



Committee and Date

Cabinet

10 February 2016

CABINET

**Minutes of the meeting held on 27 January 2016 in the Shrewsbury Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND
12.00pm - 12.58 pm**

Responsible Officer: Jane Palmer
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Present

Councillor Malcolm Pate (Leader)
Councillors Steve Charmley (Deputy Leader), Karen Calder, Lee Chapman, Simon Jones, David Minnery, Cecilia Motley, Malcolm Price, Stuart West and Michael Wood

95 Apologies for Absence

95.1 There were no apologies for absence.

96 Disclosable Pecuniary Interests

96.1 No Disclosable Pecuniary Interests were declared.

97 Public Questions

97.1 No public questions were received.

98 Matters referred from Scrutiny/Council

98.1 No items had been referred from Scrutiny or Council.

99 Financial Strategy 2016/17 to 2018/19

99.1 The Leader presented a report from the Head of Finance, Governance and Assurance (Section 151 Officer) – copy attached to the signed Minutes – which presented the next important stage in developing a sustainable financial strategy for the Council. The Leader stated that the report detailed the worst case scenario. Government consideration of the financial settlement for rural and urban areas would be taking place in February 2016 and may provide some answers to the current situation. He added that he had personally made written representations to the Prime Minister and he would also be seeking an audience with Ministers to make further representations. He stated that he would welcome input from all political parties within the Council with this task.

- 99.2 A Member commented that the report made disturbing reading and queried whether it could be deliverable. He queried whether the Council could legally deliver the service required for safeguarding children, the impact on the Council's recreational facilities and the diminishing of economic development. Responding, the Leader drew attention to the fact that expenditure on children's and adult services had been prioritised to ensure that the Council's statutory obligations were met. He stated that there was a new era dawning with the opportunity to work together to make the situation more palatable.
- 99.3 The Portfolio Holder for Planning, Housing, Regulatory Services and the Environment commented that there would be an impact on services and agreed that adult and children's services had to be protected. He urged all Members from all political persuasions to work together and to share ideas on ways to protect services for the future.
- 99.4 In answer to the suggested reinstatement of the Council Tax Support Grant to Parish and Town Councils, the Leader commented that he did not see any reason to reconsider this matter. He added that a conference was to be held with Parish and Town Councils to discuss working together in partnership to help local communities. Another Member commented that there was little capacity in this and the voluntary sector to take on additional responsibilities. He concluded that this was a very sad meeting that he believed illustrated the diminution and decline of public services.
- 99.5 The Portfolio Holder for Rural Services and Communities stated that Shropshire, through the Rural Services Network (RSN), had been at the forefront of making representations to government on the disparity of funding between urban and rural areas. She drew attention to the increase in the rural services delivery grant from £800k in 2012 to £65M this year following heavy pressure from the RSN. She stressed that the disparity between rural and urban was still far too great particularly given the cost per capita being much higher in rural areas and service delivery costs being far greater. The exemplary work being undertaken by Members working on rural issues was recognised.
- 99.6 The Portfolio Holder for Adults acknowledged the burden of being the biggest single liability to the Council. He drew attention to the £77M savings made over the last 4 years where the focus had been on prevention that had allowed additional spend to be diverted to areas of greatest need. He stressed the importance of supporting vulnerable adults and stated his continued commitment to delivering efficient and effective services to look after the vulnerable adults in the county.
- 99.7 The Portfolio Holder for Children and Young People voiced his horror at the current financial position but added that free support had been offered by the Local Government Association to ensure that the service was concentrating its efforts in the right areas. He stated that he would then be better placed to comment on the situation going forward to 2017/18. The Portfolio Holder for Leisure and Culture stated that he was determined to look at alternatives to closure of facilities wherever possible.

99.8 Drawing the debate to a close, the Leader concluded that there was general support for an all-party approach to address the future issues of the Council and for a group of Members to make representations to Ministers in London on the serious issues facing the Council. The Chief Executive added that he hoped through cross party working the situation could be improved and the Council could rebuild together with its partners – Parish and Town Councils, the LEP, health and social care partners and others.

99.9 **RESOLVED:**

- i) That the impact of the Provisional Local Government Settlement and Spending Review on the Council's Financial Strategy be noted, as set out in Section 6.
- ii) That the revised proposals to manage the 2016/17 budget as a result of the Provisional Local Government Settlement be approved, as set out in Section 7.
- iii) That the revised modelling of Council Resources over the following 2 years 2017/18 to 2018/19 be noted, as set out in Section 8 and the implications for future service delivery, Council Tax increases and budget reductions.
- iv) That the target budgets for each Directorate of the Council and the initial savings to achieve a balanced budget for 2017/18 and 2018/19 be noted, as set out in Appendix 3 to this report.

Signed (Leader)

Date: