

## SALFORD CITY COUNCIL (BUDGET)

24<sup>th</sup> February, 2021

Meeting commenced: 9.30 a.m.  
“ adjourned: 11.20 a.m.  
“ re-convened: 11.30 a.m.  
“ ended: 12.25 p.m.

PRESENT: Councillor John Mullen - Ceremonial Mayor and Chair

Mr Paul Dennett - City Mayor

Councillors Derek Antrobus, Sharmina August, Damian Bailey, Barbara Bentham, Paula Boshell, Adrian Brocklehurst, Joshua Brooks, Tanya Burch, Jim Cammell, Bob Clarke, Stephen Coen, Jillian Collinson, Richard Critchley, Jim Dawson, Stuart Dickman, Heather Fletcher, Robin Garrido, Jane Hamilton, Stephen Hesling, Bill Hinds, Ann-Marie Humphreys, David Jolley, Roger Jones, Tracy Kelly, Jim King, David Lancaster, Ari Leitner, Kate Lewis, Sophia Linden, Mike McCusker, Charlie McIntyre, John Merry, Margaret Morris, Wilson Nkurunziza, Mike Pevitt, Gina Reynolds, Neil Reynolds, Brendan Ryan, Arnold Saunders, Robert Sharpe, Les Turner, Joan Walsh, John Walsh, Darren Ward, John Warmisham, Barry Warner, Michael Wheeler and Ronnie Wilson.

### 72. ANNOUNCEMENTS AND SPECIAL BUSINESS

The Ceremonial Mayor reported he had been notified of the intention to submit a motion seeking a suspension of the normal rules of debate and which proposed be considered before Item 6 on the agenda (*see Minute 72*).

### 73. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors Stephen Coen, Laura Edwards, Karen Garrido, Ray Mashiter, Ray Walker and Collette Weir.

### 74. DECLARATIONS OF INTEREST

Councillor Arnold Saunders declared an interest in terms of the social care elements of the Revenue Budget Proposals 2021/22 (*see Minute 73*) in that he acted as the chaplain at a local care home. Councillors Jim Dawson (ForHousing), Robin Garrido (ForViva), Tracy Kelly (Dérive) and John Merry (Dérive) all declared interests in any matters relating to the affairs of the bodies respectively indicated, of which they were directors.

### 75. CABINET MEMBERSHIP 2020/21

The City Mayor submitted a report detailing a recent change to his Mayoral Team 2020/21 in that, following the resignation of Councillor Derek Antrobus as Lead

Member for Sustainable Development, in accordance with section 9E of the Local Government Act 2000 and until further notice, those functions previously delegated to him would now be exercised by Councillor John Merry, Deputy City Mayor.

RESOLVED: THAT the report and the changes to the membership and respective responsibilities of Cabinet for the remainder of the Municipal Year 2020/21, as summarised above, be noted.

76. APPOINTMENT OF INTERIM MONITORING OFFICER

The Chief Executive submitted a report indicating, in accordance with Salford City Council's Scheme of Delegation, he had authorised the appointment of interim support for the post of City Solicitor (Monitoring Officer), pending the process for the recruitment, selection and appointment to the substantive post, subject to ratification by full Council.

RESOLVED: (1) THAT approval be given to suspend the requirement under Rule 3(i) of the Officer Employment Procedure Rules for this appointment to be subject of a recommendation of a committee, or sub-committee, of the Council.

(2) THAT approval be given to the appointment of David Wilcock as the City Solicitor (Monitoring Officer) on an interim basis.

77. MOTION - SUSPENSION AND AMENDMENT OF RULES

In accordance with Part 4, Section A, Paragraph 2.1 of the Salford City Council Constitution, a motion was submitted seeking a suspension of procedural rules, so as to allow a variation of the time respective members were allowed to speak during consideration of the Revenue Budget and Capital Programme 2021/22 (*see Minute 78*).

RESOLVED: THAT the motion be approved.

