

## **Council**

### **Minutes of the meeting on 6 March 2015**

Present: The Right Worshipful, The Lord Councillor Cooley – in the Chair

#### **Councillors**

Adams, Akbar, Ahmed Ali, Azra Ali, N. Ali, Sameem Ali, Shaukat Ali, Amesbury, Andrews, Austin, Barrett, R. Battle, Chappell, Chohan, Collins, Cookson, Cox, Craig, Curley, Dar, Davies, Ellison, Evans, Fender, Flanagan, Fletcher-Hackwood, Gillard, Grimshaw, Hackett, Hacking, Hassan, Hewitson, Hitchen, Hughes, Hyde, Kamal, Karney, Keegan, Khan, Kirkpatrick, Knowles, Lanchbury, Leese, Longsdon, Loughman, Lyons, Manco, Midgley, Monaghan, Moore, N. Murphy, P. Murphy, S. Murphy, E. Newman, S. Newman, Noor, Ollerhead, Brian O'Neil, Paul, Peel, Priest, Rahman, Raikes, Rawlins, Razaq, Reid, Richards, Rowles, Royle, Russell, Shilton Godwin, Siddiqi, Simcock, Shone, Smith, Smitheman, Stogia, Stone, Strong, Swannick, Teubler, Trotman, Watson and Wilson

#### **Honorary Aldermen of the City of Manchester**

Peter Morrison

#### **CC/15/15      Minutes**

The minutes of the meeting of the Council on 4 February 2015 were approved as a correct record.

#### **CC/15/16      The Council's Revenue and Capital Budget 2015/16 to 2017/18**

The proceedings of the Art Galleries Committee on 13 February 2015 providing details of the Art Galleries budget for 2015/16 and the part proceedings of the Executive on 13 February 2015 were submitted. This included estimates relating to the 2015/16 Revenue Budget, the Housing Revenue Account, and proposals about treasury management, prudential indicators, affordable borrowing limits, annual investment strategy, minimum revenue provision strategy and the capital programme.

The Council also received the minutes of the Finance Scrutiny Committee on 23 February 2015. At this meeting, the budget and responses to the public consultation were considered.

The Council also received a report summarising the comments of each of the scrutiny committees about the scrutiny of the directorate business plans.

A joint report of the City Treasurer, the Chief Executive and the City Solicitor was submitted advising the Council of the recommended formal Council Tax resolution and Collection Fund Budget for 2015/16.

A report of the Deputy City Treasurer, the Assistant Chief Executive (Communications and Customer) and the City Solicitor on the response to consultation on the budget proposals was also considered.

### **Motion Made and Seconded:**

To note the report of the Deputy City Treasurer, the Assistant Chief Executive (Communications and Customer) and the City Solicitor on the response to consultation on the budget proposals.

To approve the proceedings of the Art Galleries Committee on 13 February in relation to the Art Galleries Budget 2015/16; and the part proceedings of the Executive on 13 February 2015 in relation to the 2015/16 and 2017/18 budgets, as amended by the recommendations in the joint report of the City Treasurer, the Chief Executive and the City Solicitor.

### **For the motion (82)**

Councillors: Adams, Akbar, Ahmed Ali, Azra Ali, N. Ali, Sameem Ali, Shaukat Ali, Amesbury, Andrews, Austin, Barrett, Battle, Chappell, Chohan, Collins, Cookson, Cooley, Cox, Craig, Curley, Dar, Davies, Ellison, Evans, Fender, Flanagan, Fletcher-Hackwood, Gillard, Grimshaw, Hackett, Hacking, Hassan, Hewitson, Hitchen, Hughes, Hyde, Kamal, Karney, Keegan, Kirkpatrick, Knowles, Lanchbury, Leese, Longsdon, Loughman, Lyons, Manco, Midgley, Monaghan, Moore, N. Murphy, P. Murphy, S. Murphy, E. Newman, S. Newman, Noor, Ollerhead, Brian O'Neil, Paul, Peel, Priest, Rahman, Raikes, Rawlins, Razaq, Reid, Richards, Rowles, Royle, Russell, Siddiqi, Simcock, Shone, Smith, Smitheman, Stogia, Stone, Strong, Teubler, Trotman, Watson and Wilson

### **Against the Motion (0)**

### **Abstaining (0)**

The Lord Mayor declared that the motion was **carried**.

