

BRIGHTON & HOVE CITY COUNCIL

BUDGET COUNCIL

4.30pm 28 FEBRUARY 2013

COUNCIL CHAMBER, BRIGHTON TOWN HALL

MINUTES

Present: Councillors Randall (Chair), Meadows (Deputy Chair), Barnett, Bowden, Brown, Buckley, Carden, Cobb, Cox, Davey, Deane, Duncan, Farrow, Fitch, Follett, Gilbey, Hamilton, Hawtree, Hyde, Janio, Jarrett, Jones, Kennedy, A Kitcat, J Kitcat, Lepper, Littman, Mac Cafferty, Marsh, Mears, Mitchell, Morgan, A Norman, K Norman, Peltzer Dunn, Phillips, Pidgeon, Pissaridou, Powell, Robins, Rufus, Shanks, Simson, Smith, Summers, Sykes, C Theobald, G Theobald, Wakefield, Wealls, Wells, West and Wilson.

PART ONE

88. DECLARATIONS OF INTEREST

- 88.1 The Mayor noted that new regulations under the Localism Act 2011 had removed the general dispensation that enabled Members to take part in the Budget setting process without being deemed as having a prejudicial interest. The Monitoring Officer had written to all Members to clarify this point and to enable them to apply for dispensation, which he was authorised to grant, in order that they could take part and vote on the budget matters. It was for each individual Member to decide whether or not to apply for such dispensation and he confirmed that applications had been made and duly authorised.
- 88.2 The Mayor then asked if there were any other declarations of interest in matters appearing on the agenda.
- 88.3 Councillor A. Norman declared a personal and non-prejudicial interest in Item 90, General Fund Revenue Budget & Council Tax 2013/14 as she was a member of the Brighton & Hove Music Trust, which was affected by the budget proposals.
- 88.4 Councillor Janio declared a personal and non-prejudicial interest in Item 90, General Fund Revenue Budget & Council Tax 2013/14 as his wife held a Trader's Permit, which was affected by the budget proposals.
- 88.5 Councillor Powell declared a personal and non-prejudicial interest in item 90, General Fund Revenue Budget & Council Tax 2013/14 as she worked

for the Friends Centre; and was an active Unison Member all of which were affected by the budget proposals.

- 88.6 Councillor Jones declared a personal and non-prejudicial interest in item 90, General Fund Revenue Budget & Council Tax 2013/14 as he worked for the NHS and was an active Unison Member all of which were affected by the budget proposals.
- 88.7 The Mayor noted that there were no other declarations of interests in matters appearing on the agenda.
- 88.8 Councillor G. Theobald raised a Point of Order in regard to the number of declarations made at the previous Budget Council meeting concerning trade union membership and queried whether the failure to declare at the present meeting prevented Members from taking part and voting on the items before them.
- 88.9 The Monitoring Officer stated that the decision to declare a personal and/or prejudicial interest was for each Member to decide on and should any Member have a concern, they could seek advice from him or his officers, however in not making such a declaration, it would not invalidate the proceedings . He also noted that under the new regulations if a Member had listed their interest in their Register of Interests then there was no need to make such a declaration at a subsequent committee or council meeting.

89. MAYOR'S COMMUNICATIONS.

- 89.1 The Mayor reported that under Section 30(6) of the Local Government Act 1992 the Council had a duty to set the Council Tax by 11 March 2012. A failure to set a tax did not then in itself invalidate the tax demands but it had other adverse consequences including the potential loss of income to the Council. One significant practical implication was that the contractor who printed and sent out the Council Tax bills had a slot booked to process the City Council's bills and a delay in setting the Budget could have significant implications in this respect.
- 89.2 The Mayor noted that the procedure agreed for the budget debate enabled the Administration to outline its budget proposals along with any amendments and for the various Groups to put forward up to six amendments. He reminded the council of the need to set a balanced budget and whilst there was a situation of no overall control, he noted that Members had both a collective and individual responsibility to ensure that the process allowed for the setting of a balanced budget. He also noted that should any of the amendments put forward be approved, there may then be a need to adjourn the meeting to enable the Director of Finance and/or the Monitoring Officer to clarify the impact on the overall budget position.
- 89.3 The Mayor stated that there would not be a formal call over as he was aware that Members wished to discuss all three items under the Policy &

Resources Committee's proceedings. He also noted that a procedural note in relation to the Budget debate had been circulated as an annex to the agenda, and that a procedural note had been circulated as part of the addendum papers which he hoped Members would find helpful. In this respect he stated that it was intended that the General Fund Revenue Budget and Council Tax 2013/14, the Supplementary Financial Information report, the Capital Resources and Capital Investment Programme and the Housing Revenue Account Budget would be taken together in the one debate.