78. REVENUE BUDGET AND CAPITAL PROGRAMME 2021/22

The City Mayor presented a report detailing his proposals for the 2021/22 Revenue Budget and Council Tax, 2021/22 Housing Revenue Account Budget, 2021/22 Capital Programme, Capital Strategy 2021/22 to 2023/24, Prudential Indicators for 2021/22 to 2023/24 (attached to these minutes at Appendix A).

Councillor Les Turner moved an amendment to the City Mayor's budget proposals, which was seconded by Councillor Bob Clarke and was submitted on behalf of the Conservative Opposition Group (attached to these minutes at Appendix B).

A debate then took place in which members spoke for and against the amendment proposed by the Conservative Opposition Group, where the following comments were made:

### In favour of the amendment

- Thanks were extended to the Chief Finance Officer and the Salford City Council finance team for their support in compiling the budget and this amendment. *(Councillor Turner)*
- The Covid-19 pandemic was likely to have a negative financial impact on all households, so now was not the time to increase Council Tax and H.M Government had provided additional support to local authorities during this period to make it unnecessary. *(Councillors Turner, Robin Garrido, Saunders and Leitner)*
- The economic landscape of the UK in 2010 and its subsequent unwanted, but necessary, influence on the economic policies of H.M Government, had to be acknowledged. *(Councillor Collinson)*

### Against the amendment

- Raising Council Tax, although regretted, was necessary to protect jobs and services, both now and in the future. *(Councillor Hinds and Fletcher)*
- The use of reserves, as the amendment proposed, was a high-risk approach and not good practice. *(Councillors Hinds, Merry, Gina Reynolds, Fletcher, Pevitt, John Walsh, Antrobus and City Mayor)*
- The amendment suggested a total of £4.5m of efficiency savings, but did not quantify, or identify, how these would be met and were therefore unrealistic, with their effects most likely to fall on Salford's most vulnerable residents. *(Councillors Merry, Nelson, Cammell, Jones, and Brocklehurst)*
- The continuing negative impact of H.M Government's economic policies on local authorities and their communities, had to be recognised. *(Councillor Nelson)*
- H.M Government had failed to truly meet the costs of providing social care, both nationally and locally, instead transferring much of the financial burden for this to local authorities. *(Councillor Gina Reynolds)*
- The proposals of the amendment had not been fully thought out, costed, or evaluated and therefore did not represent a realistic alternative budget. *(City Mayor)*
- The amendment failed to recognise H.M. Government's inadequate funding of local authorities in 2021/22 and that local government finance generally was in a perilous state and in urgent need of wholesale review, which consequently made the proposed increase in Council Tax necessary. *(City Mayor)*

The Chair of the Council put the amendment to Council and in accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, a named vote was taken, following which declared it not carried by 45 votes against to 7 votes for.

<p><b>For</b> the amendment to the proposed Revenue Budget and Capital Programme 2021/22 (7)</p>	<p><b>Against</b> the amendment to the proposed Revenue Budget and Capital Programme 2021/22 (45)</p>
<p>Cllr Clarke Cllr Collinson Cllr Robin Garrido Cllr Leitner Cllr Saunders Cllr Turner Cllr Ward</p>	<p>Paul Dennett Cllr Antrobus Cllr August Cllr Bailey Cllr Barnes Cllr Bellamy Cllr Bentham Cllr Boshell Cllr Brocklehurst Cllr Brooks Cllr Burch Cllr Cammell Cllr Critchley Cllr Dawson Cllr Dickman Cllr Fletcher Cllr Hamilton Cllr Hesling Cllr Hinds Cllr Humphreys Cllr Jolley Cllr Jones Cllr Kelly Cllr King Cllr Lancaster Cllr Lewis Cllr Linden Cllr Mccusker Cllr McIntyre Cllr Merry Cllr Morris Cllr Nelson Cllr Nkurinziza Cllr Pevitt Cllr Gina Reynolds Cllr Neil Reynolds Cllr Ryan Cllr Sharpe Cllr Wade Cllr Joan Walsh Cllr John Walsh Cllr Warmisham Cllr Warner</p>

