

Minutes

Name of meeting	FULL COUNCIL
Date and time	WEDNESDAY, 23 FEBRUARY 2011 COMMENCING AT 6.00 PM
Venue	COUNCIL CHAMBER, COUNTY HALL, NEWPORT, ISLE OF WIGHT
Present	Cllrs Ian Stephens (Chairman), Barry Abraham, Jonathan Bacon, Reg Barry, Peter Bingham, George Brown, George Cameron, Vanessa Churchman, Dawn Cousins, Roger Dixcey, Rodney Downer, Stuart Dyer, Paul Fuller, Edward Giles, John Hobart, Richard Hollis, John Howe, Heather Humby, Tim Hunter-Henderson, Julie Jones-Evans, Patrick Joyce, David Knowles, Geoff Lumley, Roger Mazillius, Lora Peacey-Wilcox, David Pugh, Colin Richards, Susan Scoccia, Andy Sutton, Arthur Taylor, Gary Taylor, Ian Ward, Margaret Webster, Chris Welsford, Jerry White, Wayne Whittle, David Whittaker, David Williams
Apologies	Cllrs Ivan Bulwer, David Stewart

58. [Minutes](#)

RESOLVED :

THAT the Minutes of the meeting held on [19 January 2011](#) be confirmed.

59. [Declarations of Interest](#)

Councillor Ian Stephens declared a personal interest in Minute 63 (in as far as it related to The Adelaide), as he was a member of the Friends of the Adelaide and he owned a beach hut.

Councillor Geoff Lumley declared a personal interest in Minute 63, as his partner was an employee of the Council and he was an approved supportive landlord for a young person funded by the council.

Councillor Colin Richards declared a personal and prejudicial interest in Minute 63, (in as far as it related to Newport Harbour) as he worked at Newport Bus Museum.

Councillor David Knowles declared a personal and prejudicial interest in Minute 63, as he is the owner of a residential care home. He left the room at this point.

Councillor Andy Sutton declared a personal and prejudicial interest in Minute 63, as his wife was an employee of the council. He left the room during any discussion relating to this interest.

Councillor Wayne Whittle declared a personal interest in Minute 63, as he leased a property from the council.

Councillor David Pugh declared a personal interest in Minute 63, as his partner was an employee of the local authority.

Councillor Patrick Joyce declared a personal interest in Minute 63, as he was a director of a company that carried out work for the council.

Councillor Paul Fuller declared a personal interest in Minute 63, as a family member occasionally worked for the council's museum service.

Councillor Arthur Taylor declared a personal and prejudicial interest in Minute 63, as his daughter worked at Westminster House. He left the room during any discussion relating to this interest.

There was some discussion in regard to the interpretation of interests being either personal or personal and prejudicial. The Chairman agreed to a short adjournment for members to receive advice from the Monitoring Officer.

On the meeting reconvening ([Recording](#)) Councillor David Knowles returned to the chamber. He left the room during any discussion relating to his interest.

Councillor Roger Mazillius declared a personal interest in Minute 63, as his son was a director of company which occasionally provided architectural services to the council.

Councillor George Cameron declared a personal interest in Minute 63, as his wife was carer for his mother in law.

60. [Public Question Time](#)

Questions were put to the Chairman as follows:

Name	Subject	Comment
Mr Bob Blezzard of Sandown	Funding for libraries and council meeting its statutory obligations under the Public Libraries and Museums Act 1964.	The Cabinet Member had provided a written response which was available on the following link (PQ 06/11)
	A supplementary – why can the five libraries proposed not be maintained under the Hillingdon Model.	The Cabinet Member believed he had answered this point sufficiently and chose not to supply any further comment.
Julia Hill of East Cowes	Charging for foot passengers on the floating bridge	The Cabinet Member had provided a written response which was available on the following link (PQ 07/11)
Jill Wareham of Brighstone	In view of the proposed budget tonight, should the Leader of the Council consider stepping down.	The Leader stated he had been elected to the position for a four year period and he was fully aware that difficult decisions

