

COUNCIL

Tuesday 26 February 2013 from 6pm to 9.20pm

476 Present: The Mayor (Councillor Hall); Councillors Bath, Honorary Freeman Bungey JP, Davis, Mrs Dedman, Mrs Derham Wilkes, Duckworth, Fox, Mrs Geary, Geary, Hilliard, Mrs Jamieson, Jamieson, Jones, Mrs Jones, Honorary Freeman Lofts (The Deputy Mayor), Mrs Mawbey, Neale, Nottage, Phipps, Smith, Mrs Spittle and Watts.

477 Prayers:

Prayers were led by the Mayor's Chaplain, the Reverend Christopher Mann.

478 Apologies:

An apology for absence was received from Councillor Flagg.

479 Minutes:

The Minutes of the last Council meeting held on 18 December 2012 were confirmed as a correct record and signed.

480 Declarations of Interest:

There were no declarations of interest received.

The Chief Executive reported all Members of the Council had completed their request for dispensation to speak and vote on the Council Tax setting report.

481 Announcements:

1. The Mayor

The Mayor announced that, since the last Council meeting, he had been privileged to attend some wonderful engagements, including:-

- The Festival of Carols with the Mayor;
- A visit by Year 8 pupils from Grange School to the Council Chambers;

The Mayor and Mayoress were also pleased to support the following events:

- Christmas Day lunch at High Cross church;
- The Horizons Widows' Club
- Launch of Transition Town Christchurch Table Tennis project
- 'Done & Dusted' exhibition at the Red House Museum
- Highcliffe School Art Exhibition
- The Wessex Autistic Society Launch
- Seagulls Swimming Club Sports Awards

The Mayor expressed his gratitude to the Deputy Mayor, Cllr John Lofts, who attended four mayoral events on his behalf, including:

- Red House Museum Volunteers Christmas Evening
- Aviation Museum Inaugural draw
- Funeral of Brian Williams, Former Councillor
- Grange Choral Society, Christchurch.

The Mayor concluded by reporting the sad news that Mrs Spreadbury, former Mayoress had recently passed away. The Mayor advised that he had written to Honorary Freeman Eric Spreadbury MBE on behalf of the Council and attended the funeral service.

2. The Leader

The Leader referred to a letter from the Royal Bournemouth Hospital which expressed clear desire to keep the hospital trust services in Christchurch. The Trust, facing funding challenges, must review its use of its property. The Trust had reviewed the decision of the Planning Control Committee and had addressed the issues raised.

Councillor Nottage advised Council that Councillor Mrs Phipps had been appointed as a Board member on the Dorset Local Nature Partnership. In addition, following concerns regarding some Heritage buildings, Councillors Neale, Bath and Davis had been appointed to a Task and Finish Group to review policies and procedures.

482 Questions by Members of the Public:

The Mayor reported that no questions had been submitted under Council Procedure Rule 9.

483 Petitions by Members of the Public:

The Mayor reported that a petition had been received under Council Procedure Rule 22, as follows:-

“Petition seeking to ensure that the Inspector is fully aware of the decision-making process within the Council leading to the inclusion of certain controversial policies in the ‘Deposit Version’ of the Local Plan. We therefore urge the Council to ensure that all minutes, notes, and internal documents relating to those decisions which have attracted negative public reaction are places in the public domain in order that the Inspector may be aware of these matters and that the public participation in the Examination process may be on a basis of full information. (Mr R Maskell, Highcliffe)”

484 Questions by Members of the Council:

The Mayor reported that there had been two questions submitted under Council Procedure Rule 10 from Honorary Freeman Councillor Bungey, as follows:

Question from Honorary Freeman Councillor Bungey to the Portfolio Holder for Economy

“I am very concerned at the economic effect that will be felt by our town centre traders if the County Council decide to install parking meters in our High Street, Bargates and at Highcliffe as they will be entitled to do as from May this year.

1. Is the portfolio holder able to tell us if we as the Local Authority will have any rights of vetoing any such proposal should it arise?
2. If we have no say in their installation and bearing in mind that the County Council's stated purpose of installing these meters is to help bridge their funding shortfall. Will we as the Local Authority have any say on the charges they might impose?”

