waste Partnership Awards ceremony. Around 70 people attended the event which was held in the Archive Centre and was enjoyed and appreciated by all those who attended.

On 27th January at Flitcham Primary School the Chairman was presented to Her Majesty The Queen.

On 3rd February the Chairman opened the Student Careers Convention at the John Innes Centre. It was a very successful event with a keen interest being showed by the many students.

On 12th February, pupils from Sprowston High School visited County Hall for a School Council meeting in the Council Chamber after which the pupils and the teachers joined the Chairman for lunch.

Chairman's 80th Birthday

On behalf of the whole Council, Mr Cox, Chairman of the Cabinet, wished the Chairman a Happy 80th Birthday for today.

3. Declarations of Interest

The following declarations of interest in Item 4 'Budget Proposals 2009/10' were noted:

Mrs J Brown declared an interest in the Children's Services Budget as a Trustee of West Norfolk Carers.

Mr P Hacon declared an interest in both the Fire Service and Adult Social Services Budgets as his sons are employed by the Fire Service and Adult Social Services.

Mr P Harwood declared an interest in the Children's Services Budget as a local member for the Milecross Primary School and as a Governor of Sewell Park College.

Mr J Holmes declared an interest in the Children's Services Budget as he is Chairman of Great Yarmouth & District Homestart.

4. Budget Proposals 2009/10 – recommendations from Cabinet

The annexed report setting out the budget proposals was received.

4.1 The budget recommendations from Cabinet to County Council are set out below. The Leader, Mr Cox, made his budget speech and recommended that the proposed budget be approved. This was seconded by Mr Humphrey.

4.2 During his budget speech Mr Cox also proposed the following to be funded using an additional £627,000 that the County Council expects to receive in the current year from its share of the Local Authority Business Growth Incentive Scheme (LABGI). This money would be used immediately to help Norfolk businesses and citizens through the recession:

- An additional £280,000 to be spent on small building maintenance schemes with work provided by Norfolk based companies. Consideration will also be given to where the authority can accelerate spending on building maintenance in the main programme.
- £200,000 for a two-year programme of support and training for individuals who are made redundant, but who are ineligible for other government support projects. Norfolk Guidance Service will deliver this.
- An extra £125,000 for the Citizens Advice Bureau for additional debt advisors, which is addition to the £350,000 of support already provided by Norfolk County Council.
- £20,000 to help further promote and signpost the wide range of services and advice available in Norfolk to help Norfolk businesses.

OVERALL BUDGET

1. An overall County Council Revenue Budget of £559.936m for 2009-10, including additional costs of £54.949m and budget savings of £31.791m as set out below. (The detailed proposed changes were attached at Appendix A of the report):

2009-10 Revenue Budget	2009-10 Base Budget £m	Additional Costs £m	Savings £m	Base Adjustments £m	Cost Neutral Changes £m	2009-10 Recommended Budget £m
Children's Services	160.734	10.179	-5.135	-0.370	1.039	166.447
Adult Social Services	208.198	25.387	-18.728		-2.107	212.750

Planning and Transportation	64.358	4.029	-2.199		1.137	67.325
Environment and Waste Management	32.210	2.786	-0.300		-0.374	34.322
Economic Development	1.840	0.035	-0.004		-0.151	1.720
Fire Service	30.864	1.417	-0.457		-0.206	31.618
Trading Standards	3.204	0.100	-0.020		0.065	3.349
Other Consumer Services	0.998	0.050			-0.001	1.047
Libraries and Information	13.409	0.484	-0.187		-0.772	12.934
Recreation and Grants	0.725	0.028	-0.010		-0.010	0.733
Norfolk Joint Museums	5.416	0.293	-0.190		-1.266	4.253
Norfolk Records Service	1.596	0.129	-0.061		-0.131	1.533
Adult Education	0.375	0.089	-0.083		-0.111	0.270
Norfolk Guidance Service	0.000	0.004	-0.004			0.000
Chief Executive	33.259	2.000	-1.042		0.035	34.252
Property Services	2.859	0.067				2.926
Office Accommodation	0.198				-0.171	0.027
County Farms	0.019	0.006			0.112	0.137
Property Management	0.414	0.143	-0.150		-0.075	0.332
Finance General	-23.528	7.723	-3.221		2.987	-16.039
TOTAL	£537.148m	£54.949m	-£31.791m	-£0.370m	£0.000m	£559.936m

To approve:

