

Medway Council
Meeting of Medway Council
Thursday, 24 February 2011
7.00pm to 10.47pm

Record of the meeting

Subject to approval as an accurate record at the next Full Council meeting

Present: The Mayor (Councillor Brake)
The Deputy Mayor (Councillor Hewett)
Councillors Andrews, Avey, Baker, Kenneth Bamber,
Janice Bamber, Bhutia, Bowler, Brice, Bright, Burt, Carr,
Rodney Chambers, Mrs Diane Chambers, Chishti, Chitty,
Clarke, Crack, Doe, Etheridge, Filmer, Gilry, Godwin, Griffin,
Griffiths, Gulvin, Harriott, Haydock, Hicks, Hubbard, Jarrett,
Jones, Juby, Sheila Kearney, Stephen Kearney, Kemp,
Mackinlay, Maisey, Maple, Mason, Murray, O'Brien, Royle,
Ruparel, Shaw, Smith, Stamp, Sutton, Wicks and Wildey

In Attendance: Neil Davies, Chief Executive
Rose Collinson, Director of Children and Adults
Robin Cooper, Director of Regeneration, Community and
Culture
Mick Hayward, Chief Finance Officer
Wayne Hemingway, Cabinet Coordinator
Richard Hicks, Assistant Director, Customer First, Leisure,
Culture, Democracy and Governance
Julie Keith, Head of Democratic Services
Tricia Palmer, Assistant Director, Organisational Services
Deborah Upton, Assistant Director, Housing and Corporate
Services/Monitoring Officer

810 Apologies for absence

Apologies for absence were received from Councillors Tony Goulden, Val Goulden and Reckless.

811 Declarations of interest

The Mayor declared a personal (and potentially financial) interest on behalf of those officers present who could be affected by staffing reductions proposed in agenda item 6 (Capital and Revenue Budgets 2011/2012), following advice from the Monitoring Officer.

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Councillor Godwin declared a personal interest on agenda item 6 (Capital and Revenue Budgets 2011/2012) because his wife worked for an organisation which received Supporting People grants.

Councillor Griffiths declared a personal interest in any discussion that may take place during the course of the meeting with reference to NHS Medway because he was a Non-Executive Director of the Trust.

Councillor Stamp declared a personal and prejudicial interest in any discussion that may take place during the course of the meeting because his partner was Chief Executive of Citizens Advice Medway.

812 Mayor's announcements

The Mayor reminded members of a number of forthcoming charity events in aid of the Mayor's Charities. Tickets had sold out for the Chinese Night on 1 March but tickets for the School Choir Celebration on 11 March were still available. In addition, the Mayor's Ball would be held on 19 March and a Theatre Night would be held on 6 April. Full details of all these events were available from the Mayor's office.

Members agreed to suspend the Council Rule in respect of time limits on speeches in relation to agenda item 6 only (Capital and Revenue Budgets 2011/2012), to allow one Member from each group to speak on the budget item for an unlimited time. The normal time limits would then apply.

The Mayor welcomed Mr Dance, representing the Independent members of our Standards Committee, to the meeting.

The Mayor also reminded Members that a written copy of amendments to any proposals this evening be provided to the Head of Democratic Services.

813 Leader's announcements

There were none.

814 Petitions

The following petition was received and referred to the Director of Regeneration, Community and Culture:

Councillor Carr presented a petition requesting the extension to the restricted parking of 8am - 10am Monday to Friday from Station Road into the western end of Tilbury Road, Rainham as vehicles parked by commuters caused obstruction.

815 Capital and Revenue Budgets 2011/2012

Discussion:

Members received a report which asked the Council to approve the capital and revenue budgets, rent increases and Council tax for 2011/2012.

The Mayor advised Members, prior to consideration of this report, that an independent opinion had been obtained confirming that the advice given by the Monitoring Officer at the last Council meeting on the lawfulness of an amendment relating to the 2011/12 budget was correct.

During debate, Councillor Jarrett noted that the reference in table 4 to Private Sector Housing should have referred to paragraph 4.5 rather than paragraph 3.11.

Councillor Jarrett, Portfolio Holder for Finance, supported by the Leader, Councillor Rodney Chambers, proposed that the Council:

1. Approve the capital budget proposals as set out in Appendix 1, including the schemes and funding arrangements referred to in paragraphs 3.5 and 7.20 of the report and the following schemes:
 - (i) That a scheme be added to the Capital Programme to create a Specialist Autism Unit on the Ridge Meadow site and that a sum of £1,500,000 be allocated from the proceeds of the Temple site for that purpose. To facilitate this and the proposed move of the Post-16 Bradfields Unit to the Ridge Meadow site, Cabinet is asked to reconsider its decision to declare the Ridge Meadow site surplus.
 - (ii) That the following new schemes be added to the Capital Programme, funded from the General Reserve:
 - £250,000 for pothole repairs
 - £500,000 for highway improvements
 - £75,000 for adult play schemes and;
 - £50,000 for allotment improvements.
2. Approve the general fund gross, income and net revenue estimates as summarised in Table 8 and detailed in Appendix 2 to incorporate the savings measures set out in Appendix 3, and the additional revenue items as set out below, resulting in a budget requirement of £411.842 million.
 - (i) That the Independent Remuneration Panel be recommended to reduce Members' Allowances by 5%, saving £39,000.
 - (ii) That the budget for non-schools union facilities be reduced by £46,000.
 - (iii) That the budget for library books be increased by £92,000 and that a budget be created for the North Kent

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Partnership at £50,000 and that this be funded by the unallocated balance of £57,000 and the savings from the Members' Allowances and union facilities.

- (iv) That the following budgets be created from the General Reserve:
- Armed Forces Day on 25 June - £12,000
 - Facilitate Royal Wedding street parties - £25,000
 - Reintroduce free swimming - £200,000
 - Freedom Pass - £250,000
 - Apprenticeship schemes - £100,000
3. Note the Kent Police Authority precept requirement.
 4. Note the Kent Fire and Rescue Service precept requirement.
 5. Note the parish council precept requirements of £340,933 as detailed at Appendix 4 of this report.
 6. Agree the schedule of precept instalment dates as set out in section 12 of the report.
 7. Approve the basic rate of council tax at band D for 2011/2012, before adding the police, fire and parish precepts, at £1,119.15.
 8. Agree that £3 million of the General Reserve be earmarked as a contingency for severance and associated costs as part of the 2010/2011 accounts closure.
 9. Agree the following recommendations from Employment Matters Committee as a consequence of agreeing budget proposals:
 - (a) Increments are frozen for 2011/12 with a review of the pay and grading structure being developed and consulted upon during 2011/12;
 - (b) The Assistant Director, Organisational Services is given delegated authority to continue negotiations with the Trade Unions with a view to reaching a collective agreement on this proposal, which achieves, within the present financial constraints, some protection for lower paid staff;
 - (c) If this collective agreement is not reached, that individual employees are asked whether they will agree to a variation of their contracts of employment for a freeze of their increment for one year;
 - (d) For individuals who do not agree to this variation, that notice be given that their present contracts of employment are terminated and new contracts are offered stating their increment for 2011 will be frozen;
 - (e) Incremental progression linked to competency levels/qualifications achieved should be retained including the following:

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- Social Workers covered by the Children's Care Career Grade Scheme;
 - The progression from B1 grade to B2 grade for Care Managers in Adult Social Care who achieve the Post Qualifying 1 award and
 - Soulbury staff eligible for SPA increments (Structured Professional Assessment).
10. As part of the budget proposals, to approve fees and charges, as recommended by Cabinet and set out in the booklet 'Medway Council - Fees and Charges April 2011' as set out in Appendix 7.
11. Approve the following with regard to the Housing Revenue Account:
- (i) The budget proposed as summarised at Appendix 5;
 - (ii) The proposed increase in rents averaging £3.63 for a 50 week collection;
 - (iii) That service charges for 2011/2012 reflect the costs incurred in providing that service, where possible, and that and that, where costs are not fully recovered, the uplift is such that costs can be fully recovered by 2014/2015. The average increase will be 7.56%;
 - (iv) To increase the service charges in 2011/2012 to 2014/2015 inclusive in order that the true costs of providing services are recovered and
 - (v) That garage rents are increased by 4.6% from 1 April 2011.
12. Adopt the formal resolution for the budget requirement and schedule of council tax charges for 2011/2012 as set out in Appendix 6 to this report and to incorporate the amendments made above.
13. That Council notes the findings of the Diversity Impact Assessments as set out in the report and the proposal to continue, where necessary, to report through quarterly monitoring any further unidentified or unintentional impact.
14. To authorise the Chief Executive and Directors, in consultation with the Portfolio Holder for Finance, to consider and determine all consultation responses received in respect of the affected posts, set out in Appendix 3(e), and implement any subsequent restructures.
15. That Council notes the Cabinet recommendation to construct a programme of meetings to reflect the proposals as outlined in paragraph 7.14.6 and that this proposal will be brought forward to the April meeting of Council for referral to the Annual Meeting.
16. To authorise the Chief Executive, in consultation with the Portfolio Holder for Finance, to consider and determine all consultation responses received in respect of the affected posts set out in paragraph 7.12.2 and implement any subsequent restructure.

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Councillor Juby, supported by Councillor Sutton, proposed the following amendment:

“To reduce visitors permits from £28 to £25 and hold the cost of residents’ permits at £25 per annum. This will cost £14,450.

