

OXFORDSHIRE COUNTY COUNCIL

MINUTES of the meeting held on Tuesday, 27 July 2010 commencing at 2.00 pm and finishing at 4.00 pm

Present:

Councillor Hilary Hibbert-Biles – in the Chair

Councillors:

M. Altaf-Khan	Pete Handley	John Sanders
Alyas Ahmed	Jenny Hannaby	Larry Sanders
Lynda Atkins	David Harvey	Don Seale
Marilyn Badcock	Steve Hayward	Bill Service
Mike Badcock	Ian Hudspeth	Dave Sexon
Roger Belson	Ray Jelf	Chip Sherwood
Maurice Billington	Peter Jones	C.H. Shouler
Norman Bolster	Lorraine Lindsay-Gale	Dr Peter Skolar
Liz Brighthouse OBE	A.M. Lovatt	Roz Smith
Iain Brown	Kieron Mallon	Val Smith
Louise Chapman	Charles Mathew	Keith Strangwood
Jim Couchman	Keith R. Mitchell CBE	Richard Stevens
Arash Fatemian	David Nimmo-Smith	Lawrie Stratford
Anda Fitzgerald-O'Connor	Neil Owen	John Tanner
Michael Gibbard	Zoé Patrick	Alan Thompson
John Goddard	Susanna Pressel	Melinda Tilley
Janet Godden	Anne Purse	David Turner
Patrick Greene	G.A. Reynolds	Nicholas P. Turner
Tim Hallchurch MBE	David Robertson	Carol Viney
	Rodney Rose	

The Council considered the matters, reports and recommendations contained or referred to in the agenda for the meeting and decided as set out below. Except insofar as otherwise specified, the reasons for the decisions are contained in the agenda and reports, copies of which are attached to the signed Minutes.

72/10 APOLOGIES FOR ABSENCE

(Agenda Item 1)

Armitage, Bonner, Carter, Crabbe, Darke, Fooks, Mrs Fulljames, Gearing, Harbour, Hutchinson, Heathcoat, Lilly, Malik, Waive, Wilmshurst,

73/10 DECLARATIONS OF INTEREST - SEE GUIDANCE NOTE

(Agenda Item 2)

The following declarations of interest were made:

Brighthouse – Item 6 - Personal Interest: Husband is a Non-Executive Director of Research Machines plc.

Mallon – Item 6 - Personal Interest: Member of Thames Valley Police Authority.

Patrick – Item 6 - Personal Interest: Member of Thames Valley Police Authority.

Roz Smith – Item 6 - Personal Interest: Member of the Friends of Bury Knowle Park, Headington.

Tilley – Item 6 - Personal Interest: Son-in-law is an employee of Research Machines plc.

74/10 OFFICIAL COMMUNICATIONS

(Agenda Item 3)

The Chairman reported as follows:

- (i) Receipt of a Letter from the Chairman of Cumbria County Council thanking Oxfordshire County Council and residents for their concern and sympathy.
- (ii) Woodeaton Manor School had won the national consumer knowledge quiz for youngsters with learning difficulties. Council sent their congratulations
- (iii) Staff Sergeant Brett George Linley, from 11 Explosive Ordnance Disposal Regiment The Royal Logistic Corps, based at Vauxhall Barracks, Didcot had been killed in an explosion during a counter-IED operation in the Nahr-e Saraj District of Helmand province on Saturday, 17 July 2010. Council observed a minute of silence in memory of Sergeant Brett George Linley and all military personnel killed in action.

75/10 APPOINTMENTS

(Agenda Item 4)

- (a) To appoint Councillor Jerry Patterson as the Voting Co-opted Member District Council Representative on the Pension Fund Committee.

