



**Minutes of the Adjourned Council
(Council decisions shown in bold text)**

9 February 2017

-: Present :-

**Chairman of the Council (Councillor Hill) (In the Chair)
Vice-Chairwoman of the Council (Councillor Brooks)**

The Mayor of Torbay (Mayor Oliver)

Councillors Amil, Bent, Bye, Carter, Cunningham, Darling (M), Darling (S), Doggett, Ellery, Excell, Haddock, King, Kingscote, Lewis, Manning, Mills, Morey, Parrott, Robson, Pentney, Sanders, Stockman, Stocks, Stubbley, Sykes, Thomas (D), Tolchard, Tyerman and Winfield

140 Apologies for absence

Apologies for absence were received from Councillors Barnby, Morris, O'Dwyer, Stringer and Thomas (J).

141 Transformation Project - Children's Services Medium Term Finance Strategy

The Council considered the submitted report on a review by the Director of Children's Services of the previously approved Children's Services 5 Year Financial Strategy as to whether the targets within the strategy were realistic and achievable. It was noted that the review identified that the savings envisaged in the original strategy were not achievable due to a range of factors and the Director of Children's Services had prepared a revised Children's Services Medium Term Financial Strategy (2017-2021) as a result.

Councillor Parrott proposed and Councillor Mills seconded a motion, which was agreed (unanimously) by the Council as set out below:

that the Children's Services Medium Term Finance Strategy (MTFS) (2017 – 2021) and the revised contribution to the 2017/2018 Revenue Budget as set out in Appendix 1 to the submitted report be approved.

142 Revenue Budget 2017/2018

Further to the meeting of the Council held on 2 February 2017, Members considered the recommendations of the Mayor in relation to the Revenue Budget 2017/18 as set out in the submitted report and supporting documents.

In accordance with legislation, the Chairman advised that recorded votes would be taken on the motion and the objection.

Mayor Oliver proposed and Councillor Mills seconded a motion as set out below:

- (i) that the proposals identified for service change, income generation and efficiencies in 2017/2018 and 2018/2019, as set out in the proposed Revenue Budget Digest, be approved;
- (ii) that the net revenue expenditure of £109.642m resulting in a Council Tax requirement of £60.075m for 2017/2018, a 3.99% increase which includes a 2% increase in Council Tax specifically for adult social care be approved;
- (iii) that, in relation to (ii) above, the Council's commitment (by a statement signed by the Chief Financial Officer) to allocate the additional funding of £1.155m raised by the 2% increase in Council Tax to adult social care be confirmed;
- (iv) that the Dedicated Schools Grant be used in accordance with the Schools Financial Regulations and that the Chief Finance Officer be authorised to make amendments as required when the final figures are confirmed;
- (v) that, in accordance with the requirement of the Local Government Act 2003, the advice given by the Chief Finance Officer with respect to the robustness of the budget estimates and the adequacy of the Council's reserves (as set out in the submitted report) be considered and noted; and
- (vi) that it be noted that Brixham Town Council has yet to set its budget for 2017/2018 and this precept, when known, will be included as part of the Torbay Council budget for Council Tax setting purposes.

During the debate and in accordance with Standing Order A14.4, Councillor Thomas (D) proposed and Councillor Darling (S) seconded an objection to the motion as follows:

that the Council formally objects to the Mayor's revenue budget proposals, as a number of members across all political groups on the Council object to some or all of the following issues:

- i) that the Council should heed the advice of our Chief Executive, Section 151 Officer, the full Senior Leadership Team and the Local Government Association by increasing the Council tax by an additional 1% for adult social care in 2017/18, which is in line with the Government's recommendations. This is to ensure that Torbay Council is able to continue to support vulnerable adults in accordance with the Council's Corporate Plan;**

