

BUCKINGHAMSHIRE COUNTY COUNCIL

MINUTES

Minutes of the meeting of the Buckinghamshire County Council convened and held on Thursday 16 February 2017 in The Oculus, AVDC, Gatehouse Way, Aylesbury, commencing at 9.33 am and concluding at 11.20 am.

PRESENT

Mrs V Letheren in the Chair;

Mr B Adams, Mr C Adams, Mr M Appleyard, Mrs M Aston, Mrs P Birchley, Ms J Blake, Mr N Brown, Mr A Busby, Mr T Butcher, Mr D Carroll, Mr J Chilver, Mrs L Clarke OBE, Mrs A Davies, Mr D Dhillon, Mr C Ditta, Mr T Egleton, Mr C Etholen, Ms N Glover, Mr P Gomm, Mr D Hayday, Lin Hazell, Mr P Irwin, Mr R Khan, Mr S Lambert, Ms A Macpherson, Mrs W Mallen, Mr D Martin, Mr Z Mohammed, Mr B Roberts, Mr D Schofield, Mr R Scott, Mr D Shakespeare OBE, Mr M Shaw, Mr R Stuchbury, Mr M Tett, Julia Wassell, Mr D Watson, Mr W Whyte and Ms K Wood

DIGNITARIES AND OTHERS PRESENT

Mrs M Soames DL, Sir H Aubrey-Fletcher, Mrs M Clayton, Mr M Colston, Mr P Lawrence, Mrs G Miscampbell OBE DL, Mr R Pushman, Cllr D Hopkins and Mrs S Hopkins

APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr W Bendyshe-Brown, Mr W Chapple OBE, Mr P Hardy, Mr A Huxley, Mr R Reed, Mr A Stevens, Mrs J Teesdale, Mr B Allen and Mr K Ross MBE DL

1 MINUTES

The Minutes of the Council meeting held on 24 November 2016 were agreed as a correct record.

2 PETITIONS

Mr B Adams presented a petition for the re-opening of the Old Stoke Road railway crossing, Aylesbury. Mr Adams provided background to the issue and requested a meeting be arranged with Network Rail to discuss the concerns raised.

The Chairman thanked Mr Adams and highlighted to Members Mr Adams' recent 80th birthday.

3 COMMUNICATIONS

Apologies were received from Mr B Bendyshe-Brown, Mr B Chapple, Mr P Hardy, Mr A Huxley, Mr A Stevens and from Aldermen Mr B Allen and Mr K Ross.

A minute's silence was held as a mark of respect for the recent passing of Mr Patrick Phillips, former High Sheriff, and for the former County Councillors Mr Martin Phillips, Mrs Brenda Wickham, Mr Francis Robinson and Mrs Brenda Jennings.

In celebration of the 50th anniversary being celebrated by Milton Keynes, the Chairman welcomed Mr David Hopkins, Deputy Mayor and Mrs Sue Hopkins, Deputy Mayoress, to the meeting.

Mr Hopkins addressed the meeting and provided a history of Milton Keynes, highlighting its development from new town to economically successful, vibrant and growing city. Mr Hopkins reiterated the links with the wider county of Buckinghamshire and explained future plans for Milton Keynes. The Deputy Mayor and Mayoress received a presentation from the Chairman on behalf of the Council.

The Chairman reported on events attended since the last Council (full list attached).

4 DECLARATIONS OF INTEREST

There were no Declarations of Interest.

5 STRATEGIC PLAN

Mr M Tett, Leader, presented the report and highlighted in particular that the Strategic Plan:

- Was one of the most important documents for the Council
- Set the strategy and policy for the organisation, provided a mandate for Cabinet and was cascaded through the organisation to officer priorities
- Was a 'live' document for the organisation
- Had been reviewed by Members and as a result although there had been changes to the underlying priorities, no major change of direction was proposed

Mr Tett explained that Council was being asked to approve the Draft Strategic Plan and recommend it to the new Council following elections in May 2017.

Invited to make comments, Members made the following points:

- The importance of the Council remaining vigilant during the construction of HS2
- It was right that the safeguarding of vulnerable people was a primary focus for the Council
- The opportunity to input and influence the document was welcomed

RESOLVED

Council unanimously AGREED the Strategic Plan set out at Appendix A

6 CHIEF FINANCIAL OFFICER'S STATUTORY REPORT

Mr R Ambrose, Director of Assurance and Chief Finance Officer, presented the report, highlighting key elements to Members. Mr Ambrose concluded that he considered the budget proposals robust and sustainable for the following two years, and reiterated the importance of the Council continuing with robust challenge and monitoring.

RESOLVED

Council NOTED the Chief Finance Officer's report

7 MEDIUM TERM FINANCIAL PLAN

Mr Tett, Leader, introduced the report and made a presentation to Council (see Appendix 2). In his presentation, Mr Tett highlighted the following to Members:

- The political events of the past year, the growth of the local Alliance, and cost pressures in adults and childrens' social care
- The forecasting of challenges and mitigating actions which the Council had taken in preparation for the current environment, including significant income generation and innovation
- That more challenges and initiatives were expected from Government in future
- The work undertaken by the Council at a national level through responding to consultations, meetings with Ministers and lobbying on behalf of residents, in conjunction with partners

Mr Tett extended his thanks to the organisation's workforce for their dedication and in particular the Chief Finance Officer & his team; to Mr Chapple, the Finance, Performance and Resources Select Committee and their officers; and to all Parties for their challenge.