Name	Subject	Comment
		would have to be made to meet the reductions in local government funding.
	Does the Leader not believe that it is down to the financial mismanagement of the council over the past 5 years	The Leader advised that as Conservative Group had received the majority of seats in the 2009 election, they had a mandate and it was on this basis he was in the position of Leader.
Doreen Brittan of Newport	Is it in the best interests of democracy that sections 9.1 and 11.5 of the conservative group rules state they can only vote in support of their leader	The Leader reiterated that the question did not relate to either budget or policy matters. He went on to refute the suggestion that the rules stated that fact.
Steven Goodman	Can the council offer any hope to young people on the Island of a healthy and prosperous future	The Leader stated that through the budget they were seeking to protect a number of frontline services. Additionally discussions were taking place with the new secondary school providers in terms of the support that could be offered in the future and attracting jobs development on the Island. He assured members that council would continue to seek to invest in the next generation of young islanders.
	A supplementary – Could some money not be used to create jobs and prosperity on the Island	The Chairman advised that this view should be directed through their local councillor or the relevant Cabinet Member
Miss Jackie Hawkins of Newport	Councillor Pugh stated that the council is here to govern, could he clarify as she believed they were in place to represent not govern	The Leader advised that the council did seek to represent the views of residents and those views were represented through local elections and by-elections. It was clarified that the word govern had been used to reflect the governance role the Leader maintained within his Cabinet remit.
Councillors David Knowles and Councillor Andy Sutton having declared a personal and prejudicial interest both left the room during the following question.		
Mrs Attrill	Why are specialist mental health services being dismantled, who are joint working with health and being put into generic teams	The Cabinet Member assured members that the joint working between the council's directorate and the health authority was detailed and ongoing. He gave his assurance that there would be no diminution to the level of service offered.

Name	Subject	Comment
	A supplementary – Are you aware that under the restructure these teams are being broken up and they are being put into generic teams and there has been very little consultation with health	The Cabinet Member stated this was not the case and that there was the closest of joint working between the respective organisations to deliver the level of service previously mentioned.

(Cllrs David Knowles and Andy Sutton re-entered the room).

61. **Chairman’s report, official announcements, communications and correspondence for the Council.**

The Chairman advised members that he had been unable to circulate a written report and stated he had attended a number of functions including:

- The Girl Guides “its all over” Dinner
- NICU at St Mary’s Hospital
- The Induction of Revd Arkall at the Newport Minster
- The Funeral Service in Portsmouth of Revd Stephenson
- Holocaust Day Memorial Service in Arreton
- Attendance at the awards ceremony for the Sea Cadets and Marines in Ryde
- The first Citizenship Ceremony in the Chairman’s Suite
- The Vice- Chairman had attended the sports achievement awards at the Riverside Centre

The Chairman reported that the Ryde Memorial now bore the name of Private Grundy following the intervention of the civic office. It was recorded that the work had been performed for no charge and a letter of gratitude had been received from the Grundy family.

62. **Suspension of Council Procedure Rule 14(4)**

A proposal to suspend Council Procedure Rule 14(4) was proposed and seconded, which would extend the time limit on speeches from Group Leaders. Following the vote it was

RESOLVED:

THAT Procedure Rule 14(4) be partially suspended for the duration of the following item of business to increase the time limit on speeches from Group leaders (or their nominees) from 10 minutes to up to 30 minutes.

63. [To Consider the 2011/12 – 2014/15 Budget Strategy and Council Tax Setting Report.](#)

Prior to any debate four members asked for a recorded vote for each budget proposal in line with Procedure Rule 17 (5) of the Council's Constitution.

To consider the report of the Leader and Cabinet Member for Finance, Governance and School Improvement

Council had received a report from the Leader of the Council and Cabinet Member for Finance, Governance and School Improvement on the 2011/12 – 2014/15 Budget Strategy and Council Tax Setting Report (the report).

The Leader advised a revision to those proposals which had been circulated. He acknowledged that the budget proposals had generated significant levels of comment and concern, as it contained a wide range of options that would affect front line services. He stated that a number of risks continued to remain for the year ahead and these would be a need to closely monitored.

The administration would remain committed to investing in public services, although this would need to be achieved whilst delivering a balanced, lawful budget. This had led to some difficult decisions that included reductions to some services. It was highlighted that careful consideration had been given to the representations received and where possible those concerns had been addressed.

