

CABINET

Minutes of the Special Meeting held on Thursday, 23rd June 2011 at Retford Town Hall

Present: Councillor G A N Oxby (Chair),
Councillors J Evans, S A Greaves, J A Leigh, S May, D R Pressley and
A Rhodes.

Liaison Members: Councillors H Burton, M W Quigley, S Toms and C Wanless.

Officers: J Hamilton, M Hill, D Hunter, M Ladyman, N Taylor and R Theakstone.

Standards Members: None.

Also present: Councillors P Douglas and D Potts.

19. APOLOGIES FOR ABSENCE

There were no apologies for absence.

20. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

(a) Members

There were no declarations of interest by Members.

(b) Officers

There were no declarations of interest by officers.

SECTION A – ITEMS FOR DISCUSSION IN PUBLIC

Key Decisions

**21. REPORT(S) OF THE CABINET MEMBER – FINANCE AND PROPERTY - COUNCILLOR
J EVANS**

(a) Financial Outturn 2010/11 (Key Decision No 282)

Members were provided with the 2010/11 financial outturn position on the Council's revenue and capital budgets: General Fund Revenue, Housing Revenue Account, Capital Programme, Provisions and Impaired Estimates on Debtors; Usable Reserves, Collection Fund; Balance Sheet; and Treasury Management. The report provided Members with a summary of actual income and expenditure compared to the revised budget, and how any surpluses/deficits have been allocated to/from reserves.

Members' approval was sought for: the capital financing arrangements for 2010/11; the proposed capital carry forwards into 2011/12; the movement in provisions and impaired estimates on debtors, and the creation of three additional revenue Usable Reserves.

Members were also presented with the Annual Report on Treasury Management Activity for 2010/11, which demonstrated how the Treasury Management activity links to the Treasury

Management Strategy, including the Prudential Indicators which were approved by Council on 4th March 2010.

The adoption of International Financial Reporting Standards (IFRS) has resulted in many significant changes to the format, terminology, and the number of disclosures required within the Statement of Accounts. It also requires changes to the accounting policies and accounting requirements of the Council in terms of reporting. This has meant that the accounts for 2009/10 have also had to be re-stated in the new format, meaning the effective closedown of two separate sets of accounts for 2009/10 and 2010/11.

Options, Risks and Reasons for Recommendations

Statement of Accounts 2010/11 -

The unaudited Statement of Accounts for 2010/11 will be presented to Council on 29th June 2011 for consideration and approval and onward submission to the Audit Commission for audit and certification. Should the Council not approve the Statement of Accounts by 30th June there would be a serious impact on the Council's accountability and on its standing nationally and locally.

Revenue Expenditure 2010/11 –

There are no options for Members to consider as the outturn represents the final position at the end of the financial year. Due consideration needs to be given to the ongoing effects of this overspend on 2011/12 budgets, and early action is essential to mitigate further impacts on General Fund balances.

Capital Expenditure and Financing 2010/11 -

There are no other options to consider as the financing is in accordance with approvals already obtained. The slippage on the Capital Programme presents a challenge to the Council's capacity to deliver the full programme of planned works in 2011/12.

Treasury Management 2010/11 –

There are no options for Members to consider at this stage since past performance is being reported. Treasury Management is an important Council function since it deals with large value money transactions. The potential risk in this area is very high. The Council has in place sound systems of financial control to minimise these risks. These controls are reviewed on an annual basis in order to provide the assurance that risk is being minimised. Additionally, by monitoring the Prudential Indicators, this also serves to minimise the risk in this area.

RESOLVED that:

1. The final outturn of Revenue and Capital spending for 2010/11 be approved.
2. The Capital financing proposals as set out at Appendix 3 be approved and referred to Council on 29th June 2011 and thereafter to the external auditors as part of the 2010/11 Statement of Accounts.
3. The net figure of £2.67m not spent in 2010/11 on the Capital Programme be approved and carried forward into 2011/12, as set out at Appendix 4.
4. The movement in Provisions and Impaired Estimates on Debtors, as outlined in the table at paragraph 3.19 of the report, be approved.
5. The creation of a new Concessionary Bus Pass Replacement Reserve for £20,000, a new Capital Grants Unapplied Reserve for £609,000 and a new Developers

Contributions Unapplied Reserve for £187,000 be approved, as outlined in paragraph 3.21 of the report.

6. The individual contributions to, and withdrawals from, the Revenue and Capital Usable Reserves, as outlined in the table at paragraph 3.21 of the report, be approved.
7. The Annual Report on Treasury Management Activity (Appendix 5) be received and referred to Council for information as required by the Chartered Institute of Public Finance and Accountancy's Code of Practice on Treasury Management (2001).
8. It be noted that Treasury Management activities are consistent with the objectives identified in the Treasury Management Strategy for 2010/11.

Other Decisions

None.

SECTION B – ITEMS FOR DISCUSSION IN PRIVATE

Key Decisions

None.

Other Decisions

None.

22. ANY OTHER BUSINESS WHICH THE CHAIRMAN CONSIDERS TO BE URGENT

REPORT(S) OF THE CABINET MEMBER – FINANCE AND PROPERTY - COUNCILLOR J EVANS

(a) 2010/11 General Fund Carry Forward Requests

(Councillor S Toms joined the meeting during consideration of this item.)

Members' approval was sought for the carry forward requests from specific budgets in 2010/11 into the 2011/12 financial year. The schemes in the report related to General Fund revenue matters (ie those funded by Council Tax) only. The report outlined: the Council's financial out-turn position for the last three financial years; resources in reserves and balances as at 31st March 2011; requests for carry forwards, both those backed by grant funding and those not subject to external funding; and the forward-looking financial position if all schemes are approved.

Options, Risks and Reasons for Recommendations

Members can decide not to approve any of the carry forward requests set out in the report, in which case the local resources will remain in the reserves and balances to deal with future financial pressures.

RESOLVED that:

1. The carry forward requests totalling £153,000 from 2010/11, as outlined in paragraph 3.7 of the report, be approved.
2. The Management Development Programme be reduced to £8,000 and the carry forward of £10,000 for E-Learning be investigated.
3. The amended carry forward requests totalling £56,000 from 2010/11, as outlined in paragraph 3.8 of the report, be approved.

4. Any residue from the Manton Community Alliance be carried forward into 2011/12 and this to be spent in Manton but not by the Alliance.
5. Necessary steps be taken to make savings in 2011/12 so that there are no overspends by 31st March 2012.

As there was no other business to be considered, the Chairman closed the meeting.