- 89.4 The Mayor outlined the process for the debate and asked that in moving the Budget and the amendments, the Member concerned should give an indication of their Group's position in respect of the various amendments that had been notified to enable proper space for debate on the issues of contention. He stated that following the conclusion of the general debate, he would then take votes on each amendment and finally on the substantive proposals as proposed or as amended. He noted that there would be three separate votes on the substantive proposals, i.e. Item 90 together with Item 91, then Item 92 and finally Item 93.
- 89.5 The Mayor then advised the council that Procedural Rules would need to be suspended in so far as was necessary to enable the business under Items 90-93 on the agenda to be dealt with as set out in the annex and the procedural note as circulated and moved the suspension accordingly.
- 89.6 **The Motion was carried.**
- 89.7 The Mayor then stated that he hoped the council would join him in thanking Chief Superintendent Bartlett for his services to the city, he was due to leave Sussex Police and the Mayor intended to write to thank him for his support and work with the council. The Mayor also noted that John Melson was due to retire from Brighton Housing Trust and stated that he would write to him on the council's behalf to thank him for his work.

90. GENERAL FUND REVENUE BUDGET & COUNCIL TAX 2013/14

- 90.1 The Mayor noted that all three budget areas listed as Items 90, 92 and 93 would be debated together, along with Item 91 Supplementary Financial Information, once the proposed budget and the various amendments had been moved and seconded and invited Councillor Littman to propose the Administration's budget for 2013/14.
- 90.2 Councillor Littman stated that it was pleased to introduce the Administration's Budget proposals covering the General Fund and Revenue Budget, the Capital Resources & Capital Investment Programme and the Housing Revenue Account Budget for 2013/14. He believed that the proposed budget was a triumph and offered a great deal for the city in what were both difficult and challenging times and which were likely to see further cuts from the Government in the years ahead. He wished to place on record his thanks to all the officers involved and his colleagues in enabling the budget proposals to be put forward. There was a greater

underspend this year and yet service levels had been maintained and important areas such as advice on welfare changes and homelessness supported. He noted that it had been an open and consultative budgetary process and one which had enabled changes to proposals to be taken on board. The proposed increase in council tax by 1.9% was required in order to protect services and set the position for future years. He noted that the increase was supported by 54% of people in the recent poll undertaken by the Argus. He therefore could not accept the Conservative Groups' amendments, but rather recommended the budget to the Council for approval.

90.3 Councillor J. Kitcat formally seconded the proposed Budget and stated that it was a fair budget in tough times and noted that the budget process had been open and transparent throughout. It aimed to protect those who were most vulnerable, and to maintain services, whilst the council had had the second highest cut to its local government settlement. He noted that the value for money programme had delivered £10m in savings and was predicted to achieve a further £10.8m in 2013/14. In regard to the Labour & Co-operative Group's amendments, he welcomed their intentions and could support some. He also noted that the on-going pressure and changes to areas such as welfare reform meant that local authorities had to look at becoming self-sufficient by 2020 as further central cuts were envisaged. However, at this point in time the aim was to put the City first and therefore recommended the budget to the council.

90.4 Councillor A. Norman moved the six amendments to the Budget proposals on behalf of the Conservative Group and stated that she did not believe that there was a need to raise council tax. A council tax freeze could be implemented and should be with the acceptance of the Government's grant that was on offer. She also wished to thank the finance officers for their help and assistance with the proposed amendments. She suggested that further consideration needed to be given to using private contracts and the voluntary sector to help deliver services and to cut out duplication. In regard to the amendments, she stated that there was no need to increase council tax and that there was no need to increase provision for travellers or to exempt HR from making savings when both the Children's Services and Adult Care & Health Budgets were subject to significant levels of saving. There was no need to fund the trade union officials but rather to encourage the unions to meet the costs themselves. She also hoped that the amendments would be accepted and thereby the music service, public toilets and grants to community groups and organisations would be protected. She then moved the following amendments:

"It is proposed that the following additional savings are made in the General Fund revenue budget for 2013/14:

Amendment 1

- To reduce Communications Team budget of £0.784m by the service pressure funding of £0.050m set out in the Resources & Finance budget summary on page 97 of the agenda.

Chief Finance Officer comments:

This would require a reprioritisation of external communications and marketing spend and a reduction in the response times to media and public enquiries. The service has made staffing savings to contribute to the existing Management & Administration savings targets and is already reliant on one off funding for certain pieces of work such as communicating changes from welfare reform, communication with staff on pay modernisation and support for City Deal.

- To reduce the budget for the European Team by £0.025m in 2013/14 and £0.050m in a full year. A budget of £0.088m would remain on an ongoing basis.

Chief Finance Officer comments:

Contributions from other organisations who use the European team's services would be sought and if this were not successful the saving would equate to a reduction of 1.5 fte posts.

