

COUNCIL MINUTES

(BUDGET COUNCIL MEETING)

WEDNESDAY 29 FEBRUARY 2012



PRESENT

The Mayor Councillor Frances Stainton
Deputy Mayor Councillor Belinda Donovan

Councillors:

Colin Aherne	Charlie Dewhirst	Andrew Jones
Helen Binmore	Gavin Donovan	Alex Karmel
Nicholas Botterill	Rachel Ford	Mark Loveday
Victoria Brocklebank-Fowler	Marcus Ginn	PJ Murphy
Daryl Brown	Peter Graham	Caroline Needham
Joe Carlebach	Stephen Greenhalgh	Harry Phibbs
Michael Cartwright	Steve Hamilton	Sally Powell
Elaine Chumnerly	Wesley Harcourt	Greg Smith
Iain Coleman	Lisa Homan	Matt Thorley
Georgie Cooney	Robert Iggulden	Peter Tobias
Stephen Cowan	Lucy Ivimy	Mercy Umeh
Oliver Craig	Andrew Johnson	Rory Vaughan
Tom Crofts	Donald Johnson	

33. MINUTES

The minutes of the Ordinary Council Meeting held on 25 January 2012 were confirmed and signed as an accurate record.

34. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Michael Adam, Adronie Alford, Jean Campbell, Alex Chalk, Ali de Lisle and Jane Law. Apologies for lateness were received from Councillor Matt Thorley.

35. MAYOR'S/CHIEF EXECUTIVE'S ANNOUNCEMENTS (IF ANY)

The Mayor's Announcements were circulated and tabled at the meeting. (Copy attached as **Appendix 1** to these minutes).

The Mayor announced with great sadness the death of Mr John Barker, who served as consort to former Councillor and former Mayor, Mrs Val Barker.

The Mayor congratulated Councillor Jane Law and Councillor Alex Karmel on the birth of their daughter, Poppy.

36. DECLARATIONS OF INTERESTS

Councillor Wesley Harcourt declared a personal interest in agenda item 6.1 - Revenue Budget and Council Tax Levels 2012/13, in relation to the third sector grants referred to on pages 936 and 937 of the report, as his full time job was funded by London Councils and some of the organisations funded were members of the organisation he worked for.

The Mayor advised Councillors that, in relation to agenda item 6.4 – Councillors' Allowances Scheme: Annual Review and Revision, the Standards Board had advised that it was necessary for all Councillors to declare their allowances as personal interests under the Code of Conduct. In order to manage this with the minimum of disruption, all Councillors present in the Chamber would be deemed as having declared a personal interest in this item (unless the Councillor objects), and this fact would be duly noted and recorded in the minutes. This was agreed unanimously.

37. PUBLIC QUESTIONS

There were no public questions.

38. ITEMS FOR DISCUSSION/COMMITTEE REPORTS

38.1 Revenue Budget and Council Tax Levels 2012/13

7.05pm - The report and recommendations were moved for adoption by the Leader of the Council, Councillor Stephen Greenhalgh.

In accordance with Council convention, the Leader of the Council, Councillor Stephen Greenhalgh, and the Leader of the Opposition, Councillor Stephen Cowan, were then given unlimited time to speak on the Budget report. Speeches on the report were made by Councillors Helen Binmore and Joe Carlebach (for the Administration) and Councillors Andrew Jones and Caroline Needham (for the Opposition).

Councillor Stephen Greenhalgh (for the Administration) made a speech winding up the debate. The report and recommendations were put to the vote and a roll-call was requested:

FOR	AGAINST	NON VOTING
BINMORE	BROWN	AHERNE
BOTTERILL		CARTWRIGHT
BROCKLEBANK-FOWLER		CHUMNERY
CARLEBACH		COLEMAN
COONEY		COWAN
CRAIG		HARCOURT
CROFTS		HOMAN
DEWHIRST		JONES
DONOVAN (B)		MURPHY
DONOVAN (G)		NEEDHAM
FORD		POWELL
GINN		UMEH
GRAHAM		VAUGHAN
GREENHALGH		
HAMILTON		
IGGULDEN		
IVIMY		
JOHNSON (A)		
JOHNSON (D)		
KARMEL		
LOVEDAY		
PHIBBS		
SMITH		
STANTON		
TOBIAS		