### **Decision**

1. To approve the proceedings of the Art Galleries Committee on 13 February 2015 in relation to the Art Galleries budget for 2015/16
2. To approve the part proceedings of the Executive on 13 February 2015 which contain details of the following:
  - Budget 2015/17 – A Strategic Response
  - Revenue Budget 2015/16 including prudential indicators
  - Capital Programme Budget 2015/16 - 2017/18
  - Treasury Management Strategy Statement and Borrowing Limits and Annual Investment Strategy 2015/16
  - Budget proposals for Children and Families, Growth and Neighbourhoods and Corporate Core 2015/16
  - Housing Revenue Account 2015/16 – 2017/18
  - Dedicated Schools Grant 2015/16
3. To agree the recommendations within minute reference Exe/15/018 of those part proceedings: **Revenue Budget 2015/16**

To approve:

- a. No increase in the basic amount of Council Tax (i.e. the City's element of council tax, including levies) and accept the Council Tax Freeze grant.
  - b. The contingency sum of £1.382m in 2015/16 and £1.333m in 2016/17.
  - c. The inflationary pressures and budgets to be allocated sum of £13.608m in 2015/16 and £26.897m in 2016/17 and delegate the final allocations to the City Treasurer.
  - d. Corporate budget requirements to cover the cost of levies / charges of £71.225m for 2015/16 and £72.737m in 2016/17, capital financing costs of £51.982m for 2015/16 and 2016/17, additional allowances and other pension costs of £10.866m for 2015/16 and 2016/17 and insurance costs of £2.004m for 2015/16 and 2016/17.
  - e. The estimated utilisation in 2015/16 of £6.2m in both 2015/16 and 2016/17 of the surplus from the on street parking and bus lane enforcement reserves after determining that any surplus from these reserves is not required to provide additional off street parking in the authority
  - f. The position on reserves as identified in appendix 1 of the minutes subject to the final call on reserves after any changes are required to account for final levies etc.
6. To agree the recommendations within minute reference Exe/15/020 of those part proceedings: **Capital Programme (Budget 2015/16-2017/18)**

To delegate authority to:

- a. The Deputy Chief Executive (Growth & Neighbourhoods) in consultation with the Executive Member for Environment for the approval of the list of schemes to be undertaken under the Highways capital programme.
- b. The Deputy Chief Executive (Growth & Neighbourhoods) to implement these schemes in accordance with the Capital Gateway process and after consultation with the Executive Member for Environment on the final details and estimated costs.
- c. The City Treasurer in consultation with the Executive Member for Finance and Human Resources to add qualifying spend to save projects to the capital budget accordingly up to a maximum of £5m in 2015/16 and then £5m per year thereafter.
- d. The City Treasurer in consultation with the Executive Member for Finance and Human Resources is authorised to increase the capital budget by up to £0.5m per scheme, subject to 100% external funding being available.
- e. The City Treasurer, in consultation with the Executive Member for Finance and Human Resources to accelerate spend from later years when necessary within the programme subject to resource availability.
- f. The City Treasurer in consultation with Executive Member for Finance and Human Resources to agree and approve where appropriate:
  - i. The programme of schemes for the delivery of the corporate asset management programme; and
  - ii. Proposals relating to Corporate Compulsory Purchase Orders
- g. The City Treasurer in consultation with the Executive Member for Finance and Human Resources to make alterations to the schedules for the capital programme 2015/16 to 2017/18 prior to their submission to Council for approval, subject to no changes being made to the overall estimated total cost of each individual project.

7. To note the information on Council Tax referenda as set out in section 3 of the report of the City Treasurer, Chief Executive, and City Solicitor.
8. To determine affordable borrowing limits, prudential indicators, proposals in respect of treasury management, annual investment strategy and minimum revenue provision strategy as detailed in appendix 2 of the minutes.
9. To approve the Council Tax determination attached as Appendix 3 to the minutes which:
  - Calculates the Council tax requirement in accordance with Section 31A of the Local Government Finance Act 1992 as amended by the Localism Act 2011.
  - Calculates a basic amount of Council Tax and an amount of tax for each valuation band (the City Council element) in accordance with Sections 31B and 36 of the Local Government Finance Act, 1992, as amended.
  - Sets an amount of Council Tax for each category of dwellings in each valuation band in accordance with Section 30 of the Local Government Finance Act, 1992.
10. To approve the Collection Fund Budget for 2015/16 as set out in Appendix 4 to the minutes.

[Councillor S Murphy declared a disclosable pecuniary interest in this item]

[Councillor Watson declared a disclosable pecuniary interest in this item.]

[Councillor Cox declared a disclosable pecuniary interest in this item]

[Councillor Swannick declared a personal interest in this item as the chair of the Board of Trustees for Manchester Settlement. He also declared a prejudicial interest in this item, and withdrew from the meeting].

[Councillor Paul declared personal interest in this item as a member of the management committee of Ladybarn Community Centre, Trustee of Walk the Plank (who deliver Manchester Day Parade), a former employee at Wythenshawe Community Media, volunteer with Mediation Services and as a volunteer of local groups including Withington Civic Friends of Parks, Friends of Ladybarn and Love Withy Baths]

[Councillor Peel declared a personal interest in this item as a Trustee of Greater Manchester Youth Network.]

[Councillor Azra Ali declared a prejudicial interest in this item and a personal interest as Chair of the Board of Trustees of Saheli.]