- To reduce the budget for Scrutiny of £0.205m by £0.050m. This would result in approximately 20% less scrutiny activity.
- To reduce the Human Resources (HR) and Organisational Development budget of £3.782m by £0.050m.

Chief Finance Officer comments:

HR have identified £0.228m savings to meet their brought forward 2013/14 savings targets. These include a reduction of 6.1 fte posts and a reduction in health and safety and training budgets of £0.050m. They also have an underlying budget pressure of over £0.300m which they have plans to fund through a further 4.6 fte staffing reductions (£0.135m) through the Voluntary Severance scheme and the remainder from training and development and health and safety budgets. If HR were to meet in full its indicative share of the cross council service redesign savings targets it would need to find a further £0.077m bringing the total savings requirement in one year to over £0.600m. It is considered extremely unlikely that this would be deliverable at this point in time without a serious impact on effective organisational operation. A further £0.050m saving would inevitably exacerbate this further. No Equalities Impact Assessment has been undertaken on this proposal at this stage and in particular the cumulative effect of all of these savings. The service will still be dependent on short term funding to support pay modernisation and the additional workload generated by auto enrolment to the Pension Fund and new regulations for reporting PAYE in real time to HMRC.

- To reduce the recurrent council tax reduction scheme discretionary fund shown in paragraph 3.37 on page 19 of the agenda by £0.100m. This would still leave £0.100m recurrent funding and £0.100m non-recurrent funding available to support the Council Tax Discretionary Fund. The call on these funds may be slightly lower due to the

proposed freeze on council tax.

Chief Finance Officer comments:

An Equalities Impact Assessment was undertaken on a lower level of discretionary funds when the Council Tax Reduction Scheme was designed.

- To increase the target saving for the Voluntary Severance scheme from £3m to £3.5m. It will require an additional £0.5m in one-off resources to meet the estimated additional severance costs and to cover the budget up to the end of May when the posts will be deleted.

Chief Finance Officer comments:

The Voluntary Severance scheme currently assumes approximately 100 fte reductions. This would be approximately a further 18 posts. The savings will only be realised if it is possible to achieve service redesign on this scale and if there are suitable numbers of applicants who meet the agreed criteria. This saving will be incorporated into the existing process for Equalities Impact Assessment on these proposals.

The savings proposals set out above require £0.525m revenue reserves to fund the part year saving in the European Team and the one-off resources needed for the expansion of the Voluntary Severance scheme. It is proposed that these are generated by:

- Borrowing an additional £0.525m to fund the 2013/14 General Fund Capital Investment Programme releasing an equivalent amount in general reserves.

The proposals above will generate ongoing savings of £0.800m. It is proposed that these resources will be used as follows:

- £0.763m to freeze the council tax for 2013/14 ensuring that the council qualifies for £1.219m council tax freeze grant from the Government.
- £0.037m to cover the capital financing costs associated with the £0.525m additional borrowing.

Amendment 2

- To reduce the Travellers Service budget of £0.571m by the additional funding of £0.050m set out in the service pressure investment area table on page 53 of the agenda.

Chief Finance Officer comments:

There is a strong likelihood that the Travellers Service would need to incur costs above the agreed budget for security reasons as in previous years. The level will depend on the quantity of unlawful encampments.

It is proposed that these resources will be used as follows:

- Increase the funding for the Music Service by £0.050m.

Amendment 3

- To reduce the budget in Human Resources for council funded union officials by 50% or £0.072m per annum.

Chief Finance Officer comments:

This would leave £0.072m of the centrally funded Trade Union support budget to be retained in order to progress pay modernisation discussions, plus the existing time off arrangements for staff undertaking union duties from services across the council.

- To reduce the decentralised training and development budgets across the council by 5% generating a saving of £0.028m.

Chief Finance Officer comments:

This would be in addition to the savings in training budgets already identified in the Human Resources budget saving in amendment 1.

- To reduce the £0.750m unallocated investment in preventative services which is part of the £1.2m extra funding from the Government to the National Health Service for adult social care shown in paragraph 3.40 page 19 of the agenda by £0.017m.

Chief Finance Officer comments:

This would require negotiation with health partners to agree a revised split of NHS funding for Social Care to use more money to protect existing services and to reduce the new investment in preventative services.

It is proposed that these resources are used as follows:

- £0.117m to reduce the cost of Business and Trader parking permits. The proposed charges are shown in the table below.

	Per Annum	3 months	Low Emission Per Annum	Low Emission 3 months
Traders				
- Current	£600	£160	£300	£80
- Proposed	£520	£140	£260	£70
Business				
- Current	£300	£85	£150	£42.50
- Proposed	£260	£75	£130	£37.50

Amendment 4:

- To reduce the £0.750m unallocated investment in preventative services which is part of the £1.2m extra funding from the Government to the National Health Service for adult social care shown in paragraph 3.40 page 19 of the agenda by a further £0.032m making the reduction £0.049m if amendment 3 is accepted.