	Cllr Wheeler Cllr Wilson
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A debate then took place in which members spoke for, against and commented on the City Mayor's budget proposals for 2021/22, where the following comments were made:

#### In favour of City Mayor's Budget Proposals

- Thanks were extended to the Chief Finance Officer and the Salford City Council finance team for their support in compiling the budget. *(City Mayor and Councillor Hinds)*
- Within the limits of the financial resources available to the City Council, the proposals were realistic and fully calculated, but there remained the need for H.M. Government to review the current funding of local authorities, as well as forming closer links with them, to ensure their needs were met. *(Councillor Hesling and Cammell)*
- The proposals protected jobs and services, both now and in the future. *(Councillors Merry and Nelson)*
- There were significant social inequalities prevalent both nationally and locally and these budget proposals went some way to mitigating these in Salford. *(Councillor Hamilton)*
- H.M. Government continued to fail to recognise the challenges faced by local authorities and reflect this in their funding of them. Salford was the 18<sup>th</sup> most deprived area in the UK and H.M Government's economic policies had contributed to this. While additional financial support had been provided during the Covid-19 pandemic, this did not reflect the City's real needs now, nor did the current local government funding model in the long-term. *(Councillor Hinds and City Mayor)*
- Salford faced significant economic and social challenges, all of which had been compounded by the Covid-19 pandemic, in addition since 2010/11 the City Council had been forced to make a total of £220m of savings. It was against this background that, the proposals now presented had been formulated and made an increase in Council Tax an unwanted necessity to ensure the preservation of services, both now and in the future. *(City Mayor)*

#### Against the City Mayor's Budget Proposals

- The Conservatives had a proven record for efficiently handling local government finances. *(Councillor Turner)*
- Salford City Council's collection rate for Council Tax needed to improve. *(Councillor Turner)*
- Increasing Council Tax at this time, placed an unnecessary financial burden on local residents, compounding those created by the Covid-19 pandemic *(Councillor Robin Garrido)*

The Chair of the Council then put the motion to Council and in accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, a named vote was taken, following which declared it carried by 45 for votes to 7 against.

<b>For the approval of the proposed Revenue Budget and Capital Programme 2021/22 (45)</b>	<b>Against the approval of the proposed Revenue Budget and Capital Programme 2021/22 (7)</b>
<p>Paul Dennett Cllr Antrobus Cllr August Cllr Bailey Cllr Barnes Cllr Bellamy Cllr Bentham Cllr Boshell Cllr Brocklehurst Cllr Brooks Cllr Burch Cllr Cammell Cllr Critchley Cllr Dawson Cllr Dickman Cllr Fletcher Cllr Hamilton Cllr Hesling Cllr Hinds Cllr Humphreys Cllr Jolley Cllr Jones Cllr Kelly Cllr King Cllr Lancaster Cllr Lewis Cllr Linden Cllr Mccusker Cllr McIntyre Cllr Merry Cllr Morris Cllr Nelson Cllr Nkurinziza Cllr Pevitt Cllr Gina Reynolds Cllr Neil Reynolds Cllr Ryan Cllr Sharpe Cllr Wade Cllr Joan Walsh Cllr John Walsh Cllr Warmisham Cllr Warner Cllr Wheeler Cllr Wilson</p>	<p>Cllr Clarke Cllr Collinson Cllr Robin Garrido Cllr Leitner Cllr Saunders Cllr Turner Cllr Ward</p>

RESOLVED: (1) THAT the risk assessment of the reserves and assumptions made in preparing the revenue budget for 2021/22 be noted and supported, and accordingly a revenue budget of £175.635m, be approved.

(2) THAT the revised revenue estimates for the year 2020/21 and 2021/22 as set out in the report now submitted, be approved.