### **CC/15/17 Pay Policy Statement**

A report of the Chief Executive sought approval from the council to adopt the pay Policy Statement for 2015/16. The Statement described the intention for pay for Manchester's officers and how it will support the delivery of the Council's objectives. The Statement was appended to the report and was developed to comply with the legal requirement under section 38 (1) of the Localism Act 2015.

### **Decision**

To adopt the Pay Policy Statement.



**Appendix 1 - Use of Reserves**

	<b>Opening Balance 01/04/15</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/16</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/17</b>	PURPOSE
	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	
<b>Schools Reserve</b>	20,000,000	0	0	20,000,000	0	0	20,000,000	
<b>General Fund Reserve</b>								
Statutory Reserves	9,429,937	-7,326,665	6,572,240	8,675,512	-7,151,935	6,722,240	8,245,817	
Earmarked Reserves	156,754,533	-78,612,980	9,450,854	86,758,407	-11,834,528	8,658,356	83,582,235	
General Fund Reserve	27,037,323	-77,000	0	26,960,323	0	0	26,960,323	
<b>Total General Fund Reserves</b>	213,221,792	-86,016,645	16,023,094	142,394,242	-18,986,463	15,380,596	138,788,375	
<u>Housing Revenue Account Reserve</u>								
Housing Revenue Account General Reserve	51,140,490	-2,636,000	0	48,504,490	-9,460,000	0	39,044,490	
HRA PFI reserve	10,000,000	0	0	10,000,000	0	0	10,000,000	
HRA Residual liabilities fund	24,000,000	0	0	24,000,000	0	0	24,000,000	
Housing Insurance reserve	373,615	0	0	373,615	0	0	373,615	
Housing Revenue - Major Repairs Reserve	6,366,518	-5,199,000	0	1,167,518	-1,167,518	0	0	Planned use of reserve to fund approved programme and acceleration of Decent Homes work in lieu of grant receipt.
<b>Total HRA</b>	91,880,623	-7,835,000	7,281,000	84,045,623	-10,627,518	0	73,418,105	
<b>TOTAL RESERVES</b>	305,102,415	-93,851,645	23,304,094	226,439,865	-29,613,981	15,380,596	212,206,480	

**SCHOOLS RESERVE**

	<b>Opening Balance 01/04/15</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/16</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/17</b>	PURPOSE
	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	
LMS Reserve	20,000,000	0	0	20,000,000	0	0	20,000,000	School balances
<b>Sub Total Schools</b>	<b>20,000,000</b>	<b>0</b>	<b>0</b>	<b>20,000,000</b>	<b>0</b>	<b>0</b>	<b>20,000,000</b>	
<b><u>STATUTORY RESERVES</u></b>								
Bus Lane Enforcement Reserve	2,362,320	-1,239,000	1,272,240	2,395,560	-1,339,000	1,372,240	2,428,800	Ring fenced reserve which can only be applied to specific transport and highways related activity.
On Street Parking	2,622,008	-5,582,000	5,300,000	2,340,008	-5,632,000	5,350,000	2,058,008	Ring fenced reserve which can only be applied to specific transport and highways related activity.
Taxi Licensing Reserve	449,349	-312,665	0	136,684	0	0	136,684	This is a smoothing reserve to equalise the income and expenditure of running the function over financial years. Income ringfenced by statute.
Art Fund Reserve	53,372	0	0	53,372	0	0	53,372	For art purchases
New Smithfield Market	7,029	0	0	7,029	0	0	7,029	To contribute towards funding the development plans for the market
Great Northern Square Maint Fund	330,411	-13,000	0	317,411	-13,000	0	304,411	Set up in accordance with the agreement with the developers of the site. It will be used for upgrading of the square.
Education Endowments	16,723	0	0	16,723	0	0	16,723	Kept as part of future payments for school prizes

	<b>Opening Balance 01/04/15</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/16</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/17</b>	PURPOSE
	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	
Landlord Licensing Reserve	179,935	-90,000	0	89,935	-89,935	0	0	<p>£1.95m was been received from HCA to cover the revenue costs of maintaining Ancoats Square for a period of at least 25 years, the required funds will be drawn down each year at c£78k per year.</p> <p>Funds received as part of a Section 106 agreement to cover the revenue costs of maintaining Cutting Room Square, the required funds will be drawn down each year.</p> <p>Contribution from St Johns Gardens Tenants for Maintenance works</p>
Ancoats Square Reserve	1,855,698	-78,000	0	1,777,698	-78,000	0	1,699,698	
Cutting Room Square Ext Ancoats Reserve	1,038,000	-12,000	0	1,026,000	0	0	1,026,000	
St Johns Gdns Contingency	515,093	0	0	515,093	0	0	515,093	
<b>Sub Total Statutory</b>	<b>9,429,937</b>	<b>-7,326,665</b>	<b>6,572,240</b>	<b>8,675,512</b>	<b>-7,151,935</b>	<b>6,722,240</b>	<b>8,245,817</b>	
<b><u>EARMARKED RESERVES</u></b>								
<b><u>BALANCES HELD FOR PFI'S</u></b>								
Street Lighting PFI	1,834,524	-1,450,000	0	384,524	-384,524	0	0	<p>Established to fund the requirements over 25 years re. the PFI contract for Street Lighting service via our external contractors</p> <p>PFI Scheme 25 years contract Drawdown will be in futures years as expenditure exceeds</p>
Temple PFI	622,881	0	7,598	630,479	0	7,598	638,077	