Chief Finance Officer comments:

This would require negotiation with health partners to agree a revised split of NHS funding for Social Care to use more money to protect existing services and to reduce the new investment in preventative services.

- To combine the Transport and Environment Committees resulting in a saving of £0.015m in the Democratic Services budget. The savings would arise from lower committee support and administrative costs.

It is proposed that these resources will be used as follows:

- £0.047m to reverse the commissioning saving freezing discretionary grants to the Community and Voluntary sector at 2012/13 levels set out on page 89 of the agenda and provide for a 3% increase.

Amendment 5

- To reduce the £0.750m unallocated investment in preventative services which is part of the £1.2m extra funding from the Government to the National Health Service for adult social care shown in paragraph 3.40 page 19 of the agenda by a further £0.031m making the reduction £0.080m if amendments 3 and 4 are accepted.

Chief Finance Officer comments:

This would require negotiation with health partners to agree a revised split of NHS funding for Social Care to use more money to protect existing services and to reduce the new investment in preventative services.

It is proposed that these resources will be used as follows:

- £0.031m to extend the opening hours for Norton Road (opposite Hove Town Hall) toilets to 7 days per week instead of weekends and bank holidays only and improve signage.

Amendment 6

- To reduce the £0.750m unallocated investment in preventative services which is part of the £1.2m extra funding from the Government to the National Health Service for adult social care shown in paragraph 3.40 page 19 of the agenda by a further £0.020m making the reduction £0.100m if amendments 3, 4 and 5 are accepted.

Chief Finance Officer comments:

This would require negotiation with health partners to agree a revised split of NHS funding for Social Care to use more money to protect existing services and to reduce the new investment in preventative services.

It is proposed that these resources will be used as follows:

- To establish a prize of £0.020m to be awarded to one or more secondary schools delivering the best value added for pupil performance. This is expected to deliver a focus on improved pupil attainment across the ability spectrum and improve parents' and carers' focus on this and other measures of school performance when choosing a secondary school for their children.”

90.5 Councillor G. Theobald formally seconded the amendments and stated that he wished to thank the Finance officers for their assistance with the formulation of the amendments. He stated that there was a clear choice in either agreeing to a council tax freeze and accepting the support on offer from the Government or losing that level of funding and increasing the council tax as was proposed by the Administration. He noted that the council already had the highest spend per head in the region and questioned why service provision was not being market tested. He also noted that the council had been in receipt of significant amounts of grant funding and support from the Government and therefore queried why it was now felt appropriate to refuse the funding available to enable council tax to be frozen.

90.6 Councillor Mitchell moved the five amendments on behalf of the Labour & Co-operative Group and noted that the amendments covered a number of areas which affected the General Fund & Revenue Budget in the main but also the Housing Revenue Account (amendment No.4). She also wished to thank the finance officers for their assistance and advice during the budget setting process. She stated that local government was facing an unprecedented assault on it by central government and the amendments sought to clarify matters and take account of the changes being imposed by the government and therefore the Labour & Co-operative Group could not support a council tax freeze. She welcomed the changes to the senior officer structure and noted that a financial inclusion strategy was finally due to be brought forward for consideration and that a community banking partnership was to be established. She hoped that the proposed amendment for the retention of the mobile library, which was an important community asset, would be accepted. She also noted that residents had indicated their support for a small council tax increase on the basis that the additional revenue was spent wisely. She then moved the following amendments:

“It is proposed that the following additional savings are made in the General Fund revenue budget for 2013/14:

Amendment 1

- To reduce by £0.040m the additional funding for the Travellers Service set out in the service pressure investment area table on page 53 of the agenda.

Chief Finance Officer comments:

There is a strong likelihood that the Travellers Service would need to incur costs above the agreed budget for security reasons as in previous years. The level will depend on the quantity of unlawful encampments.

- To reduce by £0.050m the service pressure funding for the Communications Team set out in the Resources & Finance budget summary on page 97 of the agenda.

Chief Finance Officer comments:

This would require a reprioritisation of external communications and marketing spend and a reduction in the response times to media and public enquiries. The service has made staffing savings to contribute to the existing Management & Administration savings targets and is already reliant on one off funding for certain pieces of work such as communicating changes from welfare reform, communication with staff on pay modernisation and support for City Deal.

The proposals above will generate ongoing savings of £0.090m. It is proposed that these resources will be used as follows:

- £0.090m to reverse part of other efficiency gains saving in Children's Centres including the recharges for midwifery services and reducing reception posts as set out on page 64 of the agenda.

Amendment 2

- To further reduce by £0.010m the additional funding for the Travellers Service set out in the service pressure investment area table on page 53 of the agenda making the total reduction £0.050m if amendment 1 is approved.