FOR	25
AGAINST	1
NON VOTING	13

The report and recommendations were declared **CARRIED.**

8.29 pm - **RESOLVED:**

- (1) To note the Council Tax reduction of 3.75% for the Hammersmith & Fulham element for 2012/13. For planning purposes, there will be a freeze on Council Tax for 2013/14 and 2014/15.
- (2) The Council Tax be set for 2012/13 for each category of dwelling, as calculated in accordance with Sections 31A to 49B of the Localism Act 2011, as outlined below and in full in Appendix A of the report:
 - (a) The element of Council Tax charged for Hammersmith & Fulham Council will be £781.34 per Band D property in 2012/13.
 - (b) The element of Council Tax charged by the Greater London Authority is £306.72 per Band D property in 2012/13. A reduction of 1%.

- (c) The overall Council Tax to be set will be £1088.06 per Band D property in 2012/13.

Category of Dwelling	A	B	C	D	E	F	G	H
Ratio	6/9 £	7/9 £	8/9 £	1 £	11/9 £	13/9 £	15/9 £	18/9 £
A) H&F	520.89	607.71	694.52	781.34	954.97	1,128.60	1,302.23	1,562.68
b)GLA	204.48	238.56	272.64	306.72	374.88	443.04	511.20	613.44
c)Total	725.37	846.27	967.16	1,088.06	1,329.85	1,571.64	1,813.43	2,176.12

- (3) The Council's own total net expenditure budget for 2012/13 is set at £200.82m.
- (4) That fees and charges are approved as set out in paragraph 4.2 of the report.
- (5) That the Executive Director of Finance and Corporate Governances' budget projections to 2014/15 be noted.
- (6) That the Executive Director of Finance and Corporate Governances' statements under Section 25 of the Local Government Act 2003 regarding the adequacy of reserves and robustness of estimates be noted (section 13).
- (7) That the Executive Director of Finance and Corporate Governance be authorised to collect and recover National Non-Domestic Rate and Council Tax in accordance with the Local Government Finance Act 1988 (as amended), the Local Government Finance Act 1992 and the Council Schemes of Delegation.
- (8) That all Chief Officers be required to report monthly on their projected financial position compared to their revenue estimates (as part of the Corporate Monitoring Report).
- (9) That all Chief Officers be authorised to implement their service spending plans for 2012/13 in accordance with the recommendations within this report and the Council's Standing Orders, Financial Regulations and relevant Schemes of Delegation.
- (10) Members attention is drawn to S106 of the Local Government Finance Act 1992 which requires any Member who is two months or more in arrears on their Council Tax to declare their position and not to vote on any issue that could affect the calculation of the budget or Council Tax.

The Mayor reminded Members who came in late to make individual Declarations of Interest in relation to agenda item 6.4 – Councillors' Allowances Scheme: Annual Review and Revision.

38.2 Capital Programme 2012/13 to 2016/17

8.30pm - The report and recommendations were moved for adoption by the Leader of the Council, Councillor Stephen Greenhalgh.

Speeches on the report were made by Councillors Lisa Homan and Stephen Cowan (for the Opposition) and Councillor Stephen Greenhalgh (for the Administration).

The report and recommendations were put to the vote:

FOR	25
AGAINST	13
NON VOTING	0

The report and recommendations were declared **CARRIED.**

8.44pm - **RESOLVED:**

- (1) To approve the General Fund Capital Programme budget at £72.722m for 2012/13.
- (2) To approve a Debt Reduction target of £44.1m by 2016/17 (since 2011/12) which will reduce underlying debt - as measured by the Capital Financing Requirement - to £77.7m.
- (3) To approve that 25% of receipts generated for the decent neighbourhoods programme continue to be used to support general capital investment in 2012/13.
- (4) To approve the following initiatives within the capital programme (Table 4 of the report):
 - The continuation of the rolling programmes for repairs to Carriageways and Footways £2.1m;
 - Corporate Planned Maintenance £2.5m;
 - Private Sector Housing Grants £0.45m;
 - Parks Improvements £0.5m;
 - Contributions to the Invest to Save Fund £0.75m; and
 - The Re-provision of Services from Sands End Community Centre £0.22m.This totals £6.52m.
- (5) To note and approve the level of resource forecast (Table 2 of the report) and indicative expenditure budget 2012/13 of £13.043m for the Decent Neighbourhoods programme as detailed in Appendix 1 of the report; and 2012/13 contribution to fund works to the HRA stock of £8.82m from the Decent Neighbourhoods Pot (schemes under consideration).
- (6) To note the 2012/13 HRA capital programme of £37.42m as set out in Table 6 of the report.

- (7) To approve the following annual Minimum Revenue Provision (Appendix 5 of the report).
- For debt which is supported through Formula Grant this authority will calculate the Minimum Revenue Provision in accordance with current regulations (namely 4% of the Capital Financing requirement net of adjustment A).
 - For debt which has arisen through prudential borrowing it should be written down in equal instalments over the estimated asset life. The debt write-off will commence the year after an asset comes into use.
- (8) To approve the prudential indicators as set out in Appendix 6 of the report.

38.3 Treasury Management Strategy Report

8.45pm - The report and recommendations were moved for adoption by the Leader of the Council, Councillor Stephen Greenhalgh.

The report and recommendations were put to the vote:

FOR	26
AGAINST	0
NON VOTING	11

The report and recommendations were declared **CARRIED.**

8.45pm - **RESOLVED:**

- (1) To approve the future borrowing and investment strategies and authorise the Executive Director of Finance and Corporate Governance to arrange the Council's cashflow, borrowing and investments in 2012/13.
- (2) In relation to the Council's overall borrowing for the financial year 2012/13, approve the Prudential Indicators as set out in Section 3 of the report.
- (3) To agree the changes to the Treasury Management Policy Statement and the Treasury Management Practices as explained in section 1 of the report and reproduced in Appendices A and B of the report.
- (4) To move to a separate HRA and General Fund debt pool with effect from 1 April 2012.
- (5) To pay the HRA investment income on unapplied HRA receipts and other HRA cash balances calculated at the average rate of interest earned on temporary investments with effect from 1 April 2012.

38.4 Councillors' Allowances Scheme: Annual Review and Revision

8.46pm - The report and recommendations were moved for adoption by the Leader of the Council, Councillor Stephen Greenhalgh.

Speeches on the report were made by Councillor Lisa Homan (for the Opposition) and Councillor Mark Loveday (for the Administration).

The report and recommendations were put to the vote:

FOR	26
AGAINST	0
NON VOTING	12

The report and recommendations were declared **CARRIED**.

8.52pm - **RESOLVED:**

- (1) That the revision to the Councillors' Allowance Scheme for 2011/12 as set out in paragraph 1.3 of the report and Appendix 1 be approved.
- (2) That the Councillors' Allowances Scheme 2012 – 13 as set out in the report, be adopted.

38.5 Pay Policy of the London Borough of Hammersmith and Fulham

8.53pm - The report and recommendations were moved for adoption by the Leader of the Council, Councillor Stephen Greenhalgh.

Under Council Procedure Rule 13.2 (b), Councillor PJ Murphy moved, seconded by Councillor Andrew Jones, an amendment to the report as follows:

“This council is committed to full cost transparency wherever possible to enable tax payers to hold us to account. This council notes that it has employed 540 agency workers over the past year - 20% of the directly employed workforce.

This council has also employed sixty nine consultants, with almost twenty of those employees working via service limited companies. The Local Government Pension Scheme forbids retired local government employees from being re-employed in local government. However, a personal service limited company allows this rule to be side-stepped.

However, there are clear rules Laid Down by Her Majesty's Revenue and Customs about what defines a consultant and there is a likelihood that the London Borough of Hammersmith and Fulham may have breached those rules in directly employing people to work in its management structure as “consultants” via personal service companies.

