

# **Minutes**

of a meeting of the

## **Executive**



held at 3pm on Friday 11 February 2011  
at the Guildhall, Abingdon

**Open to the public, including the press**

### **Present:**

Members: Councillors Tony de Vere (Chair), Richard Webber (Vice-Chair), Mary de Vere, Richard Gibson, Jenny Hannaby, Angela Lawrence and Jerry Patterson

Officers: Steve Bishop, David Buckle, Steve Culliford, Adrian Duffield, William Jacobs, Steve Lawrence, Ian Price, Matt Prosser, Margaret Reed, Anna Robinson, Len Rodway, Chris Tyson and Bob Watson

Number of members of the public: 3

### **Ex.68 Apologies for absence**

None

### **Ex.69 Minutes**

### **RESOLVED**

To adopt the minutes of the Executive meetings held on 7 and 31 January 2011 and agree that the chair signs them.

### **Ex.70 Declarations of interest**

Councillors Jenny Hannaby and Angela Lawrence declared personal and prejudicial interests in the item on the Joint Environmental Trusts as they were Wantage and Abingdon Town Councillors respectively (minute Ex.74 refers).

### **Ex.71 Urgent business and chair's announcements**

None

### **Ex.72 Statements, petitions, and questions relating to matters affecting the Executive**

Mr Peter Harbour asked a question on behalf of the Friends of Abbey Meadow Outdoor Pool. Before asking his question he gave some background. He believed that the council should look at the future of the Abbey Meadows area in Abingdon, and pointed to two possible external funding sources to help improve the open air pool. He also suggested a county-wide approach to managing swimming pools to develop best practice and better marketing. He asked:

“Would the Leader and/or Deputy Leader of the Council please request an early meeting of interested parties, with a view to obtaining costings for improvements to the outdoor pool which might attract grant funding, such that grant application might target the time-window September 2011 to May 2012 for grant-aided work to be carried out? We request an early reply.”

The Leader thanked Mr Harbour for his question and undertook to reply within ten working days.

### **Ex.73      Draft budget 2011/12**

The Executive considered report 104/10 of the head of finance. This brought together all relevant information to allow the Executive to consider the revenue and capital budgets for 2011/12, an indicative capital programme to 2015/16, a medium term financial plan to 2015/16, and the prudential indicators. The Executive was required to prepare the budget and recommend it to the Council.

The report also set out the opinion of the chief finance officer on the adequacy of the council's financial reserves. He was satisfied that the overall level of reserves was adequate in relation to the proposed revenue budget and capital programme and that the budgets were sustainable.

The portfolio holder reported that this had been a difficult year for the council due to government grant reductions and low investment income. The aim was to build up reserves; the medium term financial plan showed how this would be done. There had been some difficult decisions to take in preparing the draft budget but this had been achieved while protecting important services, bringing back community grants, and without increasing the Council Tax. He reported that the draft budget before the Executive did not include funding for a second superloo. Funding to retain the superloo at Grove would be added to the draft budget before it was submitted to the Council. He thanked the Executive members and the officers for their help.

In return the Executive thanked the portfolio holder and the officers for their work on the draft budget.

The chair asked that the Leader of the Opposition made any proposed amendments to the budget available to all councillors at least 48 hours before the Council meeting on 23 February. This was important to allow councillors to properly consider any amendments and allow an informed debate.

## **RECOMMENDED**

- (a) To recommend the Council to:
  - (i) set the revenue budget for 2011/12 at £11,393,150, as set out in appendix 1 to report 104/10;
  - (ii) approve the capital programme for 2011/12 to 2015/16, as set out in appendix 5 to the report, together with the capital growth bids set out in appendix 6;
  - (iii) set the council's Prudential Limits as listed in appendix 7;
  - (iv) approve the medium term financial plan to 2015/16 as set out in appendix 2;

## **RESOLVED**

- (b) To authorise the portfolio holder for finance, in conjunction with the head of finance, to make minor adjustments to the budget should this prove necessary prior to its submission to the Council on 23 February 2011; and
- (c) To request the Leader of the Opposition to make any amendments to the Executive's budget proposals available to all councillors at least 48 hours before the Council meeting on 23 February.