Response to Question by the Portfolio Holder for Economy (Councillor Watts)

“I am delighted to report that Dorset County Council will not be installing on street parking meters this May.

The decision to have on street parking has been delayed. This was due to the hard work by members and our county councillors.

Any proposal to install on-street parking would be subject to public consultation and the Christchurch borough council would be able to object at that stage.

There is no indication at this stage what the cost would be.”

Question from Honorary Freeman Councillor Bungey to the Portfolio Holder for Environment

“Is the portfolio holder able to tell us who has the responsibility for clearing rubbish along the A338 Spur Road from the Ashley Heath roundabout to the Blackwater junction and on into Bournemouth? Currently as you drive along this stretch of road it looks like a third world country with the amount of rubbish lying at the side of the road and caught up in the bushes and trees. Can we be assured that this will be cleared prior to the onset of the holiday season? Easter is only just over four weeks away.

Response to Question by Cllr Bungey Provided by the Portfolio Holder for Environment (Councillor Mrs Phipps)

“The Dorset Waste Partnership is responsible for litter picking the A338 from the Ashley Heath roundabout to the Bournemouth Borough Council boundary.

Litter picking high-speed roads requires traffic management measures in order to protect the workforce carrying out the work, and any measures that

restrict traffic flows must be approved by the Dorset County Council highways team.

The DWP have been made aware of our concerns about the untidy appearance of the A338. Lindsay Cass has been in contact with the Director of the DWP and has stressed that the litter picking must be carried out before the Easter holidays.

The DWP will endeavour to achieve this timetable, but it is dependent upon obtaining the necessary approvals to set up the traffic management measures. If the Easter deadline is not achieved, the litter picking will be carried out in April.”

485 Christchurch and East Dorset Core Strategy – Submission to the Secretary of State:

The Head of Community and Economy presented a report, a copy of which had been circulated to each Member of the Council, and a copy of which appears as Appendix 'A' to these Minutes in the Minute Book.

The report informed members of the response to consultation on the Core Strategy Pre-Submission Schedule of Proposed Changes, and sought approval to formally submit the Core Strategy to the Secretary of State.

The Portfolio Holder for Environment, Councillor Mrs Phipps, outlined the process that had taken place to develop the strategy and the consultation and public engagement undertaken to listen to stakeholders to reach the position to submit the strategy. Council was advised that it will be for the Secretary of State to consider the Strategy and the representations made. The motion was proposed and seconded.

Members debated the proposal in the Strategy. Concerns were expressed in relation to a number of the policies, in particular those relating to additional housing, the impact of such development and the realignment of green belt boundaries.

Before being put to the vote the following amendments were proposed and seconded.

Amendment 1 – the insertion of the words “, *subject to the removal of Policy CN2 (Land South of Burton Village),*” between the words “and” and “approves”. Upon being put to the vote the amendment was lost (8 votes For and 15 votes Against).

Amendment 2 – the insertion of the words “*amends the Vision Statement on Page 23 by the restoration of the words ‘The provision of a new community facility in Christchurch town centre will be supported’ at the end of the statement,*” between the words “Schedule of Proposed Changes,” and “and approves”, and the insertion of the words “*with this amendment*” between the words “Core Strategy” and “to the Secretary of State”. Upon being put to the vote the amendment was lost (9 votes For and 12 votes against).

RESOLVED that the Council notes the responses received during the consultation on the Schedule of Proposed Changes, and approves the Submission of the Christchurch and East Dorset Core Strategy to the Secretary of State. Any minor textual amendments required subsequent to this Council meeting to be agreed by the Chief Executive in consultation with the Leaders of the Councils.

Before being put to the vote, a recorded vote was requested in accordance with the procedural rules and the votes recorded for, against and those abstaining were as follows:

<i>For</i>	<i>Against</i>	<i>Abstentions</i>
Bath	None	Mrs Dedman
Bungey		Mrs Geary
Davis		Hall
Mrs Derham Wilkes		Hilliard
Duckworth		Jamieson
Fox		Mrs Jamieson
Geary		Jones
Lofts		Mrs Jones
Mrs Mawbey		
Neale		
Nottage		
Phipps		
Smith		
Mrs Spittle		
Watts		

Voting: 15:0 (8 abstentions)

The meeting was adjourned at 8.30pm and reconvened at 8.40pm.

