

## **THE EXECUTIVE**

### **MEETING, 9<sup>TH</sup> JANUARY, 2012**

Councillor Morris	Strategy and External Relations
Councillor Mrs Thomas	Health and Corporate Resources
Councillor Kay	Human Resources, Organisational Development and Diversity
Councillor Sherrington	Cleaner, Greener, Safer
Councillor Zaman	Environmental Services
Councillor Peel	Children's Services

#### Non-Voting Members

Councillor A. Connell  
Councillor Burrows  
Councillor J. Walsh  
Councillor Greenhalgh  
Councillor Ashcroft  
Councillor Mrs Brierley  
Councillor Morgan  
Councillor Hayes  
Councillor Wilkinson

#### Officers

Mr. S. Harriss	Chief Executive
Mr. S. Arnfield	Director of Corporate Resources
Mr. A. Eastwood	Director of the Chief Executive's Department
Mr. A. Jennings	Democratic Services Manager

Councillor Morris in the Chair.

Apologies for absence were submitted by Councillors Bashir-Ismail and Ibrahim.

### **30. MINUTES**

The minutes of the proceedings of the meeting of the Executive held on 5<sup>th</sup> December, 2011 were submitted and signed as a correct record.

### **31. COMBINED AUTHORITY AND AGMA EXECUTIVE BOARD KEY DECISIONS**

The Director of Chief Executive's Department submitted a report that detailed the key decisions taken by the AGMA Executive Board and Combined Authority on 25<sup>th</sup> November, 2011 and 16<sup>th</sup> December, 2011.

**Resolved – That the report be noted.**

### **32. BUDGET 2012/13 – REVENUE SUPPORT GRANT SETTLEMENT**

The Director of Corporate Resources submitted a report that informed the Executive of the details of the Revenue Support Grant Settlement, together with an update on the 2012/13 budget.

The Revenue Support Grant Settlement was issued on the 8<sup>th</sup> December 2011 and confirmed the figures announced by the Government 12 months ago in that the Council would receive £117.2m, which included both Revenue Support Grant and National Non Domestic Rates, plus £2.52m in respect of the Council Tax freeze compensation for 2011/12.

The Executive was reminded that as part of the 2011/12 budget an overall budget framework was agreed for 2012/13 which gave a savings target to each Service. Options to meet these targets were agreed in February and June 2011. The savings were summarised as follows:-

	<b>Savings 2012/13 £000</b>
Adults	4,625
Children's	5,561
Environment	675
Development & Regeneration	1,269
Central Departments	2,648
Accommodation	500
Financing Costs	2,065
Senior Management Changes	800
<b>Total</b>	<b>18,143</b>

It was also agreed in November, 2011 that £1.5m of earmarked reserves would be used to balance the budget for 2012/13. This one-off use of money would not be able to be repeated in 2013/14 and therefore would be incorporated in any future savings target for that year. In addition, it was also agreed that the remaining £0.5m in the earmarked reserve would be retained to meet any higher than planned for inflation during 2012/13.

Initial discussions had taken place on the potential to take advantage of a significant range of events, the opening of Bolton One and the hosting of the London Olympic Games by arranging a wide range of sporting and other events during 2012 under the umbrella of "Bolton 2012 - A Year of Sport". In order to support these events and to ensure that they were effectively publicised and achieved the maximum involvement of organisations and people across the Borough, it was suggested that a budget of up to £250,000 be provided from the remainder of the Airport Dividend (£425,000). This would leave a balance of £175,000 which it was suggested be reconsidered in February, 2012 once the finalised budgets from the Precepting Bodies were known.

**Resolved – That the Executive notes the 2012/13 budget position following the receipt of the Revenue Support Grant Settlement and that £250,000 from the Airport Dividend be allocated as described in the report.**

### **33. CAPITAL PROPOSALS AND RESOURCES 2012/13 –**

The Director of Corporate Resources submitted a report that outlined the capital proposals and resources available for 2012/13 and provided an assessment of the projected capital resources for services compared to the demands identified.

The total corporate capital resources available in 2012/13 amounted to £6,700,000 made up of capital receipts and prudential borrowing and, following the approval of service specific bids on 5<sup>th</sup> December, 2011 a balance of resources of £2,241m was available for other capital priorities.

At its meeting on 5<sup>th</sup> December, 2011 it was agreed that the above balance would be considered in January/February 2012 against the additional projects outlined in the report and in the light of the allocations received for Children's Services and Highways.

Children's Services had received an allocation of £6.995m for 2012/13. On the basis that similar allocations were received for 2013/14 and 2014/15, then the current capital requirements for Children's Services could be met. Consequently, there was no need to allocate any additional corporate resources for 2012/13 but the position would be reviewed in 12 month's time.

For Highways an allocation of £3.659m had been received which was in line with expectations. However, members were reminded that the revenue budget for highways maintenance had been reduced over the last 12 months and, in the current year's capital programme, an additional £1m was provided to support highway improvements across the Borough. It was suggested that consideration be given to making a similar allocation for 2012/13.

The current year's capital programme includes £0.5m for improvements to Town Centres, in addition to the proposed investment in the Market. Given the difficult economic climate, it was suggested that the Executive considered allocating a

further £0.5m to improvements in Town Centres in 2012/13.

The Library service had identified the need to spend £75,000 for adaptations to Libraries/neighbourhood collection points as part of the Library review and it was suggested that an allocation of £100,000 be made to cover the existing proposals plus a contingency for any further works that may be identified/required.