	Opening Balance 01/04/15	Withdrawals	Additions	Opening Balance 01/04/16	Withdrawals	Additions	Opening Balance 01/04/17	PURPOSE
	£p	£p	£p	£p	£p	£p	£p	
Wright Robinson PFI Reserve	689,086	0	32,158	721,244	0	32,158	753,402	grant. PFI Scheme 25 years contract Drawdown will be in futures years as expenditure exceeds grant.
<b>TOTAL</b>	<b>3,146,491</b>	-1,450,000	39,756	<b>1,736,247</b>	-384,524	39,756	<b>1,391,479</b>	
<b><u>SMALL SPECIFIC RESERVES</u></b>								
Cemeteries Replacement	240,625	0	40,000	280,625	0	40,000	320,625	Resources available to meet future needs of mortgage accounts
Housing Loans	110,000	0	10,000	120,000	0	10,000	130,000	
Investment Reserve from Surpluses	150,608	0	0	150,608	0	0	150,608	
Primary School Catering Reserve	222,000	0	0	222,000	0	0	222,000	Funding belonging to schools which the Council holds on their behalf. The purpose is to fund repairs and improvements to school kitchens. Planned improvements profile not yet available and is dependent on the rollout of universal free school meals starting in 2014. Reserve established to support the Service's competitiveness by smoothing school meal prices during the 3 year price planning period.

	<b>Opening Balance 01/04/15</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/16</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/17</b>	PURPOSE
	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	
Catering R & M Insurance Account	74,570	-74,570	0	0	0	0	0	Reserve established to meet refurbishment cost of school kitchens.
Climate Innovation Fund	489,448	-489,448	0	0	0	0	0	£1m was set aside to support the emerging investment model on Green Deal for Manchester and schemes which contribute towards carbon reduction.
CWAG Reserve	102,822	-6,000	0	96,822	-6,000	0	90,822	Held in relation to the running costs of Council's With ALMOs Group (CWAG ) which is administered by MCC
NSM - Car Boot	232,930	-45,000	55,000	242,930	-45,000	55,000	252,930	Used to fund repairs and maintenance of facilities for traders.
New Islington Dowry Reserve	292,074	-50,000	0	242,074	-50,000	0	192,074	NWDA funding for maintenance over a 10 year period.
Newton Heat Market Reserve	21,441	0	0	21,441	0	0	21,441	Rental income receipts ring fenced for re investment in East Manchester.
Ardwick	2,291	0	0	2,291	0	0	2,291	
City Extension	12,694	0	0	12,694	0	0	12,694	
Rating	415	0	0	415	0	0	415	

	<b>Opening Balance 01/04/15</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/16</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/17</b>	PURPOSE
	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	
Discontinued Services	279	0	0	279	0	0	279	
Allotments Prize Fund Reserve	34	0	0	34	0	0	34	
Graves And Memorials	55,019	0	0	55,019	0	0	55,019	
Old Gorton Library	22,659	0	0	22,659	0	0	22,659	
<b>TOTAL</b>	<b>2,029,909</b>	<b>-665,018</b>	<b>105,000</b>	<b>1,469,891</b>	<b>-101,000</b>	<b>105,000</b>	<b>1,473,891</b>	
<b>RESERVES FOR SPECIFIC RISKS OR TO SMOOTH COSTS</b>								
<b>Risks</b>								
Cleopatra Reserve	6,562,678	0	0	6,562,678	0	0	6,562,678	Legal Cases pending reviews.
Compensation Reserve	92,850	0	0	92,850	0	0	92,850	Money set aside to meet possible future claims for compensation
Airport Dividend reserve	11,000,000	-9,000,000	0	2,000,000	-2,000,000	0	0	The interim airport dividend for 2014/15 of £11m announced on 4 December will be used to support the revenue budget in 2015/16 and 2016/17
Land Charges Fees Reserve	171,556	0	0	171,556	0	0	171,556	In year overachievement of fee income as Land Charges has a requirement to demonstrate a break even position on a rolling 3 year basis therefore exceptional surpluses are taken to reserves.