- ii) **in light of the funding crisis facing the NHS and adult social care, the Council is very concerned on the Section 151 Officer's qualified opinion in respect of the Adult Social Care expenditure. Therefore, the Council objects to the apparent inadequate provision for the risk share agreement with the Integrated Care Organisation and the potential costs of withdrawal from the current risk share arrangement from December 2017;**
- iii) **that the reduction in the Youth Service funding is likely to result in uncertainty for grants given to community led youth service provision and this element of the future provision of youth services should be protected;**
- iv) **the continued cost to the Council of the Air Show at £100,000;**
- v) **the £61,000 to reduce grounds maintenance, the impact this will have and the achievability of sponsorship;**
- vi) **all senior officers share secretarial support and the Mayor should consider the level of his two full time support officers to release resources for priority areas elsewhere in the Council; and**
- vii) **members believe it is unsafe to increase the expected income from the Investment fund prior to securing the purchase agreed by Council in December 2016 and prior to agreeing a change in the strategy which would be beneficial in supporting the aims of increasing the scope of investment opportunities.**

In accordance with the Constitution at F2.9, the Council therefore requires the Mayor to consider this objection by 17 February 2017 and either:

- a) **submit a revision of the estimates or amounts as amended by the elected Mayor with the reasons for any amendments made to the estimates or amounts, to the Council for its consideration; or**
- b) **inform the Council of any disagreement that the elected Mayor has with any of the Council's objections and the elected Mayor's reasons for any such disagreement.**

A recorded vote was taken on the objection. The voting was taken by roll call as follows: For: Councillors Bent, Brooks, Bye, Carter, Cunningham, Darling (M), Darling (S), Doggett, Ellery, Hill, Kingscote, Lewis, Morey, Pentney, Robson, Sanders, Stockman, Stocks, Sykes, Thomas (D), Tolchard, Tyerman and Winfield (23); Abstain: Mayor Oliver and Councillors Amil, Excell, Haddock, King, Manning, Mills, Parrott and Stubley (9); and Absent: Councillors Barnby, Morris, O'Dwyer, Stringer and Thomas (J) (5). Therefore the objection was agreed by Council (shown in bold text above) and the Chairman advised that the Mayor would

consider the objection and publish his response on 17 February 2017 for consideration at the Council meeting on 23 February 2017.

The Council then considered an amendment in relation to 2018/19 budget, which was considered under Standing Orders for Council Meetings and required Council decision at this meeting.

Councillor Lewis proposed and Councillor Morey seconded the amendment which was agreed (unanimously) by the Council as set out below:

that the Council does not consider or adopt indicative budget figures for 2018/19 at this stage as part of consideration of the Revenue Budget for 2017/18. This will provide officers further opportunity to develop proposals and enable the Overview and Scrutiny Board to examine them in their entirety as part of the 2018/19 budget setting process.

143 Capital Plan Budget 2017/2018

Further to the meeting of the Council held on 2 February 2017, Members considered the recommendations of the Mayor in relation to the Capital Plan 2017/2018 as set out in the submitted report.

In accordance with legislation, the Chairman advised that recorded votes would be taken on the motion and the objection.

Mayor Oliver proposed and Councillor Mills seconded a motion as set out below:

that the Capital Plan for 2017/2018 as set out in Appendix 1 to the submitted report be approved.

During the debate and in accordance with Standing Order A14.4, Councillor Tyerman proposed and Councillor Carter seconded an objection to the motion as follows:

that the Council formally objects to the Mayor's Capital Plan budget proposals on the basis that a number of schemes have substantially changed and/or a significant time has passed since Council's original approval. Therefore, these should be re-examined by the Overview and Scrutiny Board to enable it to make recommendations to the Council before they are approved.

In accordance with the Constitution at F2.9, the Council therefore requires the Mayor to consider this objection by 17 February 2017 either:

- a) submit a revision of the estimates or amounts as amended by the elected Mayor with the reasons for any amendments made to the estimates or amounts, to the Council for its consideration;**
or

- b) inform the Council of any disagreement that the elected Mayor has with any of the Council's objections and the elected Mayor's reasons for any such disagreement.**