### **Ex.74 Joint Environmental Trusts**

Councillors Jenny Hannaby and Angela Lawrence declared personal and prejudicial interests in this item and in accordance with Standing Order 34 they left the meeting room during its consideration. However, before leaving the meeting room, Councillor Jenny Hannaby made a statement in accordance with Standing Order 32 that the report on the trusts in the Wantage Herald had been incorrect. She praised the trusts' work.

The Executive considered report 99/10 of the head of planning. This reviewed the working arrangements of the four Joint Environmental Trusts, one each for Abingdon, Faringdon, Grove, and Wantage.

The portfolio holder reported that the four trusts were joint committees between the council and the respective parish or town councils. The trusts had been set up in the 1980s to carry out environmental improvement projects. They had been examples of successful partnership working. However, due to the council's budget reductions in 2010 leading to staffing cuts, the council could no longer provide officer support to the trusts. During 2010, the council had looked at alternative working arrangements. The parish and town councils considered three options for the future of the trusts:

1. The parish or town council runs the trust as a sub-committee, taking on responsibility for administration, project management, and contracts. The district council provides funding through its partnership grants scheme.

2. The district council provides funding through its partnership grants scheme and the trust is wound up.
3. The district council awards a set grant to each parish or town council, which match the offer. A task group is set up with councillors from each authority to carry out environmental improvements. The parish/town council would take on responsibility for the administration, project management, and contracts.

Abingdon and Wantage Town Councils preferred option 1, winding up the trusts and the town councils operating them in a new form. Faringdon Town Council preferred option 2, winding up the trust and bidding for grant funding on a project-by-project basis. Grove Parish Council preferred option 3, winding up the trust and running a task group with match funding from the two councils.

The portfolio holder recommended winding up the trusts and offering any outstanding uncommitted funds to the relevant parish or town council for environmental improvements. Administrative and financial management support for the trusts would cease at the end of March 2011. The parish and town councils could seek grants for further environmental projects. The Executive agreed with this recommendation.

With regard to funding for the Letcombe Brook project, it was suggested that Grove Parish Council and Wantage Town Council reviewed the project work. Funding for the project officer post had been secured for 2011/12; the council would continue to manage the post during the year.

The portfolio holder considered that the Wantage Herald had inaccurately reported on the trusts and asked that this was minuted.

### **RECOMMENDED**

- (a) To recommend the Council to wind up the council's joint committees (the Joint Environmental Trusts) for Abingdon, Faringdon, Grove, and Wantage; and

### **RESOLVED**

- (b) That subject to the Council adopting (a) above, to close the Joint Environmental Trusts' bank accounts and offer any outstanding uncommitted trust funds, due to be returned to the council, to the relevant Abingdon, Faringdon, and Wantage Town Council and Grove Parish Council for environmental improvements in accordance with the partnership grant terms and conditions, and to transfer any parish/town council funds to the respective council.

## **Ex.75 Budget monitoring - quarter 3 2010/11**

The Executive considered report 103/10 of the head of finance regarding budget monitoring in the third quarter of 2010/11. The report set out the revenue and capital expenditure position as at 31 December 2010.

The predicted underspend at the end of the financial year was £666,080, representing 4.9 per cent of the council's 2010/11 revenue budget. Across the services there was a predicted underspend of £1,144,290, and there was likely to be £250,000 unapplied from the contingency budget. However, this was offset by £213,680 from the unbudgeted net effect of the below fourth tier staff savings initiative, and £514,530 from reduced investment income and reduced government grant. The Executive noted that the government had withdrawn the housing and planning delivery grant and the local area business growth incentive.

Turning to the capital programme, budget holders predicted a £4.5 million spend at the financial year-end, compared to the programme total of £5.99 million. Therefore, the council would need to carry forward £1.49 million to 2011/12 to complete the 2010/11 programme.