Chief Finance Officer comments:

There is a strong likelihood that the Travellers Service would need to incur costs above the agreed budget for security reasons as in previous years. The level will depend on the quantity of unlawful encampments.

- To top-slice £0.120m of the £6.349m 2013/14 Local Transport Plan capital grant shown in table 2 on page 204 of the agenda.

It is proposed that these resources will be used as follows:

- £0.010m plus the funding set aside in the library budget for the enhanced Home Delivery service to be reallocated to run the Mobile Library on a reduced timetable for 3 days a week and £0.120m for the purchase of a new replacement vehicle. This proposal represents option 3 recommended by the Economic Development and

Culture Committee in the report to Policy & Resources Committee on 24 January 2013 entitled "Future of the Mobile Library Service".

Amendment 3

- To reduce the £0.750m investment in preventative services shown in paragraph 3.40 page 19 of the agenda by £0.169m.

Chief Finance Officer comments:

This would require negotiation with health partners to agree a revised split of NHS funding for Social Care to use more money to protect existing services and to reduce the new investment in preventative services. There is a risk that this may not be acceptable to partners.

It is proposed that these resources will be used as follows:

- £0.150m to reverse the commissioning saving in temporary accommodation budget generated by increased income from private sector leasing and a reduction of spot purchase accommodation set out on page 81 of the agenda.
- £0.019m to reverse the efficiency saving in the preventing homelessness budget set out on page 81 of the agenda.

Amendment 4

- To set aside £0.070m of the Welfare and Local Government Funding reform reserve set out on page 115 of the agenda.
- To reduce the Housing Revenue Account (HRA) revenue contribution to capital shown in table 1 on page 203 of the agenda by £0.005m thereby reducing the 2013/14 HRA capital investment programme by the same amount.

The proposals above will generate one-off General Fund resources of £0.070m and one-off HRA resources of £0.005m. It is proposed that these resources will be used as follows:

- £0.070m to appoint an additional full time Welfare Rights officer for 2 years to help cover any additional workload created by national welfare changes.
- £0.005m for Welfare Changes communications to council tenants.

Amendment 5

- To combine the Transport and Environment Committees resulting in a saving of £0.015m in the Democratic Services budget. The savings would arise from lower committee support and administrative costs.

It is proposed that these resources will be used as follows:

- £0.015m to reverse part of the other efficiency gains saving in Children's Centre Nurseries set out on page 63 of the agenda to ensure that there is no additional increase in charges for children under 3."

- 90.7 Councillor Hamilton formally seconded the amendments, and stated that they sought to mitigate the effects of the welfare reforms that were being imposed on the most vulnerable in the city. He believed that the housing benefit changes would result in more people being in temporary accommodation and an increase in homelessness. In regard to the mobile library he noted that it had issued more books than a number of the local libraries and provided a useful service which should be maintained. He also noted that even with a 2% council tax rise every year for the next five years, the council would effectively see its income levels reduced by 20%. He believed that it was a reasonable budget under the difficult circumstances that were being experienced and hoped that the amendments would be accepted.
- 90.8 The Mayor then opened the matter up to a general debate and the following Members of the Council spoke on the various motions that had been put forward; Councillors Cobb, Bowden, Morgan, Simson, Mac Cafferty, Meadows, Jarrett, Mears, Fitch, Wakefield, Wealls, Shanks, Wilson, West, Cox, Davey, Farrow, Sykes, Janio, Jones, Pissaridou, Duncan, Peltzer Dunn, Powell, Gilbey, Hawtree, A. Norman, A. Kitcat, Mitchell, Robins, Deane, Wells, Summers, Carden and J. Kitcat.
- 90.9 The Mayor noted that all Members wishing to speak during the debate had done so and congratulated Councillors. He then called on Councillor Littman to respond to the debate and the amendments.
- 90.10 Councillor Littman thanked the Mayor and stated that whilst he understood the sentiments of the Conservative Group's amendments he could not accept them and whilst some of the Labour & Co-operative Group's were acceptable, he could not support the retention of the mobile library at a cost to the loss of the home delivery service. He therefore wished to recommend that the budget proposals as they were detailed in the agenda papers. He believed that a council tax increase of 1.96% coupled with the various actions provided the best option for the council and the residents and noted that a number of other authorities had also chosen to refuse the government's offer and increase their council tax rather than freeze and face significant cuts in future years. He also wished to move a vote of thanks to the finance officers for their work and advice on the budget.
- 90.11 The Mayor stated that Items 90 and 91 would be taken together. He intended to put each of the amendments to the vote, following which he would call on the Director of Finance to confirm the position before putting the substantive recommendations to the vote as outlined in the procedural document.
- 90.12 The Mayor then put the Conservative Group's amendments to the vote:

Conservative Amendment No. 1 - The Mayor confirmed that the motion was lost.