	<b>Opening Balance 01/04/15</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/16</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/17</b>	PURPOSE
	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	
<b>CHANGES</b>								
Transformation Reserve	2,081,602	0	0	2,081,602	0	0	2,081,602	To fund VER/VS costs and to support costs of future service change
<b>TOTAL</b>	<b>2,081,602</b>	<b>0</b>	<b>0</b>	<b>2,081,602</b>	<b>0</b>	<b>0</b>	<b>2,081,602</b>	
<b>FOR DIRECTORATE RISKS</b>								
Children's Services Reserve	150,000	-150,000	0	0	0	0	0	The reserve is being held for any unexpected issues arising from Academy transfers given the level of uncertainty around any costs falling to the LA within a short timescale. To be used to smooth volatility in adult social care placements largely as a result of winter pressures.
Community Care Reserve	500,000	-500,000	0	0	0	0	0	
<b>TOTAL</b>	<b>650,000</b>	<b>-650,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>RESERVES HELD TO FUND PLANNED CAPITAL SPEND</b>								
Eastlands Reserve	3,782,413	-713,584	1,537,098	4,605,927	-2,738,628	1,578,600	3,445,899	SPE048 English Institute of Sport - Sport England MCFC income. Contribution to schemes which are being brought forward to support employment and growth as part of the Council's Capital Programme. Used to fund high priority strategic development opportunities in
Capital Fund Revenue Reserve	13,415,238	-4,740,000	6,760,000	15,435,238	-3,238,000	6,760,000	18,957,238	

	<b>Opening Balance 01/04/15</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/16</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/17</b>	PURPOSE
	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	
Housing Regeneration reserve	15,000,000	0	0	15,000,000	0	0	15,000,000	the city for those that do not attract external funding.  Transferred from HRA reserves o deliver strategic housing related regeneration projects.
Town Hall Reserve	2,214,665	-356,000	0	1,858,665	0	0	1,858,665	To fund revenue expenditure on the Town Hall Complex Programme
<b>TOTAL</b>	<b>34,412,317</b>	<b>-5,809,584</b>	<b>8,297,098</b>	<b>36,899,831</b>	<b>-5,976,628</b>	<b>8,338,600</b>	<b>39,261,803</b>	
<b>RESERVES TO SUPPORT GROWTH AND REFORM</b>								
Clean City	12,551,494	-12,551,494	0	0	0	0	0	
Adult Social Care	0	0	834,000	0	0	0	0	For likely pressures within Adult Services following the peer review
Troubled Families Reserve (Manchester Investment Fund)	777,923	-213,000	0	564,923	-65,000	0	499,923	This was set up to support the scaling up on the community budgets work
Children and Families Investment Reserve	14,094,000	-11,461,000	0	2,633,000	-2,633,000	0	0	To invest in priorities within Children and Families
Work Programme leavers reserve	60,381	-57,061	0	3,320	-3,320	0	0	

	<b>Opening Balance 01/04/15</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/16</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/17</b>	PURPOSE
	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	
Soccerex Reserve (Was LABGI)	1,185,000	-395,000	0	790,000	-395,000	0	395,000	Soccerex worldwide. To fund £395,000 for the years 2014/15 to 2017/18.
<b>TOTAL</b>	<b>28,668,798</b>	<b>-24,677,555</b>	<b>834,000</b>	<b>3,991,243</b>	<b>-3,096,320</b>	<b>0</b>	<b>894,923</b>	
<b>GRANTS USED OVER ONE YEAR - NOW HAVE TO BE SHOWN AS A RESERVE DUE TO CHANGE IN ACCOUNTANCY RULES</b>								
<b>Grants given for over one year for Capital Spend</b>								
English Partnership (HCA)	2,040,708	0	0	2,040,708	0	0	2,040,708	HCA approval required to Fund Development appraisal and Eastland Project team Various local Environment scheme & initiatives ie 'clean up campaigns'
Other Grants and Contributions 1003	2,063,201	-244,773	0	1,818,428	0	0	1,818,428	
<b>TOTAL</b>	<b>4,103,909</b>	<b>-244,773</b>	<b>0</b>	<b>3,859,136</b>	<b>0</b>	<b>0</b>	<b>3,859,136</b>	
<b>Grants to Support reform or specific revenue budget priorities</b>								
Dedicated Schools Grant	4,081,000	-4,081,000	0	0	0	0	0	DSG - Allocation to schools and retained Central DSG To provide a new Welfare Provision Scheme to support residents who are suffering financial hardship, have been subject to an emergency or disaster situation, and are at the point of crisis.
Local Welfare Provision reserve	2,550,910	-150,000	0	2,400,910	0	0	2,400,910	
<b>TOTAL</b>	<b>6,631,910</b>	<b>-4,231,000</b>	<b>0</b>	<b>2,400,910</b>	<b>0</b>	<b>0</b>	<b>2,400,910</b>	

