

## APPENDIX 1

### Extracts of Executive Board Minutes that are relevant to the Corporate Policy and Performance Board

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#### EXECUTIVE BOARD MEETING HELD ON 24 MAY 2012

<b>16</b>	<b>TREASURY MANAGEMENT 4<sup>TH</sup> QUARTER</b>
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The Board received a report of the Operational Director, Finance on the Treasury Management 2011/12 4<sup>th</sup> Quarter (January to March) which updated them on activities undertaken on the money market as required by the Treasury Management Policy.

The report provided supporting information on the economic forecast, short term investment rates, longer term investment rates, temporary borrowing/investments and new borrowing. The Board noted that during the final quarter of 2011/12, the Council had temporarily breached its Operational Boundary when acquiring further borrowing for the Mersey Gateway, However, this was a short term breach and was eliminated during the first quarter of 2012/13, and there had been no other breaches of approved limits within the Annual Investment Strategy for the quarter ended 30 March 2012.

RESOLVED: That the report be noted.

#### EXECUTIVE BOARD MEETING HELD ON 28 JUNE 2012

<b>35</b>	<b>2011-12 FINANCIAL OUTTURN</b>
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The Board considered a report of the Operational Director, Finance, on the final revenue and capital spending position for 2011/12.

The Board was advised that the final accounts for 2011/12 were complete; the revenue spending position for each Department, which would be subject to external audit, was attached to the report at Appendix 1. In September 2011, Executive Board had agreed an Action Plan, as a response to the uncertainty on future funding and potential cost pressures in areas such as Community Care. It was noted that the overall net underspend for the year of £198,000 reflected the successful implementation of the Action Plan, aided in part by early implementation of 2012/13 savings approved by Council in December 2012.

The report provided details on the key budget variances (which were in addition to the overall net underspend) in the following services:

- Children and Families
- Economy, Enterprise and Property
- Policy, Planning and Transportation
- Finance
- ICT and Support Services
- Prevention and Assessment
- Commissioning and Complex Care
- Community and Environment and
- Corporate and Democracy

Members were advised that the Council's Reserves and Balances had been reviewed in accordance with the Reserves and Balances Strategy. The Council's General Balances stood at £7,565,000, which, given the financial climate, was considered to be at a reasonable level.

With regard to Capital Spending, details of spending against 2011/12 Capital Programme were attached at Appendix 2. It was noted that spending was £7.9m below the revised capital programme of £60.8m, which represented 87% delivery of the revised capital programme. It was reported that the main areas of significant slippage were in respect of Castlefields Regeneration, Extra Care Housing, Wade Deacon High School, Education programme (General), Windmill Hill Primary School (basic need), Lunts Heath Primary School (basic need) and St Bede's Infant and Junior Schools (basic need) schemes.

RESOLVED: That the report be noted.

<b>48</b>	<b>LOCAL COUNCIL TAX BENEFIT SYSTEM</b>
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The Board considered a report of the Operational Director, Finance, on the Localisation of Council Tax Support.

The Board was advised that, as part of the 2010 Spending Review, the Government announced its intention to localise support for Council Tax from 2013-14 and to reduce expenditure on this benefit by 10%. The Welfare Reform Act 2012 provided for the abolition of Council Tax benefit. It was noted that provisions for the localisation of Council Tax support were included in the Local Government Finance Bill which was currently before Parliament. It was expected that a one off transition to the new localised schemes of support would take place in April 2013.

Although the proposals were for each local authority to draw up its own scheme, there were certain areas which the Government was not leaving to local discretion; these were detailed in Appendix 1, attached to the report. The Government had stated that there would be a 10% overall reduction in the amount of expenditure on this scheme. The implications of this for Halton were that there would be approximately £1.4m less paid out to help towards Council Tax in the Borough.

The report contained details of three funding alternatives to meet the cost for Members' consideration, which were:

- Increase Council Tax
- Cut budgets
- Ring fence within Council Tax Benefit

It was noted that although the new scheme needed to be in place by April 2013, due to the setting of Council Tax and billing process, in reality it would need to be in place by October 2012. Members were advised that the Corporate Services Policy and Performance Board had considered a report and recommended the Executive Board approve the scheme for public consultation.

**RESOLVED:** That the Localisation of Council Tax Support Scheme, as outlined in paragraph 4.2 of the report, be approved for consultation with the public and major precepting authorities.