Agreed (nem con)

76/10 2010/11 IN - YEAR GRANT REDUCTIONS AND REQUESTS FOR VIREMENTS

(Agenda Item 6)

The Cabinet Member for Finance stressed that this additional meeting had been called for Council to debate and agree the proposed 2010/11 In-Year

grant reductions and requests for virements arising out of the 2009-10 carry-forward for Children, Young People & Families and Social & Community Services directorates. The important headline figures were that the provisional Directorate Revenue outturn was a net underspend of £1.821m or -0.48% variation to the final approved budget of £378.836m. On the usual basis of underspends being applied to reduce overspends as first call, directorates had requested net underspends of £1.046m be carried forward to 2010/11. Some of the virements were more than £0.5m and it was the approval of these virements that were before Council.

With regard to reductions for 2010/11, the process began on 24 May 2010, when the Coalition Government announced broad savings of £6bn for four Government Departments to be made in-year; officers had heard on 10 June most of the details of the savings expected of Oxfordshire in 2010/11. Further details were then given during the following days and on 22 June the Government's Emergency budget outlined the reductions to Departmental budgets for the whole of the Parliament to 2015. The scale of the previous Government's budgetary deficit and borrowing was beyond anyone's worst nightmare and would require draconian remedies.

The grant reductions proposed were to be from the Area Based Grant (ABG), capital grants, Performance Reward Grant and the Local Authority Business Growth Incentives (LABGI); the total for these reductions was £10.882m. Later a further £0.166m of Specific Grant for Play Pathfinder and Contact Point had been added. The Revenue reductions fell mainly on Children, Young People & Families directorate because its income included so much grant funding including ABG and Specific Grant; the capital reductions were mostly swingeing reductions in transport spent. LABGI was effectively dead although the Council had sufficient in hand to meet this year's commitments. There was also the clawback of reward grant. Directorates had tried to meet their expected reductions in a fair and sensible manner, but the Council had just eight months of 2010/11 in which to make these savings. The Cabinet Member hoped Council would agree the recommendation so that steps necessary to achieve these savings can start immediately.

The Cabinet decided that, apart from a limited number of schemes needed to meet this autumn's primary school numbers, and Prudential Borrowing schemes, there should be a full review of the capital programme and a moratorium while that review took place. There has clearly been misunderstanding about the motives for this period of review. The review came about because of a growing gap between capital schemes in the programme and the money the Council had or could anticipate to pay for them, a gap which can be computed at around £100m over the next five years. The schemes that were held were not scrapped; but deferred. A review over the summer would inform the Council how it could bring the programme and the resources into balance.

The Cabinet Member for Finance then spoke about the planning assumption, agreed by the Cabinet the week before, that the Council was likely to need to find from spending and grant reduction a further £100m savings over the

period 2011/12 – 2014/15 in addition to the 103m already identified in the Medium Term Financial Plan. This arose from the aspiration to save 25% public spending over that period as set out in the Government's emergency budget on 22 June and other Ministerial statements, with only the National Health Service and overseas aid protected from these proposed savings; there had been a suggestion that schools would also get partial protection.

Agreed by 43 votes to 16

- (a) **note the report;**
- (b) **approve the virements larger than £0.5m and the associated carry forwards from 2009/10 for Children, Young People & Families and Social & Community Services Directorates;**
- (c) **approve the reductions in revenue grant funded expenditure and related virements as set out in the amended Annex 2b;**
- (d) **approve the deferral of capital expenditure originally planned for 2010/11 as set out in paragraph 20 of the main report (CC6);**
- (e) **note the reduction in capital grant funding and associated reductions in expenditure as set out in paragraph 24 of the main report (CC6);**
- (f) **note the further reduction in capital grant funding and associated reductions in expenditure as set out in paragraphs 5 to 16 of the supplementary report (CC6 – Supplement);**
- (g) **agree that any further changes to specific capital grant funding in 2010/11 should be made in accordance with the notification; and,**

Agreed by 42 votes to 16

- (h) **agree that any further urgent changes associated with reductions in specific grants that are not ring-fenced be delegated to the Chief Executive and Chief Finance Officer after consultation with the Leader of the Council and Cabinet Member for Finance & Property.**

..... in the Chair

Date of signing