	Opening Balance 01/04/15	Withdrawals	Additions	Opening Balance 01/04/16	Withdrawals	Additions	Opening Balance 01/04/17	PURPOSE
	£p	£p	£p	£p	£p	£p	£p	
<b>Grants with agreed spend profile over one year</b>								
Contributions Other Local Authorities	333,613	-333,613	0	0	0	0	0	<p>Relates to Funding for the 'Victim Support &amp; Young Offenders' ongoing schemes and various ongoing Civil Contingencies schemes. Reservoir Inundation Fund . Relates to funding the Emergency Planning Works in the event of flooding. Expected to be spent over 14/15 to 16/17</p> <p>The capital programme manages the NWCH, other LA's pay a fee to use the service and the income is used to cover the cost of retendering every three years.</p> <p>Unspent grant received in previous year</p> <p>Unspent Public Health grant received in previous year - ringfenced</p> <p>Grant to help local authorities in England continue to meet the costs of implementing the special educational needs and disabilities (SEND) reforms</p> <p>Unspent grant received in previous year</p>
DEFRA	108,112	-54,056	0	54,056	-54,056	0	0	
NW Construction Hub Reserve	214,161	0	0	214,161	0	0	214,161	
Adoption reform	567,000	-567,000	0	0	0	0	0	
Public Health Grant	1,369,000	-1,369,000	0	0	0	0	0	
SEN Reform	856,000	-634,000	0	222,000	-222,000	0	0	
Workforce Development and Learning	186,015	-186,015	0	0	0	0	0	



	<b>Opening Balance 01/04/15</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/16</b>	<i>Withdrawals</i>	<i>Additions</i>	<b>Opening Balance 01/04/17</b>	PURPOSE
	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	<i>£p</i>	
<b>TOTAL</b>	<b>3,633,901</b>	<b>-3,143,684</b>	<b>0</b>	<b>490,217</b>	<b>-276,056</b>	<b>0</b>	<b>214,161</b>	
<b>Other Grants over 1 year</b>								
Asylum Seekers	658,177	-658,177	0	0	0	0	0	MCC are holding the monies on behalf of AGMA Councils, this money will not be drawn down in year but needs to be retained on the Balance sheet to ensure that MCC are not in breach of the contract that we hold as Lead Authority on this project.
Public Health Reserves	0	0	0	0	0	0	0	Ringfenced public Health Funds
Tenancy Fraud Funding grant	0	0	0	0	0	0	0	Unspent grant received in previous year
Other Grants and Contributions	23,661	-23,661	0	0	0	0	0	Unspent grant received in previous year
Other Grants and Contributions	60,498	-60,498	0	0	0	0	0	Unspent grant received in previous year
<b>TOTAL</b>	<b>742,336</b>	<b>-742,336</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>TOTAL EARMARKED RESERVES</b>	<b>156,754,533</b>	<b>-78,612,980</b>	<b>9,450,854</b>	<b>86,758,407</b>	<b>-11,834,528</b>	<b>8,658,356</b>	<b>83,582,235</b>	

**Appendix 2 – Prudential Indicators 2015/16 to 2017/18**

Last years approved figures are shown in brackets.

	2015/16		2016/17		2017/18
<b>Ratio of Financing Costs to Net Revenue Stream</b>					
Non – HRA	10%	(9%)	10%	(11%)	10%
HRA	4%	(5%)	4%	(4%)	4%
<b>Incremental impact of Capital Investments on</b>					
Council Tax (Band D, per annum)	£4.17		£15.62		£26.96
Housing Rent per week	£0.00		£0.00		£0.00
<b>Capital Expenditure</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Non – HRA	212	(263)	80	(23)	84
HRA	28	(41)	33	(58)	33
TOTAL	240	(147)	113	(81)	117
<b>Capital Financing Requirements (as at 31 March)</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Non – HRA	870	(900)	870	(880)	920
HRA	220	(220)	220	(220)	220
TOTAL	1,090	(1,120)	1,090	(1,100)	1,140
<b>Authorised Limit for external debt - borrowing</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
	1,045.8	(987)	1,129.6	(1,002)	1,168.6
other long term liabilities	216.0	(216)	216.0	(216)	216.0
TOTAL	1,261.8	(1,203)	1,345.6	(1,218)	1,383.6
<b>Operational Boundary for external debt - borrowing</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
	819.7	(861)	953.8	(919)	993.3
other long term liabilities	216.0	(216)	216.0	(216)	216.0
TOTAL	1,035.7	(1,077)	1,169.8	(1,135)	1,209.3
<b>Actual external debt</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
	653.9	(729)	804.9	(786)	844.8
<b>Upper limit for total principal sums</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
	0	(0)	0	(0)	0

	2015/16		2016/17		2017/18
<b>invested for over 364 days</b>					
<b>Upper limit for fixed interest rate exposure</b>					
Net borrowing at fixed rates as a % of total net borrowing	91%	(100%)	100%	(100%)	100%
<b>Upper limit for variable rate exposure</b>					
Net borrowing at Variable rates as a % of total net borrowing	87%	(89%)	93%	(94%)	99%
<b>Gross Debt as a proportion of CFR</b>	70%		75%		80%

<b>Maturity structure of new fixed rate borrowing during 2014/15</b>	Upper Limit		Lower limit	
	under 12 months	60%	(60%)	0%
12 months and within 24 months	100%	(90%)	0%	(0%)
24 months and within 5 years	70%	(80%)	0%	(10%)
5 years and within 10 years	60%	(60%)	0%	(0%)
10 years and above	60%	(60%)	0%	(0%)
<b>Has the Authority adopted the CIPFA Treasury Management Code?</b>	Yes			