(3) THAT the decision of the Lead Member for Finance and Support Services on 5<sup>th</sup> January, 2021, to approve the calculation of 68,109 as the Council's council tax base for the year 2021/22 (Item T in the formula in Section 31B(1) of the Local Government Finance Act 1992, (as amended), be confirmed.

(4) THAT the action of the Chief Finance Officer (Section 151 Officer) in approving a business rates estimate which shows £89.836m as the Council's share of its retained business rates for 2021/22, be confirmed.

(5) THAT the following amounts be now calculated by the Council for the Year 2021/22, in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 (the Act), be approved:

(a) £712,746,204	being the aggregate of the amounts which the council estimates for the items set out in Section 31A(2) of the Act representing the gross revenue budget of the Council.
(b) £596,572,002	being the aggregate of the amounts which the council estimates for the items set out in Section 31A(3) of the Act.
(c) £116,174,202	being the amount by which the aggregate at (5(a)) above exceeds the aggregate at (5(b)) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its council tax requirement for the year. (Item R in the formula in Section 31A(4) of the Act).
(d) £1,705.71	being the amount at (5(c)) above, divided by Item T (3 above) calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its council tax for the year.
(e) The amounts attributable to the valuation bands as shown in the following table	being the amounts given by multiplying the amount at (5(d)) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in

									respect of categories of dwellings listed in different valuation bands.
<b>Basic amount of council tax for the year</b>									
A minus	A	B	C	D	E	F	G	H	
£ 947.62	£ 1,137.13	£ 1,326.66	£ 1,516.18	£ 1,705.71	£ 2,084.76	£ 2,463.80	£ 2,842.84	£ 3,411.42	

(6) THAT for the year 2021/22 the Greater Manchester Mayor has stated the following amounts in precepts issued to the council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below, be noted:

<b>Precept Valuation Bands</b>								
<b>Mayoral Police and Crime Commissioner Precept</b>								
A minus	A	B	C	D	E	F	G	H
£ 121.27	£ 145.53	£ 169.78	£ 194.04	£ 218.30	£ 266.81	£ 315.32	£ 363.83	£ 436.60
<b>Mayoral General Precept (including Fire Services)</b>								
A minus	A	B	C	D	E	F	G	H
£ 50.52	£ 60.63	£ 70.73	£ 80.84	£ 90.95	£ 111.16	£ 131.37	£ 151.58	£ 181.90

(7) THAT having calculated the aggregate in each case of the amounts at (5(e)) and (6) above, the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the following amounts, as the amounts of council tax for the year 2021/22 for each of the categories of dwellings shown below.

<b>2021/22 Council Tax</b>								
A minus	A	B	C	D	E	F	G	H
£ 1,119.41	£ 1,343.29	£ 1,567.17	£ 1,791.06	£ 2,014.96	£ 2,462.73	£ 2,910.49	£ 3,358.25	£ 4,029.92

(8) THAT the council tax empty property premium charged in accordance with the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 shall be:

- From 1 April 2021: 100% for a dwelling that has been empty for between 2 and 5 years, 200% for a dwelling that has been empty for between 5 and 10 years and 300% for a dwelling that has been empty for 10 years or more.

(9) THAT the Housing Revenue Account (HRA) budget for 2021/22, as detailed in Part 2 of the report now submitted, be approved and in doing so it be identified:

- (a) the estimated outturn expenditure for 2020/21 is expected to have a contribution from HRA reserves of £0.492m and consequently the balances held in reserve at 31 March 2021 are forecasted to be £6.716m.
- (b) the City Mayor has approved a 1.5% increase in rents for 2021/22 based upon the H.M Government's formula of CPI (Consumer Price Index) plus 1%.

(10) THAT each respective Lead Member and Strategic Director be requested to monitor expenditure against budget, to ensure overall net expenditure is contained within budget, and for the Lead Member for Finance and Support Services and the Chief Finance Officer (S151 officer) to report to the Overview and Scrutiny Board on progress with the budget on a corporate basis.