With regard to budget provision for Members’ Allowances;

1. Reduce the budget for 2011/2012 for Cabinet Members’ remuneration by the equivalent of the current level of 2 ordinary Members of Cabinet, and recommend the Leader restrict his Cabinet to no more than 8 Members to keep the allowances constant, to create a saving of £22,720.
2. Recommend that the Annual Meeting of the Council reduce the number of Scrutiny Committees from 4 to 2 saving the cost of 6 Special Responsibility Allowances, to create a saving of £37,830.

This would create a total saving of £60,550.

Add to the Capital Programme for 2011/2012 the cost of replacing:

1. The Strand Play Area. This will cost £200,000.
2. The Strand Sea Wall. This will cost £1,231,000.

These to be funded from the uncommitted Building Repair and Maintenance Fund.

Reverse the deletion of the Tree Manager Post. This will cost £50,000. Allow Council Tax to continue to be paid at the Post Office without attracting the Transcash fee. This will cost £65,000.

These last to be funded from;

1. the remainder of the savings above
2. the £57,000 specified in section 7.15 and
3. unspecified savings or reserves.”

On being put to the vote the amendment was lost.

Councillor Juby, supported by Councillor Sutton, proposed the following amendment:

“To make budget provision for £20,000 each for each Councillor from the road repair fund for the Councillors concerned to spend on roads and pavements in

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their wards and recommend that the Leader make arrangements for individual Councillors at ward level to decide how this provision should be spent.”

On being put to the vote the amendment was lost.

Councillor Stamp, supported by Councillor Burt, proposed the following amendment:

“Council resolves:

That the Independent Remuneration Panel be asked to consider reducing Members’ Allowances as follows:

- A 5% cut in Members’ Basic Allowance
- A 10% cut in Members’ Special Responsibility Allowances.

and the resultant saving of £50,000 be used to reduce the cut in funding for the Early Years Intervention Grant.”

On being put to the vote the amendment was lost.

In accordance with rule 11.4 of the Council Rules at the request of six Members, a vote on the proposed substantive motion was recorded as follows:

For:

Councillors: Andrews, Avey, Baker, Janice Bamber, Ken Bamber, Brake, Brice, Bright, Bhutia, Carr, Mrs Diane Chambers, Rodney Chambers, Chishti, Chitty, Clarke, Crack, Doe, Etheridge, Filmer, Griffin, Gulvin, Haydock, Hewett, Hicks, Jarrett, Juby, Sheila Kearney, Stephen Kearney, Kemp, Mackinlay, Maisey, Mason, O’Brien, Royle, Ruparel, Smith, Sutton, Wicks and Wildey – total – 39

Against:

Councillors: Bowler, Burt, Gilry, Godwin, Griffiths, Harriott, Hubbard, Jones, Maple, Murray, Shaw and Stamp – total – 12

Decision:

- (a) The Council approved the capital budget proposals as set out in Appendix 1 to the report, including the schemes and funding arrangements referred to in paragraphs 3.5 and 7.20 of the report and the following schemes:
 - (i) That a scheme be added to the Capital Programme to create a Specialist Autism Unit on the Ridge Meadow site and that a sum of £1,500,000 be allocated from the proceeds of the Temple site for that purpose. To facilitate

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this and the proposed move of the Post-16 Bradfields Unit to the Ridge Meadow site, Cabinet is asked to reconsider its decision to declare the Ridge Meadow site surplus.

- (ii) That the following new schemes be added to the Capital Programme, funded from the General Reserve:
 - £250,000 for pothole repairs
 - £500,000 for highway improvements
 - £75,000 for adult play schemes and;
 - £50,000 for allotment improvements.

- (b) The Council approved the general fund gross, income and net revenue estimates as summarised in Table 8 in the report and detailed in Appendix 2 to the report to incorporate the savings measures set out in Appendix 3 to the report, and the additional revenue items as set out below, resulting in a budget requirement of £411.842 million.
 - (i) That the Independent Remuneration Panel be recommended to reduce Members' Allowances by 5%, saving £39,000.
 - (ii) That the budget for non-schools union facilities be reduced by £46,000.
 - (iii) That the budget for library books be increased by £92,000 and that a budget be created for the North Kent Partnership at £50,000 and that this be funded by the unallocated balance of £57,000 and the savings from the Members' Allowances and union facilities.
 - (iv) That the following budgets be created from the General Reserve:
 - Armed Forces Day on 25 June - £12,000
 - Facilitate Royal Wedding street parties - £25,000
 - Reintroduce free swimming - £200,000
 - Freedom Pass - £250,000
 - Apprenticeship schemes - £100,000.

- (c) The Council noted the Kent Police Authority precept requirement.

- (d) The Council noted the Kent Fire and Rescue Service precept requirement.