**Appendix 3 – Council Tax Resolution**

**COUNCIL TAX RESOLUTION**  
**SETTING THE AMOUNT OF COUNCIL TAX FOR THE COUNCIL'S AREA**

**RESOLVED**

1. That the estimates prepared by the Executive at its meeting on 13 February 2015 be approved.
2. That it be noted that the City Treasurer acting under delegated powers has determined the amount of 101,348 as the Council Tax base for Manchester for the year 2015/2016 in accordance with Section 31A(3) of the Local Government Finance Act 1992 and regulations 3 to 5 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
3. That the following amounts be now calculated by the Council for the year 2015/2016 in accordance with Sections 31A to 36 of the Local Government Finance Act 1992:-

- (a) £1,512,849,000                      being the aggregate of the amounts which the Council estimates for the items set out in the Section 31A(2)(a) to (f) of the Act.
- (b) £1,394,041,229                      being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3)(a) to (d) of the Act.
- (c) £118,807,771                        being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Sections 31A(4) of the Act, as its council tax requirement for the year.
- (d) £1,172.27                              being the amount at 3(c) above divided by the amount at 2 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)                      Valuation Bands

A	B	C	D	E	F	G	H
£781.51	£911.77	£1,042.02	£1,172.27	£1,432.77	£1,693.28	£1,953.78	£2,344.54

being the amount given multiplying the amount at 3(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.

4. That it be noted that for the year 2015/16 the major precepting authorities have 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 dwellings shown below:-

Precepting Valuation bands  
Authority

GM Police and Crime Commissioner

A	B	C	D	E	F	G	H
£101.5 3	£118.4 6	£135.3 8	£152.3 0	£186.1 5	£219.9 9	£253.8 4	£304.6 0

GM Fire and Rescue Authority

A	B	C	D	E	F	G	H
£38.43	£44.83	£51.24	£57.64	£70.45	£83.26	£96.07	£115.2 8

5. That, having calculated the aggregate in each case of the amounts at 3(e) and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2014/15 for each of the categories of dwellings shown below.

Valuation bands

A	B	C	D	E	F	G	H
£921.47	£1,075. 06	£1,228. 64	£1,382. 21	£1,689. 37	£1,996. 53	£2,303. 69	£2,764. 42

**1. CALCULATING THE COUNCIL TAX REQUIREMENT**

**Section 31A Calculations**

- 1.1 Section 31A of the Local Government Finance 1992 requires the Council to make three calculations:-

(i) an estimate of the Council's required gross revenue expenditure -Section 31A(2)

(ii) an estimate of its anticipated income (excluding that from council tax) and of reserves to be used to aid the revenue account - Section 31A(3)

(iii) a calculation of the difference between (i) and (ii) above, (i.e. the Council Tax requirement) - Section 31A(4)

1.2 In its Section 31A(2) calculation the Council is required to allow for the following:-

**Section 31A(2)(a)** - the estimated revenue account expenditure it will incur during the year in performing its functions

**Section 31A(2)(b)** - an appropriate allowance for contingencies for the year, e.g. for unforeseen occurrences such as disasters, storm damage, higher than expected inflation etc.

**Section 31A(2)(c)** - any raising of financial reserves for future expenditure - examples of this include payments into a redemption fund, internal insurance etc,

**Section 31A(2)(d)** - any revenue account deficit for a previous financial year which has not yet been provided for;

**Section 31A(2)(da)** – any amount estimated to be transferred from the general fund to the collection fund in accordance with regulations by reference to sums received by the authority in respect of business rates.

**Section 31A(2)(e)** - any amount estimated to be transferred from the General Fund to the Collection Fund in accordance with Section 97(4) of the Local Government Finance Act 1992 - i.e. the Council's share of any collection fund deficit;

**Section 31A(2)(f)** - any amounts estimated to be transferred from the General Fund to the Collection Fund by direction of the Secretary of State under Section 98(5) of the Local Government Finance Act 1988 - including an estimate of the shortfall in the collection of Non-domestic Rates in excess of the allowance

1.3. In its Section 31A(3) calculation the Council must calculate the aggregate of sums to be put against gross expenditure, namely:-

**Section 31A(3)(a)** - estimated income from fees, charges, and government grants (including RSG) plus other sums payable into the general fund (but excluding council tax)

**Section 31A(3)(aa)** – Any amount estimated to be transferred from the collection fund to the general fund in accordance with regulations by reference to sums received by the authority in respect of business rates.