- Conservative Amendment No. 2 - The Mayor confirmed that the motion was **carried**.
- Conservative Amendment No. 3 - The Mayor confirmed that the motion was lost.
- Conservative Amendment No. 4 - The Mayor confirmed that the motion was lost.
- Conservative Amendment No. 5 - The Mayor confirmed that the motion was lost.
- Conservative Amendment No. 6 - The Mayor confirmed that the motion was lost.

90.13 The Mayor confirmed that the Conservative Group's amendment No.2 had been carried and that amendment No's. 1, 3, 4, 5 and 6 had been lost.

90.14 Councillor Mitchell moved a point of information and stated that as the Conservative Group's amendment No.2 had been carried, it had a direct impact on the Labour & Co-operative Group's amendments No's. 1 and 2 as it used the same funding stream. She therefore wished to request a short adjournment, in order that Finance Officers could be consulted and changes made to the two affected amendments.

90.15 The Mayor noted the information and stated that he was willing to call a short adjournment to allow for consultations with officers and between the Group Leaders to take place and should it be possible for the Labour & Co-operative Group's amendments to be altered. He then adjourned the meeting at 7.20pm.

90.16 The Mayor reconvened the meeting at 8.00pm and noted that the Labour & Co-operative Group's amendments No's. 1 and 2 had been revised to take account of the decision to accept the Conservative Group's amendment No.2. the revised amendments had been circulated for information:

Amendment 1

- To reduce by £0.040m the additional funding for the Music Service agreed in Conservative amendment No.2, leaving £0.010m additional funding.
- To reduce by £0.040m the service pressure funding for the Communications Team set out in the Resources & Financial budget summary on page 97 of the agenda.

Chief Finance Officer comments:

This would require a reprioritisation of external communications and marketing spend and a reduction in the response times to media and public enquiries. The service has made staffing savings to contribute to the existing Management & Administration savings targets and is already reliant on one off funding for certain pieces of work such as communicating changes from welfare reform, communication with staff on pay modernisation and support for City Deal.

The proposals above will generate ongoing savings of £0.080m. It is proposed that these resources will be used as follows:

- £0.080m to reverse part of other efficiency gains saving in Children's Centres including the recharges for midwifery services and reducing reception posts as set out on page 64 of the agenda.

Amendment 2

- To further reduce by £0.010m the service pressure funding for the Communications Team set out in the resources & Finance budget summary on page 97 of the agenda.

Chief Finance Officer comments:

This would require a reprioritisation of external communications and marketing spend and a reduction in the response times to media and public enquiries. The service has made staffing savings to contribute to the existing Management & Administration savings targets and is already reliant on one off funding for certain pieces of work such as communicating changes from welfare reform, communication with staff on pay modernisation and support for City Deal.

- To top-slice £0.120m of the £6.349m 2013/14 Local Transport Plan capital grant shown in table 2 on page 204 of the agenda.

It is proposed that these resources will be used as follows:

- £0.010m plus the funding set aside in the library budget for the enhanced Home Delivery service to be reallocated to run the Mobile Library on a reduced timetable for 3 days a week and £0.120m for the purchase of a new replacement vehicle. This proposal represents option 3 recommended by the Economic Development and Culture Committee in the report to Policy & Resources Committee on 24 January 2013 entitled "Future of the Mobile Library Service".

90.17 Councillor Smith asked for confirmation of the implications of agreeing to the revised Labour & Co-operative Group's amendments in regard to the Conservative Group's amendment No.2 that was currently approved.

90.18 The Director of Finance confirmed that should the Labour & Co-operative Group's revised amendment No.1 be approved, it would directly impact on the £0.040m funding that the Conservative amendment No.2 had identified for the Music Service.

90.19 Councillor J. Kitcat confirmed that the Administration could not accept the revised amendments No's 1 and 2 from the Labour & Co-operative Group.

90.20 The Mayor noted the changes and the comments and then put that the Labour & Co-operative Group's amendments to the vote:

Labour & Co-operative Amendment (revised) No. 1 - The Mayor confirmed that the motion was lost.

- Labour & Co-operative Amendment (revised) No. 2 - The Mayor confirmed that the motion was lost.
- Labour & Co-operative Amendment No. 3 - The Mayor confirmed that the motion was **carried**.
- Labour & Co-operative Amendment No. 4 - The Mayor confirmed that the motion was **carried**.
- Labour & Co-operative Amendment No. 5 - The Mayor confirmed that the motion was **carried**.

90.21 The Mayor confirmed that the Labour & Co-operative Group's amendment No's 3, 4 and 5 had been carried and that amendment No's. 1 and 2 had been lost. He then called on the Director of Finance to outline the budgetary position in light of the amendments being agreed.