A recorded vote was taken on the objection. The voting was taken by roll call as follows: For: Councillors Bent, Brooks, Bye, Carter, Cunningham, Darling (M), Darling (S), Doggett, Ellery, Hill, Kingscote, Lewis, Morey, Pentney, Robson, Sanders, Stockman, Stocks, Stubbley, Sykes, Thomas (D), Tolchard, Tyerman and Winfield (24); Abstain: Mayor Oliver and Councillors Amil, Excell, Haddock, King, Manning, Mills and Parrott (8); and Absent: Councillors Barnby, Morris, O'Dwyer, Stringer and Thomas (J) (5). Therefore the objection was agreed by Council (shown in bold text above) and the Chairman advised that the Mayor would consider the objection and publish his response on 17 February 2017 for consideration at the Council meeting on 23 February 2017.

144 Review of Reserves

Members considered the submitted report setting out a review of the Council's financial reserves as part of the Council's annual budget process.

Mayor Oliver proposed and Councillor Mills seconded a motion as set out below:

- (i) that the transfer of £2.750m identified from a number of individual earmarked reserves (as detailed in paragraph A2.19 of the submitted report) to the following reserves be approved:
- a) £2.0m to the Comprehensive Spending Review to fund the predicted 2016/17 Council overspend primarily as a result of budget pressures in children's and adults social care; and
 - b) £0.750m to the General Fund Reserve to be used as a contingency to support the Council's financial risks in future years; and
- (ii) that, given the significant financial pressures facing the Council in future years, the allocation of additional funds, as required, to the Comprehensive Spending Review Reserve in each budget process from 2018/2019 onwards to increase, and then maintain, an ongoing minimum balance in the reserve of £2m be agreed.

During the debate Councillor Bye proposed and Councillor Ellery seconded an objection to the motion as follows:

that the Council formally objects to the Mayor's review of reserves proposals on the basis of the reallocation of reserves from Harbours (£272,000) and Regeneration (£201,000).

In accordance with the Constitution at F4.9, the Council therefore requires the Mayor to consider this objection by 17 February 2017 and either:

- a) submit a revision of the review of reserves with the reasons for any amendments to the Council for its consideration; or**
- b) inform the Council of any disagreement that the Executive has with any of the Council's objections and the Executive's reasons for any such disagreement.**

The objection was put to the vote and declared carried.

The objection (substantive motion) was then considered by members, which was agreed by Council (shown in bold text above). The Mayor would consider the objection and publish his response by 17 February 2017 for consideration at the Council meeting on 23 February 2017.

145 Treasury Management Strategy 2017/18 (incorporating the Annual Investment Strategy 2017/18 and the Minimum Revenue Provision Policy 2017/18)

The Council received the Treasury Management Strategy for 2017/18 as set out in the submitted report. Members noted the strategy aimed to support the provision of all Council services through the management of the Council's cash flow, debt and investment operations.

Mayor Oliver proposed and Councillor Mills seconded a motion, which was agreed by the Council as set out below:

that the Treasury Management Strategy for 2017/18 (incorporating the Annual Investment Strategy and Minimum Revenue Provision Policy) and including the Prudential and Treasury Indicators for the coming financial year as set out in Appendix 1 to the submitted report be approved.

146 Corporate Asset Management Plan

The Council considered an annual review of the Corporate Asset Management Plan (as set out in the submitted report) which set out the strategies that the Council will use to rationalise the number of assets that it has, replace them where appropriate and improve the quality of its remaining assets.

Mayor Oliver proposed and Councillor Mills seconded a motion, which was agreed by the Council as set out below:

that the Corporate Asset Management Plan 2015-2019 (2017/2018 Revision) set out in Appendix 1 to the submitted report be approved.

147 Corporate Capital Strategy including the Capital Receipts Strategy

Members considered the submitted report setting out a review of the Corporate Capital Strategy. The strategy set out the principles to be used to guide the allocation of capital investment across all Council services and informed decisions on capital spending priorities within the Council's 4-year Capital Plan.

Mayor Oliver proposed and Councillor Mills seconded a motion, which was agreed by the Council as set out below:

that the Corporate Capital Strategy (including the Capital Receipts Strategy) as set out in Appendix to the submitted report be approved.

Chairman

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