

MINUTES OF CABINET MEETING HELD 4 FEBRUARY 2013

PRESENT

Cabinet Members: Councillor Cereste (chair), Councillor Dalton, Councillor Fitzgerald, Councillor Hiller, Councillor Holdich, Councillor Lee, Councillor Scott, Councillor Seaton and Councillor Walsh.

Cabinet Advisers: Councillor Elsey and Councillor North

1. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Goodwin.

2. DECLARATIONS OF INTEREST

None received.

STRATEGIC DECISIONS

3. BUDGET 2013/14 AND MEDIUM TERM FINANCIAL STRATEGY (MTFS) TO 2022/23

Cabinet received a report presenting budget proposals for 2013/14 through to 2022/23, in line with the provisional local government finance settlement for 2013/14 and in advance of some Department for Education specific grants being announced. The report contained three key sections and set out proposals for consultation to enable Cabinet at its meeting on 25 February to make recommendations to be made to the meeting of Full Council on 6 March 2013:

- Cabinet report and summary of council funding implications, including proposals on council tax;
- The draft MTFS, including capital strategy, asset management plan and Treasury Strategy. This will allow consultation to take place on these elements; and
- The budget consultation document to enable scrutiny, stakeholder and public consultation.

Councillor Seaton introduced the report highlighting the financial pressures faced by the city council; the continued commitment to growth, regeneration and economic development to attract further inward investment to the city; and the proposal to freeze the council tax level to remain at one of the lowest levels in the country.

During debate on the report it was requested and agreed to include an additional priority of Keeping our communities safe and cohesive. Further debate highlighted the focus on education provision; reviews and revisions to children's play services and children's centres; commitment to children's safeguarding; continued development of a university for the city and future developments planned for the city's infrastructure.

Cabinet considered the report and **RESOLVED** to agree:

1. The following as the basis for the next stage of the budget consultation and in light of the announcement of the local government provisional settlement for 2013/14:
 - a) That the MTFs is set in the context of the council priorities.
 - b) The Budget monitoring report as the latest probable outturn position for 2012/13.
 - c) The draft revenue budget for 2013/14 and indicative figures for 2014/15 to 2022/23 (including the capacity bids and saving proposals).
 - d) The draft capital programme for 2013/14 to 2022/23 and associated capital strategy, treasury strategy and asset management plan.
 - e) The proposed council tax freeze in 2013/14 and indicative increases for planning purposes of 2% for 2014/15 to 2022/23.
 - f) To spend at the level of the Dedicated Schools Grant for 2013/14 to 2022/23.
 - g) The proposals for reserves and balances.
 - h) The proposals for setting fees and charges for 2013/14 including the indicative fees and charge increases for 2014/15 and 2015/16.
 - i) The proposal for the deferral of mandatory implementation of auto enrolment of pensions for employees until 30 September 2017.
2. To approve the budget proposals as the basis to consult with Scrutiny, Staff, Unions, Stakeholders and the public;
3. To note and have regard for the continuing uncertainty of national public finances, the impact that dwelling and business growth locally will have in future funding arrangements and the next Spending Round being published in the first half of 2013; and
4. To note that government grants will not be confirmed until the final settlement is released in February 2013.
5. To include, "Keeping our communities safe and cohesive", as an additional council priority.

REASONS FOR THE DECISION

The Council must set a lawful and balanced budget.

The Council is required to set a Council Tax for 2013/14 within statutory prescribed timescales and in accordance with the local referendum requirements contained within the Localism Act 2011.

Before setting the level of Council Tax, the Council must have agreed a balanced budget.

ALTERNATIVE OPTIONS CONSIDERED

Alternative levels of Council Tax increase and areas for growth/savings can be considered but this must be seen in the context of the Sustainable Community Strategy and other constraints, along with the loss of council tax freeze grant that any increase would lead to.

MONITORING ITEMS

4. ANNUAL AUDIT LETTER

Cabinet received a report following a referral from the Council's External Auditor (PriceWaterhouseCoopers) and the Audit Commission Relationship Manager. Cabinet was asked to consider and respond to the Annual Audit Letter for 2011/12, prepared

jointly by our external auditors PriceWaterhouseCoopers (PwC) and the Audit Commission Relationship Manager.

During debate it was highlighted that the external auditors had not placed any qualifications in the audit letter for the Council to act upon.

Cabinet considered the report and **RESOLVED** to:

Approve the Annual Audit Letter 2011/12.

REASONS FOR THE DECISION

The Council is required to consider the statutory Annual Audit Letter and make appropriate arrangements in response to recommendations.

ALTERNATIVE OPTIONS CONSIDERED

The External Auditor may take on board responses received prior to its formal publication, though he has a duty to produce and arrange for the publication of the Annual Audit Letter as soon as reasonably practical. No specific alternative options are submitted to Cabinet for consideration.

5. OUTCOME OF PETITIONS

Cabinet received a report updating it on the progress being made in response to petitions in accordance with Standing Order 13 of the Council's Rules of Procedure.

Councillor Cereste introduced the report.

Cabinet considered the report and **RESOLVED** to:

Note the action taken in respect of petitions presented to full Council.

REASONS FOR THE DECISION

Standing Orders required that Council receive a report about the action taken on petitions. As the petitions presented in this report have been dealt with by Cabinet Members or officers it is appropriate that the action taken is reported to Cabinet, prior to it being included within the Executive's report to full Council.

ALTERNATIVE OPTIONS

Any alternative options would require an amendment to the Council's Constitution to remove the requirement to report to Council.

10.30 a.m.