(11) THAT approval be given to a Capital Programme of £48.874m for 2021/22 and the proposed sources of funding, as set out in Part 3 and detailed in Appendix 6 of the report now submitted, and all capital proposals being required to be referred to the Procurement Board for approval, as to the detailed funding arrangements, prior to contractual commitments being made.

(12) THAT the treasury management prudential indicators for 2021/22 to 2023/24, as set out in Part 4 of the report now submitted, be approved.

(13) THAT Chief Finance Officer (S151 officer) after consultation with Lead Member for Finance and Support Services and the City Mayor, be given delegated authority to make any necessary technical adjustments to the figures upon receipt of any further details associated to the final Local Government Finance Settlement.

79. 2021/22 TREASURY MANAGEMENT STRATEGY, ANNUAL INVESTMENT STRATEGY AND MINIMUM REVENUE PROVISION POLICY STATEMENT

The Lead Member for Finance and Support Services submitted a report containing details of the Treasury Management Strategy for the financial year 2021/22, indicating its production and submission to the Council, was required under the CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice. Also submitted was the Annual Investment Strategy, which needed to be considered by the Council under the Local Government Act 2003, together with the Council's policy for the calculation of the Minimum Revenue Provision for the forthcoming financial year and the Treasury Management Policy Statement and Practices.

Councillor Mike Pevitt seconded the approval of the Strategy and following which, by way of an informal vote, it was unanimously:

RESOLVED: THAT the 2021/22 Treasury Management Strategy, Annual Investment Strategy for Treasury Management and Non-Treasury Management Investment, the policy for the calculation of Minimum Revenue Provision and the Treasury Management Policy Statement and Practices, as now submitted, be approved.

80. MEDIUM TERM FINANCIAL STRATEGY 2021/22 TO 2023/24

The Lead Member for Finance and Support Services submitted a report outlining the proposed Medium Term Financial Strategy 2021/22 to 2023/24 which would inform the Council’s future financial planning and budget decisions to support delivery of the Council’s priorities and form part of the Council’s policy and financial framework.

Councillor Mike Pevitt seconded the approval of the Strategy.

In accordance with the Salford City Council Constitution, Part 4 Rules of Procedure, Section A, Rule 19(iv) a recorded vote was requested by three elected members (*including Councillors Bentham, Burch and Cammell*) and duly taken, following which the motion was declared carried by 42 votes for to 0 against, with 6 abstentions.

For (42)	Abstained (6)
Paul Dennett	Cllr Clarke
Cllr August	Cllr Collinson
Cllr Barnes	Cllr Robin Garrido
Cllr Bellamy	Cllr Saunders
Cllr Bentham	Cllr Turner
Cllr Boshell	Cllr Ward
Cllr Brocklehurst	
Cllr Burch	
Cllr Cammell	
Cllr Critchley	
Cllr Dawson	
Cllr Dickman	
Cllr Fletcher	
Cllr Hamilton	
Cllr Hesling	
Cllr Hinds	
Cllr Humphreys	
Cllr Jolley	
Cllr Jones	
Cllr Kelly	
Cllr King	
Cllr Lancaster	
Cllr Lewis	
Cllr Linden	
Cllr Mccusker	
Cllr McIntyre	
Cllr Merry	
Cllr Morris	
Cllr Nelson	
Cllr Nkurinziza	
Cllr Pevitt	
Cllr Gina Reynolds	
Cllr Neil Reynolds	
Cllr Ryan	

Cllr Sharpe Cllr Wade Cllr Joan Walsh Cllr John Walsh Cllr Warmisham Cllr Warner Cllr Wheeler Cllr Wilson	
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*(Councillors Antrobus, Bailey, Brooks and Leitner were not present when the vote was taken)*

RESOLVED: THAT proposed Medium Term Financial Strategy 2021/22 to 2023/24 be endorsed.

*A full audio/visual recording of these proceedings can be found on the Salford City Council website [Council Webcast 24 February 2021](#)*

## **Appendix A**



Appx A 2021-22  
Revenue and Capita

## **Appendix B**



Appx B  
Conservative Budget