- An increase in Band “D” Council Tax for 2009-10 of 2.95%, which means a Band “D” Council Tax of £1,123.74.
- An initial Capital Programme for 2009-10 of £167.664m, subject to subsequent adjustment if additional external funds for capital purposes become available, (as attached at Appendix B of the report).
- The recommendation of the Head of Finance, of a minimum level of General Balances of £14m be held in 2009-10.
- The creation of an Organisational Change Reserve:

It is proposed that the remaining funding of £2.891m is used to create a new ‘Organisational Change Reserve.’ The purpose of this reserve is to provide one-off funding to support and invest in the transformational change e.g. shared services, which the Council faces from 2010 onwards. Such change will be necessary to meet the expected very tight squeeze on our finances irrespective of whether or not Local Government Review happens.

- The Minimum Revenue Provision Statement:

The statement sets out the Council's policy for the calculation of the annual MRP charge and the following policy is proposed for 2009-10:

- For capital expenditure incurred before 1 April 2008, and all expenditure since that date which is supported by Revenue Support Grant, the MRP policy will be to continue previous practice by providing for repayment of debt at 4% each year.
 - For expenditure since 1 April 2008 the MRP policy for all unsupported borrowing will be to base the provision on the estimated life of the assets in accordance with the new regulations.
7. The Prudential Indicators (as attached at Appendix C of the report).
8. The approach outlined below on Council Tax Discount on Second Homes:
- The Local Government Act 2003 required that additional monies from reducing the Council Tax discount on second homes should be shared by the District Councils with the precepting Councils i.e. the County Council and the Police Authority.
- A review of this policy was undertaken in 2004 and following discussion by the Norfolk LGA, a revised approach for 2005-06 was implemented. It is recommended that this approach to the sharing of second homes income is followed for 2009-10. The approach is that:
- 50% of the additional monies from second homes to go to Local Strategic Partnerships (pro rata to district collection) as now, to be spent on LSP priorities, including affordable housing where appropriate.
 - 50% to be retained at County level, of which:
 - half ring-fenced for the County Council to spend on affordable housing projects (pro rata to number of second homes in a district), in consultation with the relevant District Council; and,
 - half committed to strategic initiatives identified by the County Strategic Partnership. It is not proposed that there will be a bidding process.
9. The Council Tax calculations set out below and the precept to be collected from the District Councils:

Council Tax/Precept in 2009-10:

	£m	£m
Council 2009-10 Budget Requirement		559.936
Less: Revenue Support Grant	42.438	
National Non-Domestic Rate Income	183.862	
Estimated Surplus on District Council Collection Funds etc.	3.516	229.816
Precept Charge on District Councils		£330.120m
Council Tax for an average Band "D" Property in 2009-10		£1,123.74 (+2.95%)
Council Tax for an average Band "B" Property in 2009-10		£874.02 (+2.95%)

Total payments to be collected from District Councils' in 2009-10:

	Precept	Collection Fund Surplus	TOTAL Payments Due
	(a)	(b)	
	£	£	£
Breckland District Council	47,254,042	342,305	47,596,347
Broadland District Council	50,490,762	16,000	50,506,762
Kings Lynn & West Norfolk Borough Council	55,884,714	1,627,189	57,511,903
Norwich City Council	44,946,229	959,387	45,905,616
Great Yarmouth Borough Council	35,157,330	(27,845)	35,129,485
North Norfolk District Council	46,072,216	225,512	46,297,728
South Norfolk District Council	50,314,335	374,000	50,688,335
Total Precept to be Collected	330,119,628	3,516,548	333,636,176

Council Tax Collection

The precept (column (a) above) for 2009-10 will be collected in 12 instalments from the District Council Collection Funds, as follows:-

Payment	Date		%
1	22 April	2009	8
2	21 May		9
3	18 June		9
4	20 July		9
5	19 August		9
6	21 September		9
7	19 October		9
8	19 November		9
9	21 December		9
10	21 January	2010	9
11	22 February		3
12	22 March		8

Where a surplus on collection of 2008-09 Council Tax (column (b) above) has been estimated the District Council concerned will pay to the County Council its proportion of the sum by ten equal instalments, as an addition to the May 2009 to February 2010 precept payments.

Where a deficit on collection of 2008-09 Council Tax (column (b) above) has been estimated the District Council concerned will receive from the County Council its proportion of the sum by ten equal instalments, as a reduction to the May 2009 to February 2010 precept payments.