- (e) The Council noted the parish council precept requirements of £340,933 as detailed at Appendix 4 to the report.

- (f) The Council agreed the schedule of precept instalment dates as set out in section 12 of the report.

- (g) The Council approved the basic rate of council tax at band D for 2011/2012, before adding the police, fire and parish precepts, at £1,119.15.

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- (h) The Council agreed that £3 million of the General Reserve be earmarked as a contingency for severance and associated costs as part of the 2010/2011 accounts closure.
- (i) The Council agreed the following recommendations from Employment Matters Committee as a consequence of agreeing budget proposals:
- (i) Increments are frozen for 2011/12 with a review of the pay and grading structure being developed and consulted upon during 2011/12;
 - (ii) The Assistant Director, Organisational Services is given delegated authority to continue negotiations with the Trade Unions with a view to reaching a collective agreement on this proposal, which achieves, within the present financial constraints, some protection for lower paid staff;
 - (iii) If this collective agreement is not reached, that individual employees are asked whether they will agree to a variation of their contracts of employment for a freeze of their increment for one year;
 - (iv) For individuals who do not agree to this variation, that notice be given that their present contracts of employment are terminated and new contracts are offered stating their increment for 2011 will be frozen;
 - (v) Incremental progression linked to competency levels/qualifications achieved should be retained including the following:
 - Social Workers covered by the Children's Care Career Grade Scheme;
 - The progression from B1 grade to B2 grade for Care Managers in Adult Social Care who achieve the Post Qualifying 1 award and
 - Soulbury staff eligible for SPA increments (Structured Professional Assessment).
- (j) The Council approved, as part of the budget proposals, fees and charges, as recommended by Cabinet and set out in the booklet 'Medway Council - Fees and Charges April 2011' as set out in Appendix 7 to the report.
- (k) The Council approved the following with regard to the Housing Revenue Account:
- (i) The budget proposed as summarised at Appendix 5;
 - (ii) The proposed increase in rents averaging £3.63 for a 50 week collection;
 - (iii) That service charges for 2011/2012 reflect the costs incurred in providing that service, where possible, and that and that, where costs are not fully recovered, the uplift is such that

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- costs can be fully recovered by 2014/2015. The average increase will be 7.56%;
- (iv) To increase the service charges in 2011/2012 to 2014/2015 inclusive in order that the true costs of providing services are recovered and
 - (v) That garage rents are increased by 4.6% from 1 April 2011.
- (l) The Council adopted the formal resolution for the budget requirement and schedule of council tax charges for 2011/2012 as set out in Appendix 6 to this report and incorporated the amendments made above, such that paragraph 2(a), Appendix 6, becomes £618,174,933 and paragraph 2(b), Appendix 6, becomes £433,215,459; all other parts of the resolution remain as set out in Appendix 6 to the report.
- (m) The Council noted the findings of the Diversity Impact Assessments as set out in the report and the proposal to continue, where necessary, to report through quarterly monitoring any further unidentified or unintentional impact.
- (n) The Council authorised the Chief Executive and Directors, in consultation with the Portfolio Holder for Finance, to consider and determine all consultation responses received in respect of the affected posts, set out in Appendix 3(e) to the report, and implement any subsequent restructures.
- (o) The Council noted the Cabinet recommendation to construct a programme of meetings to reflect the proposals as outlined in paragraph 7.14.6 of the report and that this proposal will be brought forward to the April meeting of Council for referral to the Annual Meeting.
- (p) The Council authorised the Chief Executive, in consultation with the Portfolio Holder for Finance, to consider and determine all consultation responses received in respect of the affected posts set out in paragraph 7.12.2 of the report and implement any subsequent restructure.

816 Council Plan 2011/2012 (Policy Framework)

Discussion:

This report presented the Council Plan 2011/2012, which had been developed alongside the 2011/2012 capital and revenue budget proposals in order to align the Council's business planning processes with the budget setting process.

Councillor Janice Bamber, supported by Councillor Rodney Chambers, proposed the recommendations as set out in the report.

Decision:

- (a) The Council approved the Council Plan 2011/2012.

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- (b) The Council agreed that the Assistant Director of Communications, Performance and Partnerships be delegated authority, in consultation with the Portfolio Holder for Customer First and Corporate Services, to make minor changes to the Plan prior to publication (if necessary) to reflect the final Budget as agreed by Council on 24 February 2011.

817 Treasury Management Strategy 2011/2012

Discussion:

This report sought approval of the Treasury Management Strategy, which incorporated within it the Treasury Management Policy Statement, Annual Investment Strategy and Minimum Revenue Provision Policy.

Councillor Jarrett, supported by Councillor Rodney Chambers, proposed the recommendations as set out in the report:

Decision:

The Council approved the Treasury Management Strategy and associated policies and strategy statements as attached to the report.

Mayor

Date:

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