Councillor Jamieson left the meeting.

486 Council and Committee Minutes – 2012/2013:

(a) The Council and Committee Minutes for the last cycle of meetings (Bound Copy – Volume 5) were received.

(b) The recommendation arising from the meeting of the Community Services Committee held on 19 December 2012 was then considered and approved:-

Tenancy Strategy Minute No 373

(c) The recommendation arising from the meeting of the Resources Committee held on 6 February 2013 was then considered and approved:-

Publication of Pay Policy Minute No 459

- (d) The recommendation arising from the meeting of the Resources Committee held on 6 February 2013 was proposed, seconded and deferred for further consideration during the item on the Setting of Council Tax for 2013/14:-

Medium Term Financial Plan – Budget 2013/14

Minute No 461

487 Setting of Council Tax 2013/14

The Mayor invited the Portfolio Holder for Performance to present the Medium Term Financial Plan and - Budget 2013/14 and Council Tax for 2013/14 and agreed that Council Procedure Rule 13.4 should be relaxed, as follows:-

RESOLVED – That the restriction on the length of speeches to 5 minutes, as set out in Council Procedure Rule 13.4 be suspended to enable the Portfolio Holder for Performance to present the budget.

The Portfolio Holder for Performance then presented his Budget Speech, as follows:-

“Mr Mayor, members, firstly can I thank the Head of Finance and his team, the Chief Executive, the Corporate Team and senior officers for the significant amount of work it has taken to compile a balanced budget for the coming financial year. This is in spite of the late settlement and the added complication of major changes to the local government funding regime.

Can I also take this opportunity to thank a group of people without whom the rapid progress that has been made with the Service Review Programme could not have been achieved. I of course refer to the staff who have worked diligently and professionally despite the period of uncertainty they have and in some cases still are, suffering.

My budget speech this year will be shorter than in previous years due to the level of detail contained within the Budget Report and appendices. I hope, like me, you agree that the information presented provides a clear and transparent picture of every aspect of our finances.

In the speech, minute number 461 Medium Term Financial Plan – Budget 2013/14 and Item 11 Setting the Council Tax – 2013/14 will be covered.

In the past budget speeches I may have commented on the level of increase in Government Grant being of little worth however we are clearly in a different financial climate now where any increase in grant being a luxury we will not see again. The Comprehensive Spending Review 2010 set the scene regarding Government funding for local authorities, with cuts to grant amounting to 28% to 2014/15.

We now know that the cuts for this council will be greater than this and in fact from 2009/10 to 2014/15 we will have seen reductions in the Government Grant in the order of some 40% on a like for like basis. We believe that cuts will now continue until at least 2018/19 with Districts and Boroughs taking more of the burden as Counties and Unitaries are treated more gently in view

of the recognition of the added difficulties inherent in Adult Services. The need for Councils to have robust medium term financial plans has, therefore, never been more critical.

To give a little more detail that is directly relevant to the budget setting today Government formula grant reduced from 45% of the net budget in 2009/10 to 32% in 2013/14 (excluding localisation of Council tax support funding). Our Government grant cut on a like for like basis shows a decline of over 10% compared to 2012/13 and by 12.3% in 14/15. The Government's own figures show a drop in spending power of over £4 per dwelling. We also believe other funding streams such as new homes bonus may also be at risk.

In his Autumn Statement on 5th December 2012 the Chancellor said "it is taking time but the British economy is healing". We believe that the revised plan to eliminate the structural deficit by 2017 will however be missed and we will still be some way off that by 2018, on present growth forecasts. It also appears that Moodys has some reservations.

We should not underestimate what is still to come, as not only will there be a general reduction in the local authority pot, as previously mentioned larger shares of what is left will be allocated to social services, leaving proportionately less for district and borough services.