2009-10 Council Tax Bands - In accordance with Section 40 of the Local Government Finance Act 1992, the County Council amount of the Council Tax for each valuation band be as follows:

Band	£
A	£749.16
B	£874.02
C	£998.88
D	£1,123.74
E	£1,373.46
F	£1,623.18
G	£1,872.90
H	£2,247.48

10. That the Head of Finance be authorised to transfer from the County Fund to the Salaries and General Accounts all sums necessary in respect of revenue and capital expenditure provided in the 2009-10 Budget, to make payments, to raise and repay loans and to invest funds.

- 4.3 Ms Whitaker, Leader of the Labour Group, made her budget speech and moved the following amendment to the budget, seconded by Mr Wainwright:

That additional spend on services in the Budget

Increasing Children's Service by 2.550m

Early intervention and support	1.000m
Restoration of cut in social deprivation funding	1.550m

Increasing Adult Social Services by 4.198m

Extending Preventative Services	0.500m
6 weeks Reablement service free of charge	0.500m
Offset savings in Learning Difficulties & Purchase of Care	3.198m

Increasing Planning & Transportation by 1.827m

To establish a Youth Travel Card	1.827
TOTAL	8.575m

The above will be paid for by -

Remove from proposed Budget	
-0.900	Early Intervention and Support and Restorative approaches
-0.500	Non –Learning Difficulties
-0.300	Re-instate Highways Maintenance saving
-0.055	Remove Community Safety proposal
-0.901	Remove recurring revenue budget for Strategic Ambitions
-0.956	Reduce General Balance to minimum recommended by Head of Finance
-2.891	Administration proposal to create Organisational Development Reserve
-1.445	Strategic Ambitions Reserve
-0.627	Additional LABGI funding announced Feb 4 th
-£8.575 m	Total

To set a ZERO council tax increase would require £9.465m this to be paid for by –

Use of Reserves

-0.300	Adult Education
-2.500	Capital Funding Reserve
-1.475	Highways maintenance
-1.721	IT reserve
-1.710	MRS strategic reserve
-0.104	Museums Inc Reserves
-0.260	P&T ops
-0.115	P&T park n ride reserve
-0.795	P&T street lighting
-0.283	Repairs and Renewals Fund
-0.202	Waste Management Partnership Fund
-£ 9.465 m	Total

This will leave £14 million in Balances and £85.218 million in Provisions & Reserves.

Labour Budget Proposal

	Administration Proposal	Reductions	Notes	Additions	Notes	Labour Proposal
	£m	£m		£m		£m
Children's Services	166.447	-0.900	1	2.550	6	168.097
Adult Social Services	212.750	-0.500	2	4.198	7	216.448
Planning & Transportation	67.325	-0.355	3	1.827	8	68.797
Environment and Waste Management	34.322					34.322
Economic Development	1.720					1.720
Fire Service	31.618					31.618
Trading Standards	3.349					3.349
Other Consumer Services	1.047					1.047
Libraries and Information	12.934					12.934
Recreation and Grants	0.733					0.733
Norfolk Joint Museums	4.253					4.253
Norfolk Records Service	1.533					1.533
Adult Education	0.270					0.270
Norfolk Guidance Service	0.000					0.000
Chief Executive	34.252					34.252
Property Services	2.926					2.926
Office Accommodation	0.027					0.027
County Farms	0.137					0.137
Property Management	0.332					0.332
Finance General	-16.039	-16.285	4 5			-32.324
	559.936	-18.040		8.575		550.471

Proposal is for 0% Council Tax increase. To achieve this we need £9.465m.

0% Council Tax increase is Band D at £1,091.52 and a budget of £550.471m

Notes

1	Remove Administration proposals for Early Intervention and Restorative approaches	-0.900
2	Reinstate ASS Panel proposal for demand management saving	-0.500
3	Reinstate P&T Panel Highways Maintenance saving	-0.300
3	Remove Administration proposal for Community Safety	-0.055
4	Remove recurring revenue budget for Strategic Ambitions	-0.901
4	Reduce General Balances to level recommended by Head of Finance	-0.956
4	Use Administration proposal to create an Organisational Development Reserve to reduce tax	-2.891
4	Strategic Ambitions Reserve from January Corporate Affairs report	-1.445
4	Additional LABGI Funding announced 4 February	-0.627
	Sub total	-8.575m