In relation to the Council's financial position, Mr Tett reported that Buckinghamshire County Council would not receive any Revenue Support Grant from the Government from 2017/18 onwards and would be given the lowest Better Care Fund grant in the country (along with Surrey County Council). Mr Tett explained that the Council would receive a net increase of £1.2m from the Adult Social Care grant and the New Homes Bonus, but that this would be for 2017/18 only.

Council heard that there were options around the Adult Social Care precept announced in 2016 but that the increase could not exceed 6% in three years. Mr Tett assured Members that in the budget proposals set out, Council Tax would not be any higher by 2019/20 and that the proposals equated to a £1.11 per week increase for a Band D household.

In relation to Business Rates retention, Mr Tett expressed irritation with the division between District and County Councils and highlighted uncertainty in the Government's plans for distribution when 100% of Rates would be returned.

Mr Tett highlighted that the Council needed to save £46m over the next four years and that the Council would focus on maximising savings before reducing services, including savings to be achieved from closer working with partners.

Members were informed that the Council had managed to increase General Fund Reserves to a more acceptable level in 2016/17.

In relation to Capital, Mr Tett explained the Council's spend, including the Energy from Waste plant which had delivered significant cost savings whilst providing better protection for the environment. Mr Tett reported that proposals included increased

investment in roads which would be above £15m in 2017/18, with £1.5m on footpaths; proposals for capital spend on schools; and investments secured in partnership with Buckinghamshire Thames Valley Local Enterprise Partnership.

In conclusion, Mr Tett explained that the budget was prudent and offered stability for the Council.

Mrs A Davies, Leader of the Opposition, responded to the proposals. Mrs Davies reflected on the changes from the budget proposals in 2016 and the implications for the Council of the inadequacy of the Government's financial settlement. Mrs Davies suggested that the inclusion in the 2017 proposals of unspecified savings with unclear business cases provided an opportunity for the Council to make radical changes.

Mrs Davies explained that the Council Tax rise was supported only because of the withdrawal of Government funding, and that the Group would hold the Cabinet to account for delivery of the Strategic Plan.

Mrs Davies stressed the need for the Council to improve governance and competence of contract management to ensure contracts delivered high quality and value services, and that Cabinet Members needed to challenge the organisation to improve performance.

In conclusion, Mrs Davies acknowledged the challenges on staff and wished the workforce success in the future.

Mr C Adams, Deputy Leader of the UKIP Group, reflected that the financial challenges facing the Council were as a result of Government cuts to grants and that funding should be diverted from foreign aid and HS2 to deliver services for vulnerable people in the UK. Mr Adams urged the Council to secure all possible savings in-house before increasing Council Tax.

Mr P Gomm, Deputy Leader of the Independent Group, encouraged the Council to be more commercial and commented on the importance of Select Committees in reviewing services & identifying savings. Mr Gomm said he would welcome a survey for residents to identify an appetite for additional contributions to funding.

Mr D Shakespeare, Vice Chairman of the Finance, Performance & Resources Select Committee, explained that the Budget Scrutiny Inquiry had been undertaken by the whole Committee, in a change to previous years. Mr Shakespeare acknowledged the financial environment for the Council and congratulated Cabinet for achieving a balanced budget. Members of the Committee and supporting officers were thanked for their work.

In responding to the proposals, Members made the following points:

- Funding for the Aylesbury Wellbeing Project, Local Area Technicians and capital funding for roads in Aylesbury was welcomed
- Thanks were extended to education services for the thorough work undertaken in relation to investment in school places
- The importance of supporting vulnerable people and the challenge of securing savings to underpin social care
- The Government's cuts impacted all services and affected the poorest and most

- deprived people disproportionately
- The Government needed to reconsider both Council Tax and Stamp Duty
- The Council's Budget Scrutiny process was an exemplar in the country
- An example of how the Council was delivering services despite budget cuts was the increase in numbers of people successfully supported to live at home, rather than in residential or nursing homes

In response to comments, Mr Tett made the following points:

- That the Select Committee process was a role model and had included live public questions for the first time which added to the robustness
- That an increase in Council Tax was not welcomed but that it was a Government expectation
- The Aylesbury Wellbeing Project was supported and reflected the success of the Chesham Wellbeing Project
- Local Area Technicians were a vital link between residents and the Council
- The Council had set a £7m income target, which would contribute to the protection of services
- Detailed proposals for savings were developed and the Cabinet required robust business cases which would be regularly reviewed to ensure savings made

Mr Tett thanked all Councillors for their contributions.

