

# Selby District Council



## Minutes

### Executive

Venue:	Committee Room, Civic Centre, Selby
Date:	2 February 2012
Present:	Councillor M Crane (Chair), Mrs G Ivey C Lunn, J Mackman and C Metcalfe
Apologies for Absence:	None
Officers present:	Chief Executive, Deputy Chief Executive, Managing Director, Executive Director (S151), and Democratic Services Manager.
Public:	0
Press:	1

NOTE: Please note, only minute numbers 78, 79 and 80 are subject to call in. The deadline for Call In is 5pm on 14<sup>th</sup> February 2012. Decisions not called in may be implemented from 15<sup>th</sup> February 2012.

#### **76. Disclosure of Interest**

There were no disclosures of interest.

#### **77. Minutes**

The minutes of the meeting on 5 January 2012 were submitted. The minutes were agreed as a correct record and signed by the Chair.

#### **78. 3rd Interim Corporate Plan Progress Report - Key Decision**

Councillor Crane presented report E/11/50 which provided details of Access Selby's key performance indicators following the 3<sup>rd</sup> quarter of reporting for the financial year 2011/12.

The Executive were keen to praise the work being undertaken by Access Selby. The results demonstrated the excellent work taking place.

Councillor Crane highlighted that the work to address the previously identified issue of housing stock voids was now filtering through in impressive performance results.

**Resolved:**

**To approve the necessary action taken by officers to ensure performance meets the targets set.**

Reason for decision:

The ongoing management of performance and improvement data assists Access Selby in achieving its priorities for 2011/12.

**79. 3<sup>rd</sup> Interim Budget Exceptions Report - Key Decision**

Councillor Lunn presented report E/11/51 to update the Executive with details of major variations between budgeted and actual expenditure and income for the 2011/12 financial year to 31 December 2011.

The Executive heard that the savings targets for 2011/12 had been achieved and that Access Selby had savings of £162k on the Housing Revenue Account (HRA).

Councillor Metcalfe felt that the Council had a duty to undertake any planned capital spend as soon as was possible as this would provide a boost to the local economy.

**Resolved:**

- (i) To receive and note Report E/11/51 and endorse the actions of officers set out in the report;**
- (ii) To adjust the budgets to reflect the savings expected to be achieved this year as per Appendix C, and to amend the Council's Medium Term Financial Strategy to take account of projected savings in 2012/12 and 2013/14 where these are not currently allowed for in the budget; and**
- (iii) To approve the latest forecast position as the latest budget.**

Reasons for decision:

To ensure that budget exceptions are brought to the attention of the Executive in order that remedial action be approved as necessary.

### **80. 3<sup>rd</sup> Interim Treasury Management Report – Key Decision**

Councillor Lunn presented report E/11/52 which detailed a review of the Council's borrowing and investment activity for the first nine months of 2011/12 and presented performance against the Prudential Indicators.

Councillor Lunn informed that Executive that the third quarter had been positive, with a growing surplus on investment activity. The Executive discussed the relatively low rate of return on the Council's investments.

#### **Resolved:**

- (i) To endorse the actions of officers on the Council's Treasury Management activities for the period ending 31 December 2011; and**
- (ii) To approve the report.**

Reasons for decision:

The Executive were satisfied with Treasury Management Performance.

### **81. Draft Revenue Budget and Capital Programme 2012/13 and Medium Term Financial Plan**

Councillor Lunn presented report E/11/53 that updated the Executive on the revenue budget and capital programme for 2012/13 to 2014/15 following scrutiny by the Policy Review Committee. The budget had been established against a back drop of significant financial constraints and future volatility arising from the continuing economic uncertainty, the Government's Resource Review and the reform of the Housing Subsidy System (self financing).

The Executive discussed the establishment of an Access Selby Reserve to mitigate risk within its budget and the associated savings plan. The Executive heard that a significant proportion of the reserve would cover the risk to Planning Fee income as a result of the uncertainty regarding the proposed decentralisation of planning fees.

The Executive considered the comments from Policy Review Committee regarding the proposal to freeze Council Tax for 2012/13. Policy Review Committee was concerned at the impact this would have on the Council's future financial position and on the provision of services. The Executive felt that the Council would be able to deliver the additional savings required as a result of implementing the Council Tax Freeze.

**Recommendation to Council:**

- (i) To approve the draft budgets, bids and capital programmes;**
- (ii) To transfer the budgeted surplus of £314k on the Core's General Fund budget to a new Access Selby Reserve to provide funds to mitigate future budget risk;**
- (iii) To hold Council Tax at the 2011/12 level of £158.88 per Band D property for 2012/13;**
- (iv) To note Access Selby's savings plan to address their budgeted deficit;**

Reasons for decision:

To ensure the Executive's budget proposals are fully funded for 2012/13 and the Council's financial position is sustainable.

**82. Treasury Management Strategy**

Councillor Lunn presented report E/11/54 to the Executive together with the Minimum Revenue Provision Policy Statement, Annual Investment Strategy for 2012/13 and Prudential Indicators 2012/13 as required by the Department of Communities and Local Government and CIPFA.

Councillor Lunn informed the Executive that the significant change to the Strategy was the additional borrowing required as a result of HRA self financing. The Executive Director (S151) confirmed that the amount of debt the Council would take on was slightly less than anticipated.

The Executive heard that Strategy established the rationale for using the Public Work Loans Board for the new borrowing, it was highlighted that Authorities seeking to finance the HRA debt received a 0.85% discount.

**Recommendation to Council:**

- (i) To revise the Operational Borrowing Limit for 2011/12 to £71m and set at £71m;**
- (ii) To revise Authorised Borrowing Limit for 2011/12 to £75m and set at £75m;**
- (iii) To set the Operational Borrowing Limit for 2012/13 at £71m;**
- (iv) To set the Authorised Borrowing Limit for 2012/13 at £75m;**
- (v) To delegate authority to the Executive Director (s151) to effect movement within the agreed authorised boundary limits for long term borrowing for 2012/13 onwards;**

- (vi) To delegate authority to the Executive Director (s151) to effect movement within the agreed operational boundary limits for long term borrowing for 2012/13 onwards;**
- (vii) To approve the Treasury Management Strategy Statement 2012/13;**
- (viii) To approve the minimum revenue provision policy statement for 2012/13;**
- (ix) To approve the Treasury Management Investment Strategy for 2012/13;**
- (x) To approve the Prudential Indicators for 2012/13, which reflect the capital expenditure plans, which are affordable, prudent and sustainable.**

Reasons for decision

To ensure the Council's Treasury Management Strategy and associated policies are prudent and affordable.

The meeting concluded at 4.56pm.