90.22 The Director of Finance informed the Council that should the recommendations in relation to the budget be approved as amended; then changes to both the General Fund and Housing Revenue Account Budgets would result and these needed to be taken into account by Members prior to their vote. She noted that the amendments would result in an additional £35,000 being added to the amounts shown on page 193 of the agenda under 3 (a) £718,024,130 becoming £718,059,130 and 3 (b) £615,280,131 becoming £615,315,131.

90.23 The Mayor then put the recommendations affecting the General Fund and Revenue Budget 2013/14 as amended to the vote.

90.24 The Mayor confirmed that the motion had been carried.

90.25 **RESOLVED:**

- (1) That subject to recommendation (3) below, the 2013/14 General Fund Revenue Budget proposals contained in the body of the report as amended, including the following be approved:
- A 1.96% increase in the Brighton & Hove element of the council tax;
 - The 2013/14 budget allocations to services as set out in the revised appendix 1 (detailed below) incorporating the agreed amendments;

2013/14 BUDGET - Budget changes from 2012/13 to 2013/14											Appendix 1		
	2012/13 Revised Base £'000	Changes in function / funding £'000	Internal Transfers £'000	Reverse one-off allocations £'000	2012/13 Adjusted Base £'000	FYE of 2012/13 Savings	Inflation £'000	Service Pressures	Commitments and reinvestment £'000	VFM & Other Savings £'000	2013/14 Original Budget £'000	Increase over adjusted base £'000	Increase over adjusted base %
Commissioner - Childrens, Youth & Families	22,324	0	-708		21,616	0	419	0	6	-2,660	19,381	-2,235	-10.3
Commissioner - Learning and Partnerships	5,096	0	-286		4,810	0	69	0	5	-381	4,503	-307	-6.4
Delivery Unit Children's & Families	34,777	0	634		35,411	0	456	500	-500	-826	35,041	-370	-1.0
Commissioner - People	1,764	0	-117		1,647	-50	71	0	-613	-250	805	-842	-51.1
Delivery Unit Adults Assessment	63,760	0	-914		62,846	-137	1,175	942	54	-4,584	60,296	-2,550	-4.1
Delivery Unit Adults Provider	13,339	0	1,031		14,370	-104	95	58	27	-740	13,706	-664	-4.6
Commissioner - Communities & Equalities	2,974	0	-74		2,900	0	56	0	458	-52	3,362	462	15.9
Transport	-4,583	0	-50	-29	-4,662	-47	-141	390	235	-300	-4,525	137	-2.9
City Infrastructure	28,790	0	0	-25	28,765	-51	443	140	21	-85	29,233	468	1.6
Planning & Public Protection	4,334	0	0	-100	4,234	-57	20	70	165	-35	4,397	163	3.8
City Regeneration	754	0	10		764	-70	7	0	30	0	731	-33	-4.3
Housing	15,820	0	177		15,997	0	251	1,000	11	-744	16,515	518	3.2
Community Safety	2,132	0	-535		1,597	0	27	0	4	0	1,628	31	1.9
Commissioner - Sports & Leisure	1,157	0	0		1,157	0	21	0	0	-30	1,148	-9	-0.8
Commissioner - Culture	1,892	0	-10		1,882	0	33	30	26	-25	1,946	64	3.4
Delivery Unit Tourism & Leisure	3,085	0	50		3,135	-118	-16	0	22	-200	2,823	-312	-10.0
Resources	18,806	0	70	-135	18,741	-195	221	860	71	-1,213	18,485	-256	-1.4
Delivery Unit City Services	12,261	0	-131	-22	12,108	0	132	45	1,764	-333	13,716	1,608	13.3
Finance	5,147	0	79		5,226	0	51	50	11	-321	5,017	-209	-4.0
Total Directorate Spending	233,629	0	-774	-311	232,544	-829	3,390	4,085	1,797	-12,779	228,208	-4,336	-1.86