Not only has the formula grant been reduced but we are now bearing a greater share of financial risk with the introduction of the localisation of council tax support (LCTS) and the retention of business rates. With the LCTS we will be receiving 10% less in funding to deliver this requiring us to bear a greater financial risk and also needing to pass on some of the shortfall to our residents.

I am sure that, like me, you recognise that the writing is on the wall regarding future support from central government.

We must, therefore, recognise that we have to move toward self sufficiency in our long term funding outlook, placing less reliance on central funding. In doing this we will need to continue to explore partnership opportunities, that have proved so successful to date, be innovative in maximising the return on our assets and also be prepared to consider how we manage our key income stream, Council Tax. This will undoubtedly mean more challenging decisions for us as members.

This is my 9th Budget Speech and having made savings in excess of £1million between 2003 and 2009/10 this council was already stripped to the bones. There was no more salami slicing to be had. We would not be considering the future with some optimism today without partnership working which will produce savings of a further £1million over the 5 years to 2015. Budget gaps have been presented during the year but the development of a robust Medium Term Financial Strategy has enabled us to plan how we will meet these. This doesn't mean they have gone away it means we have to implement our plan to deal with them.

Whilst other councils are talking about cuts we are talking about savings that enable us to maintain front line services. We should acknowledge with some pride that we have anticipated the need for change and through the willingness to seek and develop partnerships in delivering our services to the community we have positioned ourselves well to manage the challenges we will certainly face. We must not be complacent though. We must continue to build on the good work we have commenced and must at the same time acknowledge the brave decisions made by members which set us on this pathway.

Actions taken this budget round on top of the shared service savings include:

- *Fundamental reviews of budgets - £123k*
- *Restricting inflation to only those areas where it is contractually required*
- *Reducing insurance costs - £100k*
- *Increasing income - £236k*
- *Improved employee cost budgeting - £50k*
- *Making our reserves more resilient to meet increased risk exposure*

Council tax has not risen for two years. This is one of our key income streams, however, representing 61% of our net budget. We cannot therefore ignore this when trying to ensure our long term financial viability. With this in mind I believe that a strategy around our approach to increasing Council Tax is crucial to our future. Recent feedback from the public consultation on the budget indicated that people preferred small manageable increases rather than large ad hoc ones. We also recognise this and therefore consider that a 1.95% increase should be recommended.

We have been offered a 1% freeze grant if we do not increase council tax. Freeze grants are temporary funding and undermine the ability to increase base revenue funding. The freeze grants we have will now start to fall out of the budget, with one of the freeze grants of £91k not being received in 13/14. The other will disappear in 2015/16. This compounds the impact of inflation and funding reductions. We recognise increases are difficult but the proposed increase is below inflation (RPI 2.7% CPI 3.1% in December) and amounts to 6p per week or £3.40 per year. We need to position the Council's finances to ensure large and unexpected rises in Council tax can be avoided in future.

As usual I remind members that although we collect council tax on behalf of DCC, Police and Fire only 11% of the monies we collect is spent on services provided by CBC.

The adequacy of our reserves to not only fund specific projects but also to ensure we have a sufficient buffer to deal with budget shocks is essential. The financial risk exposure in the current climate is greater than it has ever been. Additionally the Localisation of Council Tax Support and Retention of Business Rates have created a risk profile that will take at least 12 months to fully determine. Through prudent financial management, our reserves are in good shape and give us a degree of flexibility and certainty going forward. We will keep them under review, however.

I have just mentioned our prudent approach to expenditure and this along with savings produced through shared services is enabling the Council to make in

years savings. This has been the case for the last few years and has enabled us to set aside funds to pump prime the change programmes. Whilst savings will continue to be achieved in the short term however they are unlikely to be sustainable in the longer term. The current headroom this creates will enable us to smooth the significant funding changes we will encounter.

We have a wide ranging capital programme amounting to £7.8m which includes investment in the following:

- *Contributions to vehicle purchase for the Dorset Waste Partnership*
- *An equipment and renewals fund including ICT equipment*
- *Affordable Housing*
- *Disabled Facilities*
- *CCTV*
- *Superfast Broadband*

Furthermore, the possible rationalisation of Partnership accommodation will help mitigate asset management costs that CBC would have been wholly exposed to.