Use of Reserves

5	Adult Education income	-0.300
5	Capital Funding	-2.500
5	Highways Maintenance	-1.475
5	IT	-1.721
5	MRS Strategy	-1.710
5	Museums Income	-0.104
5	P&T Operations Appropriation	-0.260
5	P&T Park & Ride	-0.115
5	P&T Street Lighting Sinking Fund	-0.795
5	Repairs and Renewals Fund	-0.283
5	Waste Management Partnership Fund	-0.202

Sub total	-9.465
Total savings	<u>-18.040m</u>

Additional Spend

6 Children's Services , Early intervention and support	1.000
6 Children's Services , Restoration of cut in social deprivation funding	1.550
7 Adult Social Services Extending Preventive Service	0.500
7 Adult Social Services , 6 weeks Reablement service free of charge	0.500
7 Adult Social Services , Offset savings in Learning Difficulties and Purchase of Care	3.198
8 Planning & Transportation To establish a Youth Travel Card	1.827
Total	8.575m

This will leave £14 million in Balances and £85.218 million in Provisions and Reserves

Vote: The proposed amendment set out above was then put to the vote. With 21 in favour, 53 against and 3 abstentions, this motion was **LOST**.

- 4.4 Mr Morse, Leader of the Liberal Democrat Group, made his budget speech and moved the following amendment to the budget, seconded by Mrs Howe:

The Liberal Democrat Group has examined the additional costs and savings recommended by the Chairman of the Cabinet to be included in the Council's budget for 2009/10. We accept the proposals subject to the following amendments:

Service	Costs and savings	2009/10 £m	2010/11 £m
Planning and Transportation	Young person's travelcard for Norfolk to offer a half fare to all young people aged 5 -18.	0.771	1.112
Economic Development	Funding for ten independent financial advisers for Norfolk people	0.262	0.263
	Funding for a 2 year 'Rural Revival Fund	1.000	1.000
Finance General	10% efficiency savings on council staff travel costs	-0.600	-0.600
	Redirect £0.699m of organisational change reserve to identified Liberal Democrat priorities	-0.392	-0.307
	Redirect £0.870m of strategic ambitions reserve to identified Liberal Democrat priorities	-0.870	
	Reduction of general balances		-0.956
	Redirect £0.683m of strategic ambition revenue funding to identified Liberal Democrat priorities	-0.171	-0.512

Total 2009/10 budget

£559.936m

The overall budget for 2009/10 is shown in the table below:

Service	2009/10 Proposed final budget £m
Children's Services	166.447
Adult Social Services	212.750
Planning and Transportation	68.096
Environment and Waste Management	34.322
Economic Development	2.982

Fire Service	31.618
Trading Standards	3.349
Other Consumer Services	1.047
Libraries and information	12.934
Recreation and Grants	0.733
Norfolk Joint Museums	4.253
Norfolk Records Service	1.533
Adult Education	0.270
Norfolk Guidance Service	0
Chief Executives	34.252
Property Services	2.926
Office Accommodation	0.027
County Farms	0.137
Property Management	0.332
Finance General	-18.072
Total	£559.936

Proposed council tax in 2009/10

The Liberal Democrat budget requires a council tax increase of 2.95%. This will mean a band D contribution of £1,123.74 in 2009/10.

Vote: The proposed amendment set out above was then put to the vote. With 12 in favour and 61 against, this motion was **LOST**.

At 1pm, the Council adjourned for lunch.

The meeting reconvened at 1.45pm.

- 4.5 Mr Hull, Convenor of the Green Group, made his budget speech and moved the following amendment to the budget, seconded by Dr Boswell:

The Green Party Group has scrutinised the budget recommended by the Chairman of the Cabinet for the 2009/2010 budget. We accept the additional costs and savings proposals subject to the following amendments:

Proposal	Dept	Cost/Saving	£m
Learning Difficulties	ASS	Reduction of 'Priority Based Budgeting exercise in Learning Difficulties' (page 22, - £6.856m -> - £5.856m)	1.000
Special Education Needs	CS	Re-investment of savings in 'Special Education Needs transport expenditure' (page 19) back into SEN service to meet demographic trends	0.340
Restorative Justice	CS	Double the planned investment under Cabinet's 'Proposed Service Improvements'	0.150
Flexibus and Rural Transport	PTEW	Extend the 'Dial-a-bus' service	0.100