**Section 31A(3)(b)** - any amount estimated to be transferred from the Collection Fund to the General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 - i.e. the Council's share of any collection fund surplus;

**Section 31A(3)(c)** - sums to be transferred from the Collection Fund to the General Fund pursuant to a direction of the Secretary of State under Section 98(4) of the Local Government Finance Act 1988 - including allowances for costs of collection of business rates;

**Section 31A(3)(d)** - the amount of financial reserves/balances which the authority intends to use towards meeting its revenue expenditure

1.4 On the basis of current estimates, the calculations would be as follows: -

	HRA £	Other £	Total £
<b>Expenditure</b>			
Section 31A (2)(a)	£91,882,000	£1,376,390,334	£1,468,272,334
Section 31A (2)(b)	£0	£1,382,000	£1,382,000
Section 31A (2)(c)	£0	£16,023,094	£16,023,094
Section 31A (2)(d)	£0	£0	£0
Section 31A (2)(da)	£0	£0	£0
Section 31A (2)(e)	£0	£27,171,572	£27,171,572
Section 31A (2)(f)	£0	£0	£0
	£91,882,000	£1,420,967,000	£1,512,849,000
<b>Income</b>			
Section 31A (3)(a)	(£89,246,000)	(£1,055,183,275)	(£1,144,429,275)
Section 31A (3)(aa)	£0	(£156,319,793)	(£156,319,793)
Section 31A (3)(b)	£0	(£3,530,000)	(£3,530,000)
Section 31A (3)(c)	£0	(£1,109,516)	(£1,109,516)
Section 31A (3)(d)	(£2,636,000)	(£86,016,645)	(£88,652,645)
	(£91,882,000)	(£1,302,159,229)	(£1,394,041,229)

**1.5 Council Tax Requirement under Section 31A(4)** being the amount by which the aggregate under Section 31A(2) exceeds the aggregate under Section 31A(3)

**is £118,807,771**

## **2. CALCULATING THE BASIC AMOUNT OF COUNCIL TAX**

2.1. Section 31B of the Local Government Finance Act 1992 requires the Council to calculate the basic amount of its Council Tax - this is in effect the City Council element of the Band D Council tax.

2.2 This calculated by applying the following formula -

$$\frac{R}{T}$$

Where -

R is the Council Tax requirement, and

T is the approved Council Tax base

2.3 Calculating the Basic Amount of Council Tax

Council Tax Requirement £118,807,771

Divided by:  
Council Tax Base – 101,348

**Band D Basic Amount of Council Tax is: £1,172.27**



**APPENDIX 4**

<b>COLLECTION FUND BUDGET 2015-2016</b>	<b>Budget Estimate £'000</b>
<b><u>EXPENDITURE</u></b>	
<b><u>COUNCIL TAX</u></b> (Surplus) / Deficit B/fwd	(4,162)
Precepts : -	
- Greater Manchester Fire and Rescue Authority	5,842
- Police & Crime Commissioner	15,435
- City of Manchester	118,808
Total Precepts	140,085
<b>Council Tax Total Expenditure</b>	<b>135,923</b>
<b><u>BUSINESS RATES</u></b> (Surplus) / Deficit B/fwd	55,452
- Payments/Transfers :-	
- Greater Manchester Fire and Rescue Authority	3,190
- City of Manchester	156,320
- Central Government	159,510
Total Payments/transfers	319,020
<b>Business Rates Total Expenditure</b>	<b>374,472</b>
<b>Collection Fund Total Expenditure</b>	<b>510,395</b>
<b><u>INCOME</u></b>	
<b><u>COUNCIL TAX</u></b>	
Council Tax Income	151,942
Write Off of uncollectable amounts	(3,500)
Allowance for Impairment	(8,357)
<u>Council tax receivable</u>	140,085
<u>Contribution of Council Tax (surplus) / deficit :-</u>	
- Greater Manchester Fire and Rescue Authority	(174)
- Police & Crime Commissioner	(459)
- City of Manchester	(3,530)
Total Contribution to Council Tax (surplus) / deficit	(4,162)

<b>COLLECTION FUND BUDGET 2015-2016</b>	<b>Budget Estimate £'000</b>
<b>Council Tax Total Income</b>	<b>135,923</b>
<b><u>BUSINESS RATES</u></b>	
Non Domestic Business Rates Income	331,067
Enterprise Zone Discounts	(601)
Cost of Collection Allowance	(1,121)
Losses in Collection	(8,262)
Increase in Provision for Appeals	(2,063)
<b><u>Business rates receivable</u></b>	<b>319,020</b>
<b><u>Contribution of Business Rates (surplus) / deficit :-</u></b>	
- Greater Manchester Fire and Rescue Authority	554
- City of Manchester	27,172
- Central Government	27,726
<b>Total Contribution to Business Rates (surplus) / deficit</b>	<b>55,452</b>
<b>Business Rates Total Income</b>	<b>374,472</b>
<b>Collection Fund Total Income</b>	<b>510,395</b>
<b>MOVEMENT ON FUND BALANCE</b>	
Council Tax (Surplus) / Deficit C/fwd	0
Business Rates (Surplus) / Deficit Cfwd	0
<b>Collection Fund (Surplus) / Deficit</b>	<b>0</b>