Furthermore, as part of the Accommodation Review and also as a result of individual Service reviews, the Council would be seeking to dispose of a range of properties and sites. It was suggested that a provision of £250,000 be made in the Capital Programme to provide for any site preparation that may be required in order to achieve the maximum disposal price.

The report concluded that the 2012/13 Capital Programme could be funded at the bid level as approved at the meeting of the Executive on 5<sup>th</sup> December, 2011. Appendix 1 set out the Capital Programme for the next three years based on bids to date. The programme would be amended to reflect the specific corporate allocations agreed by the Executive and included in an updated capital report to the February Executive.

**Resolved – That the position as regards capital proposals and resources be noted and that the Director of Corporate Resources produce an updated Capital Programme for the Executive on 13<sup>th</sup> February, 2012, on the basis of the overall resources set out in this report.**

### **34. APPRENTICE SCHEME**

The Chief Executive submitted a report that set out a proposed apprentice scheme to enable the Council to fulfil its social employment obligations within the current climate of financial constraint.

It was explained that it was necessary for the Council to take an organisational view about how appropriate it is to continue to appoint to apprentice and other trainee positions at a time when the Council was making significant numbers of mainstream posts redundant, especially as most existing apprentice posts were funded from mainstream budgets.

The issue had been discussed with the recognised Trades Unions who were supportive of the Council maintaining apprentice positions as part of its community leadership role

Consequently, it was recommended that the Council retained its commitment to apprenticeships and other training schemes, but that:-

- the scope of such opportunities was managed carefully to ensure they were proportionate to the size and shape of the established workforce; and
- posts were funded from reserves rather than revenue budgets, to ensure that the costs of training posts did not place additional pressures on the funding for the established workforce

It was also recommended that all existing apprentice posts be deleted if they were vacant or, if occupied, concluded at the end of the current post holder's contract. In future the following arrangements were proposed:

- a maximum of 25 training placements would operate at any one time which was consistent with the typical number of live placements that had been operated successfully over the past 3 years. Of this number, the Council would aim to place around 10 people each year from the 16-18 year age group. The proposal would also provide an opportunity to provide some placements for clients referred through the Work Programme;
- in addition to the core number of apprentice placements, a small number of apprentice opportunities specifically for looked after children would be operated each year;

- an annual corporate allocation of £700 000 would be available to fund apprentice and other training posts, which would be met from the corporate redundancy fund. All appointments would therefore be made and overseen corporately;
- placements would not be made in services that were forecasting significant numbers of redundancies over the two year period; and
- apprentice opportunities would be created with specific reference to actual or anticipated skills gaps in the future workforce.

It was likely that the above may include a requirement for training positions in the following areas:

- skilled manual roles, e.g. horticulture and other grounds maintenance roles and vehicle fleet management;
- trainee generic professional roles e.g. finance, property and HR; and
- trainee technical roles e.g. social work, planning and environmental health

**Resolved – That the Executive endorse the proposals detailed in the report and that the necessary procedures be undertaken to begin implementation.**

### **35. BOLTON HUB – FINANCIAL SUPPORT**

In accordance with the Local Authority's Executive Arrangements and Access to Information Regulations 2000, the Chairman of the Corporate Resources Scrutiny Committee had agreed that the following item was urgent and could not reasonably await consideration until the next meeting of the Executive in order to ensure that the

The Director of Corporate Resources submitted a report that sought the Executive's approval to provide additional grant support of up to £70,000 to cover a potential income shortfall at the Bolton Hub.

Several of the organisations within the Hub had faced a reduction in funding over the last 12 months and others faced potential further reductions in the future. Currently the Hub had a 73% occupancy and, subject to several grants/bid processes, this occupancy could reduce to 50% during 2012/13 as other organisations vacated the building due to funding pressures.

It was explained that, based upon retaining the existing 73% occupancy, the Hub would incur a deficit during 2012/13 in the order of £33,000 and should the occupancy fall to 50% this deficit would increase to £70,000. The Hub did not have the resources to continue in 2012/13 on the same basis as they currently operated.

Initial discussions with the Council had identified a range of potential options which would include attracting new tenants to the building, closing part of the facility, finding alternative uses for some of the accommodation or potentially closing the building down. Should the building cease to operate as the voluntary sector Hub, then many of the grants would need to be repaid out of any receipt arising from the disposal. This would result in the loss of a valuable asset to the Borough and as well as increased accommodation costs for those organisations who currently occupied the building.

In order to provide sufficient resources to cover the next 12 months and enable these options to be evaluated, the Hub had requested the Council to consider making a grant of up to £70,000 to cover any rent shortfall over the next 12 months (i.e. until March 2013).

The Council's 2011/12 budget provided for any savings arising from the late notification of a reduced precept from Greater Manchester Transport being earmarked to provide a transitional fund to assist voluntary sector organisations who had lost funding. This fund was intended to cover both 2011/12



and 2012/13. Whilst the funding for 2011/12 was allocated earlier in the year, a grant to the Hub of up to £70,000 could be provided from the 2012/13 transitional fund.

The funding would only be used to meet any shortfall in the service charge contributions as a result of organisations leaving the Hub and on the basis that it was a one-off grant.

**Resolved - That an additional grant of up to £70,000 to cover a potential income shortfall at the Bolton Hub during 2012/13 be agreed and that such funding be provided via the money set aside for transitional support to the voluntary sector.**