I am sure that, like me, you do not want to standstill. We want to seek opportunities to maintain and improve services. We have taken a bold step in sharing services which has created a solid base on which to build. We do not want to undermine this by not having resilient financial plans that go beyond each year. I believe this budget and the Medium Term Financial Plan within which it sits will enable us to understand the financial challenges we face as well as enabling us to invest for our future.

In summary I recommend a Budget to the council which:-

1. *Continues to protect services to our community.*
2. *Provides a small increase which will help to secure the councils' financial position going forward and will avoid large increases later.*
3. *Gives a commitment to delivering further savings through the Partnership Services Review which will now be completed six months earlier than originally planned.*

Mr Mayor all that remains for me to do is propose Minute 461 and Agenda Item 11 (Council tax setting) as set out and reserve my rights.”

The Leader seconded the Budget and item 11 commenting that this was a clear and transparent balanced budget and congratulated the portfolio holder on overseeing the growth agenda.

RESOLVED – (1) That the Recommendation contained in Minute No 461 be approved.

(2) That it be noted that on 16th January 2013 the Resources Committee calculated the Council Tax Base 2013/14:

- a. For the whole Council area as 18,857 (Item T in the formula in section 31B of the Local Government Finance Act 1992, as amended (the “Act”); and

- b. For dwellings in those parts of its area to which a Parish precept relates as in the attached appendix C.
- (3) Calculate that the Council Tax requirement for the Council's own purposes for 2013/14 (excluding parish precepts) is **£3,356,132**.
- (4) That the following amounts be calculated for the year 2013/14 in accordance with Sections 31 to 36 of the Act:
- a. **£35,878,368** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
- b. **£32,499,342** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- c. **£3,379,026** being the amount by which the aggregate at 4(a) above exceeds the aggregate at 4(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
- d. **£179.19** being the amount at 4(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of Council Tax for the year (including parish precepts). Appendix B details Basic Council Tax by Parish Council.
- e. **£22,894** being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix C).
- f. **£177.98** being the amount at 4(d) above less the result given by dividing the amount at 4(e) above by Item T (2(a) above), calculated by the Council, in accordance with Section 34(s) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no parish precept relates.

(5) that it be noted that the County Council, the Police Authority and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.

(6) That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2013/14 for each part of its area and for each of the categories of dwellings.

Precepts Issued By Major Precepting Authorities:

	A £	B £	C £	D £	E £	F £	G £	H £
Dorset County Council	778.86	908.67	1,038.48	1,168.29	1,427.91	1,687.53	1,947.15	2,336.58
Dorset Police Authority	122.34	142.73	163.12	183.51	224.29	265.07	305.85	367.02
Dorset Fire Authority	43.56	50.82	58.08	65.34	79.86	94.38	108.90	130.68
Christchurch Borough Council	118.65	138.43	158.20	177.98	217.53	257.08	296.63	355.96

Aggregate Amounts of Council Tax:

Parish	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Burton	1,071.12	1,249.64	1,428.16	1,606.68	1,963.72	2,320.76	2,677.80	3,213.36
Hurn	1,081.32	1,261.55	1,441.76	1,621.99	1,982.43	2,342.87	2,703.31	3,243.98
Christchurch	1,063.41	1,240.65	1,417.88	1,595.12	1,949.59	2,304.06	2,658.53	3,190.24

(7) That as set out within the Localism Act 2011 section 52ZB establishes a duty to determine whether a Council Tax increase is excessive. The Secretary of State will determine the principles to be used in each year. For 2013/14 this value is an increase of 2.00% or higher. The value of the increase for Christchurch is calculated as

1.95% and therefore the Council has determined that there is no excessive increase.

Voting: Unanimous

488 Deputy Mayor Elect – 2013/14

The Mayor reported that, in accordance with the Council's procedure rules, Councillor Mrs Denise Jones had been selected as Deputy Mayor for 2013/14 and subsequently Mayor in 2014/15.

The current Deputy Mayor, Honorary Freeman Councillor John Lofts, would be the Mayor-Designate for 2013/14.

Councillor Mrs Denise Jones thanked the Members for their support, confidence and trust.

Mayor