This Council therefore resolves to add the following provisions to the policy:-

1. To inform HMRC of all cases where it has employed individuals via personal service companies and ensure its tax obligations are met and up to date
2. To report to Cabinet and Audit and Pensions Committee full details of any back-taxes and fines issued by HMRC on IR35
3. To review its use of agency workers looking for more cost effective means of employing individuals and to publish all details of agency workers employed by LBHF and/or its subsidiaries and detail the salaries of all of those over £100,000.00 per year.”

Speeches on the amendment were made by Councillors PJ Murphy, Andrew Jones and Stephen Cowan (for the Opposition) and Councillors Nicholas Botterill and Stephen Greenhalgh (for the Administration). The amendment was put to the vote and a roll-call was requested:

FOR	AGAINST	NON VOTING
AHERNE	BINMORE	
BROWN	BOTTERILL	
CARTWRIGHT	BROCKLEBANK-FOWLER	
CHUMNERY	CARLEBACH	
COWAN	COONEY	
HARCOURT	CRAIG	
HOMAN	CROFTS	
JONES	DEWHIRST	
MURPHY	DONOVAN (B)	
NEEDHAM	DONOVAN (G)	
UMEH	FORD	
VAUGHAN	GINN	
	GRAHAM	
	GREENHALGH	
	HAMILTON	
	IGGULDEN	
	IVIMY	
	JOHNSON (A)	
	JOHNSON (D)	
	KARMEL	
	LOVEDAY	
	PHIBBS	
	SMITH	
	STANTON	
	THORLEY	
	TOBIAS	
FOR	12	
AGAINST	26	
NON VOTING	0	

The amendment was declared **LOST.**

The report and recommendations were put to the vote:

FOR	26
AGAINST	12
NOT VOTING	0

The report and recommendations were declared **CARRIED.**

9.18pm - **RESOLVED:**

- (1) That the Pay Policy attached at Appendix 1 of the report be approved and the pay schemes attached at Appendices 2, 3 and 4 be endorsed. The Council's Pensions Policy is attached for information at Appendix 5.
- (2) That the Councillors' Allowances report approved earlier in the meeting be constituted as Appendix 6 of this report.

38.6 Interim Director of Legal Services

9.19pm - The report and recommendations were moved for adoption by the Leader of the Council, Councillor Stephen Greenhalgh.

The report and recommendations were put to the vote.

FOR	Unanimous
AGAINST	0
NON VOTING	0

The report and recommendations were declared **CARRIED.**

9.20pm - **RESOLVED:**

- (1) That Janette Mullins, Head of Litigation, be appointed Monitoring Officer from 1 April 2012 until the new Bi-Borough Director of Legal Services takes up their appointment.
- (2) That the interim management arrangements for Legal and Democratic Services be noted.

39. **INFORMATION REPORTS - TO NOTE**

There were no information reports to this meeting of the Council.

* * * * * CONCLUSION OF BUSINESS * * * * *

Meeting started: 7.00 pm
Meeting ended: 9.20 pm

Mayor

**ANNOUNCEMENTS BY
THE MAYOR**

1. I am sure everyone shares my sadness to hear of the death of Mr John Barker on 24th February 2012. Mr Barker served as consort to former Cllr and former Mayor, Mrs Val Barker. (April and May 1990, and 1997 – 1998). The funeral service will take place on Thursday 8th March at 10.40am, Mortlake Crematorium, Kew Meadow Path, Townmead Road, Richmond, TW9 4EN.
2. On 26th January 2012, I was delighted to speak at and formally open the St George's 'Jobs Fair' event, Imperial Wharf, SW6
3. On 27th January, I attended India Republic Day reception, Sheraton Park Lane Hotel, W1J
4. On 30th January, I attended and spoke at the Collation & Induction of Canon Guy Wilkinson and the Licensing of The Rev'd Dr Lincoln Harvey, St Andrew's Church, Fulham Fields, W14
5. On 31st January, accompanied by Alderman Gordon Haines, I attended the Year of the Dragon celebration event, Banqueting Hall, Whitehall, SW1A
6. On 2nd February, I attended and spoke at the Partners Club, Haberdashers Hall.
7. On 3rd February, I was delighted to host a reception and present a plaque to Steve Lumb, London Fire Brigade, Borough Commander, Hammersmith & Fulham to acknowledge his achievement in reducing the number of fires and deaths in the borough since his appointment in 2002, Mayor's Parlour, HTH.
8. On 3rd February, I welcomed Wilbur Ramirez to the parlour and attended Serco's photocall to congratulate Wilbur on his participation in 'The Toughest Place to be a Binman' programme which was screened on BBC2. I also encouraged his splendid intention to start a fund to help educate the Jakarta colleagues' children who virtually live on the dust heap.
9. On 6th February, accompanied by my Mayoress, I attended RB Kingston Diamond Jubilee Civic Service, in the presence of HRH Princess Alexandra, St Luke's Church, Kingston Upon Thames
10. On 7th February, I attended, presented winning medals and congratulated the H&F schools at the Skittle ball competition, Assembly Hall, HTH.
11. On 8th February, I hosted afternoon tea for pupils from St Thomas's School, Fulham, Mayor's Parlour, HTH
12. On 8th February, I attended and spoke at the Launch of Creative Minds event, HTH.