The Executive welcomed news of the predicted underspends and noted that the council was benefiting from its earlier work to achieve efficiency savings. The Executive also noted that its waste recycling credits should rise shortly but there was a shortfall of car park income. Councillors thanked the management team and staff for their work in reducing costs; the council was spending less than four years ago. The council was also within the limits of its Prudential Indicators set in February 2010 and remained within its operational debt boundaries.

## **RESOLVED**

To note the current budget position and the 2010/11 outturn forecast.

### **Ex.76 Treasury management mid-year monitoring report 2010/11**

The Executive considered report 100/10 of the head of finance. This reviewed the council's treasury management performance over the first half of 2010/11. The Audit and Governance Committee had considered the same report and was satisfied that the council had carried out its treasury activities in accordance with the treasury management strategy and policy. The Executive concurred.

## **RECOMMENDED**

To recommend the Council to note that the treasury management activities in the first half of 2010/11 are within the council's treasury management strategy and policy.

### **Ex.77 Treasury and investment strategy 2011/12 to 2013/14**

The Executive considered report 101/10 of the head of finance. This reviewed the treasury management and investment strategy and recommended no change to the strategy for 2011/12 to 2013/14.

The portfolio holder reported that the Audit and Governance Committee had considered the draft strategy also, recommending its adoption subject to rewording

one element. The committee had delegated authority to agree a suggested rewording of the investment counterparty selection criteria relating to 'Banks 4'. The report presented two alternative forms of wording the criteria; the Executive preferred the original.

The Executive supported the draft strategy and recommended its adoption to the Council.

## **RECOMMENDED**

To recommend the Council to approve the following key elements:

- (a) the treasury management strategy 2011/12 to 2013/14, including the following wording in the investment counterparty selection criteria:
  - Banks 4 – The council's own banker for transactional purposes if the bank falls below the criteria, although in this case balances will be minimised in both monetary size and time.
- (b) the treasury prudential indicators contained in paragraph 40 of the strategy;
- (c) the authorised limit Prudential Indicator, as shown in paragraph 6 of the strategy; and
- (d) the investment strategy 2011/12 contained in the treasury management strategy and the detailed criteria in Annex A1.

## **Ex.78 Ongoing provision of concessionary fares services**

The Executive considered report 102/10 of the head of finance regarding concessionary fares. On 1 April 2011, the council would no longer have responsibility for concessionary fares, as this would transfer to Oxfordshire County Council. However, to ease the transition the county council had asked the district councils to continue to provide the customer element of this service for a further year. This comprised processing applications for bus passes, ordering replacement passes, and dealing with customer enquiries. The report sought agreement to run this service on the county council's behalf, and extend and award contracts to third party suppliers to deliver services.

The portfolio holder reported that the council had the option not to meet the county council's request. However, he recommended that there should be no disruption to this service, as a significant number of residents held bus passes in the Vale. The Executive considered that this service should be provided for 2011/12 on the county council's behalf but that the full cost of this should be charged to the county. It was noted that the district councils' lawyers were finalising the draft agreement. The council's contractors had already made commitments to provide this service, subject to the council's approval. It was noted that bus passes that expired in March would be renewed automatically for April.

## **RECOMMENDED**

- (a) To recommend the Council to approve entering into an agency agreement on a full costs recovery basis to provide the customer element of the concessionary fares service on behalf of Oxfordshire County Council for the 2011/12 financial year;
- (b) To recommend the Council to authorise the chief finance officer to negotiate the detail of the agency agreement;

## **RESOLVED**

- (c) That subject to the Council adopting (a) above, to extend the Applied Card Technologies (ACT) contract to provide a customer management system for a 12 month period; and
- (d) That subject to the Council adopting (a) above, to enter into a contract with the existing supplier, Euclid Limited, for the manufacture and despatch of concessionary bus passes for a 12 month period.

## **Exempt information under section 100A(4) of the Local Government Act 1972**

None

The meeting rose at 4.05 pm