

MINUTES of the meeting of Cabinet held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Thursday 19 January 2012 at 2.00 pm

Present: Councillor JG Jarvis (Chairman)
Councillor (Vice Chairman)

Councillors: AJM Blackshaw, H Bramer, PM Morgan, RJ Phillips, PD Price and DB Wilcox

In attendance: Councillors RB Hamilton, JA Hyde, AW Johnson, NP Nenadich, GJ Powell, P Sinclair-Knipe, LO Barnett, EPJ Harvey, TM James, RI Matthews and A Seldon

144. APOLOGIES FOR ABSENCE

There were no apologies for absence.

145. DECLARATIONS OF INTEREST

There were no declarations of interest made.

146. MINUTES

RESOLVED: That the Minutes of the meeting held on 15 December 2011 be approved as a correct record and signed by the Chairman.

147. DRAFT FINANCIAL STRATEGY AND BUDGET 2012/13

The Leader of the Council introduced the Draft Financial Strategy and Budget report for 2012/13. Prior to any discussion on the report the Assistant Director Law, Governance and Resilience informed Cabinet of the requirement to include an additional recommendation relating to equalities.

The Leader addressed Cabinet on the following points:

- The Council would set the Council tax based on a balanced budget.
- This was the second year there had been a freeze on Council tax in Herefordshire, which would be helped this year by the Government's Council tax freeze grant for 2012/13 of £2.2m.
- The provisional local government settlement included additional funding of £1.5m for social care, £2.1m to fund the 2011/12 council tax freeze, £2.3m NHS funding to support social care and £824k for the new homes bonus.
- The report before Cabinet covers the proposed capital programme, which includes funding for the broadband project, the link road as part of the City centre development and the replacement of the archives and modern records facilities.
- The removal of 'ring fencing' of grants for the majority of grants that remained was welcomed.
- The Overview and Scrutiny Committee and the Task and Finish groups were thanked for their work in reviewing the role that income charging plays in paying for services.

- The dedicated schools grant is to continue to be paid at the same rate as 2011/12 and the Herefordshire Schools Forum would be making its recommendations in light of the settlement.

The Chief Officer Finance and Commercial Services added that there was no certainty on funding after this year's budget and the local government settlement referenced on page eight of the report was provisional but it was not expected to change.

Cabinet discussed in more detail the points made by the Leader and Chief Finance Officer and the need to ensure savings were made in the way services were delivered. In referring to the current pressures in the People's Services Directorate and the proposed savings, the Director reminded Cabinet that although the Adult Social Care budget was under pressure, within Adult Social Care there were a number of savings schemes in place that were starting to deliver significant savings coupled with changing the way services were delivered. The Director undertook to provide all Members with further details on the pressures in Adult Social Care prior to the Council budget meeting on 3 February. Cabinet received the draft minutes of the Overview and Scrutiny Committee. Clarification was sought regarding the £2.2m to be used for the transformation of services as it was felt that there was some ambiguity in the budget report indicating that some funding was to be held back. The Chief Finance Officer informed Cabinet this had been discussed at the Overview and Scrutiny meeting of 16 February and that £1.2m was to be used for the support of the transformation programme and that £1m would be held back for budget contingency funding.

RESOLVED

THAT Cabinet recommends to Council on 3 February 2012:

- a) Approval of the Medium term Financial Strategy (MTFS) shown in Appendix A, which includes the 2012/13 budget and Treasury Management Strategy and policy Statement;**
- b) Approval of a freeze of Council tax for 2012/13 at 2011/12 levels;**
- c) Approval of the Capital Programme outlined in paragraph 67 of the report; and**
- d) That officers be required to further assess those elements which are perceived as engaging the Council's duties under the Equalities Act 2010 (including those at paragraphs 48/9, 55-58 and 69) and report further on any necessary amendments to this budgetary framework.**

The meeting ended at 3.30 pm

CHAIRMAN