Review of NATS / LTP implementation project	PTEW	Review of NATS/LTP project teams deployment. Prioritisation of Norwich Public Transport scheme (rated 2 nd out of 72 schemes recently evaluated within Eastern Region) maximise future RFA funding opportunities. <i>No revenue budget implications.</i>	0.000
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Resilience Task Force	AS & CS & Fire/Comm prot.	Establish cross-departmental 'Community Resilience' team to implement Active Citizenship / Community Empowerment / Neighbourhood Protection agendas through Children's Services, Adult Social Services and Community Protection departments (allocated to 'Finance General')	0.100
	CARP	Establish 'Credit Crunch Crisis' team to spread the network of credit unions within Norfolk and establish a Norfolk Bank to help struggling businesses get credit.	0.100
	ECONDEV	Establish a 'Green New Deal' team to help create and grow the Green job sector in Norfolk's renewable energy and home insulation industries.	0.100
	PTEW	Additional investment in the Climate Change Programme (Cabinet, April 2008). £50k additional to each of Schools Capital Incentives Fund and carbon reduction 'Invest-to-Save' fund.	0.100
Resilience Task Force sub-total			£0.400

Green Party additional public services			£1.990
Organisational Change Reserve	FIN GEN	Spread administration's budget (£2.891m) over three years: £1m:£1m:£0.891m	-1.891
Highway Maintenance	PTEW	Highway's maintenance savings elevated to £1.230	-0.133
Reserves	FIN GEN	Car Lease Scheme surplus – Transfer £200k	-0.200
	FIN GEN	General Balances – Transfer £400k	-0.400
Green Party Savings			-£2.624

Council Tax differential	The Green Party propose Council Tax increase at 2.75% lower than the administration's 2.95%. <i>Band D Tax £1,121.58. Budget of £559.302</i>
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Green Party recommended budget	£559.302
Administration's recommended budget	£559.936

**The Green Party Revenue Budget Proposals – Norfolk County Council
2009/2010 by department**

	Recomm. <u>Budget</u>	GP addit <u>services</u>	<u>GP budget</u>
Children's Services	166.447	0.490	166.937
Adult Social Services	212.750	1.000	213.750
Planning and Transportation	67.325	-0.033	67.292
Environment and Waste Management	34.322	0.100	34.422
Economic Development	1.720	0.100	1.820
Fire Service	31.618		31.618
Trading Standards	3.349		3.349
Other Consumer Services	1.047		1.047
Libraries and Information	12.934		12.934
Recreation and Grants	0.733		0.733
Norfolk Joint Museums	4.253		4.253
Norfolk Records Service	1.533		1.533
Adult Education	0.270		0.270
Norfolk Guidance Service	0.000		0.000
Chief Executive	34.252	0.100	34.352
Property Services	2.926		2.926
Office Accommodation	0.027		0.027
County Farms	0.137		0.137
Property Management	0.332		0.332
Finance General	-16.039	-2.391	-18.430
TOTAL	559.936m	-0.634m	559.302m

The Green Party then made an amendment to their budget to incorporate a Youth Travel Card scheme. This would be funded by taking £0.271m from Capital Funding, £0.25m from Highways Maintenance Reserve and £0.25m from the IT Reserve making a total of £0.771m income for the Youth Travel Card scheme.

The result of these adjustments would mean that the line item figure at 'Green Party additional public services' would change from £1.990m to £2.761m.

Vote: The proposed amendment set out above was then put to the vote. With 4 in favour, 59 against and 5 abstentions, this motion was **LOST**.

- 4.6 Mr Cox considered the proposed budget to be the best for the people of Norfolk and recommended that it be approved.

Mrs Brown requested that it be minuted that she would not support this budget proposal because £50,000 had been withdrawn from the young carers budget, funding that she said was desperately needed to support young carers, and therefore she would not take part in the vote.

The motion, encompassing as a whole the recommendations relating to the 2009/10 Budget as set out earlier in these papers was then voted upon.

Vote: With 38 votes in favour, 26 against and 1 abstention, this motion was **CARRIED**.

RESOLVED Accordingly.

5. Annual Investment and Treasury Strategy 2009/10

Mr Cox moved the recommendation from Cabinet to approve the Annual Investment and Treasury Management Strategy for 2009-10 which was attached as Appendix D to the report.

RESOLVED: to approve the Annual Investment and Treasury Management Strategy for 2009-10, subject to amendment to increase the maximum investment exposure from 364 days to a period no greater than 2 years.

The meeting concluded at 2.20pm.

CHAIRMAN



If you need these minutes in large print, audio, Braille, alternative format or in a different language please contact Vanessa Dobson on 01603 223029 or minicom 01603 223833 and we will do our best to help.