A recorded vote was taken as follows:

Members for: Mr M Appleyard, Mrs M Aston, Mrs P Birchley, Mrs J Blake, Mr N Brown, Mr A Busby, Mr T Butcher, Mr D Carroll, Mr J Chilver, Mrs L Clarke, Mrs A Davies, Mr D Dhillon, Mr C Ditta, Mr T Egleton, Mr C Etholen, Mrs N Glover, Mr P Gomm, Mr D Hayday, Lin Hazell, Mr P Irwin, Mr R Khan, Mr S Lambert, Mrs V Letheren, Mrs A Macpherson, Mrs W Mallen, Mr D Martin, Mr Z Mohammed, Mr B Roberts, Mr D Schofield, Mr R Scott, Mr D Shakespeare, Mr M Shaw, Mr R Stuchbury, Mr M Tett, Julia Wassell, Mr D Watson, Mr W Whyte, Mrs K Wood

Members against: Mr B Adams, Mr C Adams

Members abstained: None

The vote was carried with 38 in favour, 2 against and no abstentions.

RESOLVED

Council:

- 1. APPROVED the Revenue Budget for 2017/18 (and indicative budgets for the following three years) as set out in Appendices 1, 2 and 3 and a Net Budget Requirement of £329.940m in 2017/18;**
- 2. APPROVED a Council Tax Requirement of £261.436m and a Band D Council Tax for County Council spending of £1,218.08 in 2017/18;**
- 3. APPROVED the Capital Programme as set out in Appendix 5;**
- 4. NOTED the Budget Scrutiny Report of the Finance, Performance and Resources Select Committee (Appendix 6); and**
- 5. NOTED the Commercial Business Unit Plans**

8 TREASURY MANAGEMENT STRATEGY

Mr D Watson, Deputy Cabinet Member for Resources, presented the report, highlighting following in the Treasury Management position:

- The Council would set its own affordable borrowing limit each year
- Expenditure (£181m) on the Energy from Waste facility had transformed the Council's investment position (from £200m to £30m on average)
- The prospect for interest rates which were not expected to go lower
- The Council continues to arrange short term loans to meet its borrowing requirements and £11m had been repaid to PWLB on the 14th February

In relation to the Prudential Indicators, Mr Watson highlighted the need for Council to approve an increase in the Operational Boundary for External Debt, in order to enable the Council to increase its income from £70 to £77m.

In conclusion, Mr Watson reported that the papers had been agreed by the Regulatory and Audit Committee on 11 February 2017.

RESOLVED

Council APPROVED the Treasury Management Policy Statement, Treasury Management Strategy Statement, the Minimum Revenue Provision Policy Statement and the Annual Investment Strategy for 2017/18, together with the Prudential Indicators for the next four years.

9 PENSIONS INVESTMENTS POOLING

Mr J Chilver, Cabinet Member for Resources, presented the report, highlighting that the proposals were to meet Government requirements in relation to pensions pooling. Mr Chilver explained that the proposal was to pool the County Council's pensions fund investments with 8 other local authorities and the Environment Agency to create a FCA regulated company, Brunel Pension Partnership Ltd. Members were told that the company would appoint fund managers and manage the investments but that the Council's Pension Fund Committee would remain responsible for setting the investment strategy.

Mr Chilver reported that the proposal would create a pool fund of £23bn of assets and that a PWC assessment indicated that the model would deliver £122m savings over the next 25 years.

Mr Chilver concluded by informing Members that the Pensions Fund Committee and Cabinet had reviewed the Business Case.

In response to a question, Mr Chilver assured Council that the changes would protect the pensions of all existing and future staff.

RESOLVED

Council APPROVED:

- a) **The Buckinghamshire Pension Fund to enter into investment pooling with the other Brunel Pension Funds;**
- b) **That a Financial Conduct Authority (FCA) regulated company be established with equal share ownership with the other Brunel Administering Authorities;**
- c) **The establishment of a new supervisory body comprising representatives of the Council and all other participants in the Brunel Pension Partnership to provide effective oversight of the Council's investment and participation in the Brunel Pension Partnership;**
- d) **That all actions required to enter into the Brunel Pension Partnership and establish Brunel Pension Partnership Ltd be delegated to the Chairman of the Pension Fund Committee, the Director of Assurance (s151 Officer) and the Monitoring Officer, including taking such decisions and do all other things deemed necessary in order to promote the interests of the Council with respect to pooling, which without limitation shall include agreeing and authorising any documentation, contracts, financial expenditure or investment that may be required consequential upon the Council's participation in the Brunel Pension Partnership.**
- e) **The arrangement by the Monitoring Officer for the execution of all necessary legal agreements and documentation in accordance with the requirements of the business case.**

10 NOTICES OF MOTION

There were no Notices of Motion

11 CABINET MEMBER DECISIONS TAKEN - INFORMATION ONLY

12 EVENTS AND NOTICES FOR MEMBERS - INFORMATION ONLY

13 DATE OF NEXT MEETING

Thursday 27 April 2017 at 9.30am in the Oculus, Aylesbury, followed by a buffet lunch hosted by the Chairman, for which a £5 contribution was requested.

CHAIRMAN