	2012/13 Revised Base £'000	Changes in function / funding £'000	Internal Transfers £'000	Reverse one-off allocations £'000	2012/13 Adjusted Base £'000	FYE of 2012/13 Savings	Inflation £'000	Service Pressures	Commitments and reinvestment £'000	VFM & Other Savings £'000	2013/14 Original Budget £'000	Increase over adjusted base £'000	Increase over adjusted base %
Concessionary Fares	9,696	0	0		9,696		194	0	254	0	10,144	448	
Insurance	3,419	0	0		3,419		68	0	0	-300	3,187	-232	
Financing Costs	8,862	0	300		9,162		0		559	0	9,721	559	
Corporate VFM Savings	-531	0	236		-295	-175	-8	258	0	-2,500	-2,720	-2,425	
Contingency and Risk Provisions	4,599	0	-652	-1,950	1,997		897	270	2,821	0	5,985	3,988	
Unringfenced grants income	-30,444	11,965	769		-17,710			3,049	-817		-15,478	2,232	
Levies to External Bodies	167	0	0		167		4		-13	0	158	-9	
Other Corporate Budgets	-2,253	0	121		-2,132		-67	100	172		-1,927	205	
NET REVENUE EXPENDITURE	227,144	11,965	0	-2,261	236,848	-1,004	4,478	7,762	4,773	-15,579	237,278	430	
Contributions to/ from(-) reserves	-4,190	0	0	2,261	-1,929	1,035			-7,093	-1,152	-9,139	-7,210	
BUDGET REQUIREMENT	222,954	11,965	0	0	234,919	31	4,478	7,762	-2,320	-16,731	228,139	-6,780	
Funded by													
Formula Grant/Revenue Support Grant	104,372	18,491			122,863						77,652	-45,211	
Business Rates Local Share	0	12,302			12,302						42,234	29,933	
Top Up Grant	0	0			0						1,581	1,581	
Safety Net Grant	0	0			0						3,970	3,970	
Collection Fund surplus/(deficit)	-851	0			-851						0	851	
Council Tax	119,433	-18,828			100,605						102,702	2,097	
Total	222,954	11,965			234,919						228,139	-6,780	

- The council's net General Fund budget requirement for 2013/14 of £228.1m;
- The reinvestments as set out in paragraph 3.37;
- The budget savings package as set out in appendix 4;
- The contingency budget of £6.0m as set out in table 6;
- The reserves allocations as set out in paragraph and table 4;

- The borrowing limit for the year commencing 1 April 2013 of £371m;
 - The annual Minimum Revenue Provision statement as set out in appendix 9;
 - The Prudential Indicators as set out in appendix 10 to this report;
 - The proposed responses to the scrutiny recommendations as set out in appendix 14.
- (2) That the revised Medium Term Financial Strategy budget and resource projections for 2013/14 to 2018/19 as set out in appendix 7 to the report be noted; and
- (3) That it be noted that supplementary information needed to set the overall council tax would be provided for the budget setting Council as listed in paragraph 4.5 of the report.

Note: The Conservative Group voted against the above resolutions.

91. SUPPLEMENTARY FINANCIAL INFORMATION FOR BUDGET COUNCIL

91.1 The Mayor noted that Item 91 had been taken with Item 90 for the purposes of approving the General Fund Revenue Budget & Council Tax 2013/14 and the resolution was as set out under Item 90.

92. CAPITAL RESOURCES & CAPITAL INVESTMENT PROGRAMME 2013/14

92.1 The Director of Finance confirmed that there had been no changes to the Capital Resources & Capital Investment Programme 2013/14 as a result of the amendments that had been accepted and therefore the recommendations remained as detailed in the report.

92.2 The Mayor noted the Director of Finance's comments and put the recommendations to the vote, which were carried.

92.3 RESOLVED:

- (1) That the Capital Investment Programme for 2013/14 as detailed in appendix 1 to the report be approved;
- (2) That the estimated capital resources in future years as detailed in appendix 1 to the report be noted;
- (3) That the allocation of £0.250m resources in 2013/14 for the Strategic Investment Fund for the purposes set out in paragraph 3.25 of the report be approved;
- (4) That the allocation of £1.000m for the ICT fund be approved;
- (5) That the allocation of £1.000m for the Asset Management Fund be approved;

- (6) That the proposed use of council borrowing as set out in paragraph 3.17 of the report and appendix 3 to the report be approved.

93. HOUSING REVENUE ACCOUNT 2013/14

- 93.1 The Director of Finance confirmed that having approved the Labour & Co-operative amendment No.4, the Housing Revenue Account's budget allocation had increased by £5,000 however this did not affect the overall allocation significantly and therefore the budget could be approved.
- 93.2 The Mayor noted that the Labour & Co-operative Group's amendment No.4 had contained changes to the proposals for the Housing Revenue Account 2013/14 and therefore put the recommendations in relation to the Housing revenue Account Budget as amended to the vote.
- 93.3 The Mayor confirmed that recommendations as amended had been carried.

93.4 RESOLVED:

- (1) That the budget for 2013/14 as amended be approved;
- (2) That individual rent increases and decreases be approved in line with rent restructuring principles as determined by the Government and detailed in paragraphs 3.13 to 3.15 to the report; and
- (3) That the changes to fees and charges as detailed in Table 2, paragraphs 3.16 to 3.18 to the report be approved and the Strategic Director; Place be granted delegated authority to increase communal heating electricity charges following the corporate procurement of new contract prices.

94. CLOSE OF MEETING

- 94.1 The Mayor thanked the council for a well conducted debate and declared the meeting closed.

The meeting concluded at 8.10pm

Signed

Chair

Dated this

day of

2013