13. On 9th February, accompanied by my Consorts, I hosted and presented medals to Albert & Friends, Easigrass, representatives from Walking with the Wounded, and several volunteers, who took part in the New Years Day Parade 2012, HTH
14. On 10th February, I attended the Speaker of Hackney's Charity Dinner event, Premier Inn Hotel, City Road, N1
15. On 11th February, I attended and spoke at the Kosovo's Independence Day reception, HTH
16. On 13th February, I attended the Mayor of Havering's charity event 'On a Wing and a Prayer', Queens Theatre, Hornchurch
17. On 14th February, accompanied by Mrs Priscilla Ladha, I attended the National Day and the Armed Forces Day Reception, 28 Belgrave Square SW1X
18. On 15th February, I was delighted to attend and speak at the Elgin Close Resource Centre Open Day, 1- 3 Elgin Close, Goldhawk Road, Shepherds Bush Road W12
19. On 16th February, I was honoured to receive HRH Princess Anne to the Borough, as Patron of the Citizen Advice Bureau, Uxbridge Road, W12
20. On 17th February, accompanied by Lindsay Stainton, I attended the 4th Anniversary of the Declaration of Independence of the Republic of Kosovo, The Corinthia Hotel, Whitehall Place, London SW1A
21. On 18th February, I attended LMA Annual Dinner, Corinthia Hotel, Whitehall Place, SW1A 2BD
22. On 20th February, I attended and presented certificates and congratulated the winners on their remarkably mature speeches, UK Youth Parliament Elections, HTH
23. On 21st February, I attended Balfour Beatty Youth Games 'Building A Legacy' reception, Riverbank Park Plaza Hotel, Albert Embankment, SE1
24. On 21st February, I attended the 'Army Today Presentation' evening, HTH
25. On 22nd February, accompanied by Mrs Priscilla Ladha, I attended and awarded the prizes to the winners of the 'Chef of the Year' congratulating them on their very professional presentations, Ealing, Hammersmith and West London College, Gliddon Road, W14
26. On 23rd February, I attended HE Ambassador of Kuwait reception, Dorchester Hotel, W1

27. On 24th February, I attended and presented an award to the winners of the Hammersmith London Christmas Choir Competition, where I congratulated pupils on their beautiful singing in Latin, Larmenier and Sacred Heart School, Presentation Assembly, Brook Green, W6
28. On 24th February, I attended Wates Construction 'Ground Breaking Ceremony' Hammersmith Grove, W6 where I was happy to see this long awaited empty space now finally achieving an agreed project.
29. On 24th February, I was honoured to attend and speak at the late Sam Alexander MC, Charity Dinner fundraising evening, Linden House, W6
30. On 27th February, I was delighted to accept the Safer Parks Awards award, for Normand Park and Brook Green, achieving two silver for H & F and one shared gold with RBKC for Little Wormwood Scrubs, held at City Hall, SE1
31. On 27th February, I attended, spoke and formally opened the Greenside Primary School Diamond Jubilee Learning Garden, Greenside School, W12