The Leader stated the Island had provisionally been allocated £489,974 through the government's New Homes Bonus and that it was proposed to use £367k to support revised priorities within the budget. The remaining £123k would be allocated to priorities at a later date following further consultation. Members were therefore advised that appendix 5 had two financial alterations within 2011/12, namely CS7 decreasing to £350k and the unallocated provision from C6 increasing to £123k.

The following motion including the comments above was moved and seconded:

1. Council is Recommended to Agree:

- (a) The Medium-Term Financial Plan as set out in Appendix 1 of the report;
- (b) The schedule of savings set out in the revised Appendix 5 (as set out in Appendix A to these minutes with inclusion of the revisions advised);
- (c) An increase in the Isle of Wight Council budget requirement by 2.5% and consequent actual council tax level as for 2010/11 after applying the council tax freeze grant;
- (d) The overall capital programme set out in Appendix 8 of the report.

2. Council is further Recommended to Agree:

- (i) The amount of the Isle of Wight Council element of Council Tax calculated in accordance with sections 32 to 36 of the Local Government Act 1992 be set at the same level for 2010/11 at £1,289.80 for a Band 'D' property;

- (ii) Its own overall budget requirement for 2011/12 at £135,047,309 to be met from RSG formula grant of £63,594,628 and Council Tax of £71,452,681;
- (iii) That a Schools Budget, inclusive of the Post 16 allocations, at the level of Dedicated Schools Grant be set for 2011/12;
- (iv) That the Schools Budget allocations be determined by the Chief Executive, in consultation with the Schools Forum, within the approved Schools Budget;
- (v) The Treasury Management Strategy, Investment Strategy, Borrowing Strategy, Minimum Revenue Provision Strategy and Prudential Indicators as set out in Appendix 14 of the report;
- (vi) The Overall Council Tax Base of 55,443.0 for 2011/12;
- (vii) The Isle of Wight Council element of Council Tax is therefore set out in the table below in respect of the property bandings;

	Council Tax
	£
Band A	859.87
Band B	1,003.18
Band C	1,146.49
Band D	1,289.80
Band E	1,576.42
Band F	1,863.04
Band G	2,149.67
Band H	2,579.60

- (viii) That a Council Tax Setting Committee of 5 members be established on a politically proportionate basis (3 Conservatives, 1 Independent, 1 Liberal Democrat), with the necessary delegated authority to consider and approve the overall budget requirement and level of Council Tax for 2011/12 being that element agreed by Council for the Isle of Wight Council for 2011/12 under 2 para (i) and (ii) above plus the notified police precept plus the notified Parish and Town Council precepts. Once this task has been achieved then the Committee be disbanded;
- (ix) That the meeting of this Committee be held at 5.30pm on 1 March 2011.

An amendment (Appendix B) to those proposals which had been circulated with the agenda was proposed by Councillor Vanessa Churchman and seconded by Councillor Jonathan Bacon.

Members considered that they had had insufficient time to consider the revisions to the proposals that had been circulated with the agenda and proposed an adjournment which was duly seconded.

RESOLVED:

THAT the meeting be adjourned for a period of 15 minutes.

On reconvening ([Recording](#)) Councillor Churchman advised members that the Independent budget had been formulated taking into account the money that was available and the views of the electorate. It was stated that the proposal would protect front line services whilst allowing time to explore different strategies. Members were asked to note that the proposal would reintroduce an Island parking permit of £150, which would protect the local economy.

During the moving of the amendment as reference was made to the post of Chief Executive, Steve Beynon, the Chief Executive left the room. He was not present for the debate and the voting thereon.

There was some debate regarding the viability of the parking permit and the proposed further savings from back office functions.

Suspension of Council Procedure Rule 26

The Chairman drew Council's attention to the time and proposed an extension to the meeting of up to one hour, which was duly seconded. Following the vote it was

RESOLVED:

THAT the meeting be extended for up to one hour.

At the conclusion of the debate on the Independent group's amended budget a recorded vote was then taken the result of which was as follows:

For (14)

Cllrs Jonathan Bacon, Reg Barry, Vanessa Churchman, Rodney Downer, Stuart Dyer, Paul Fuller, John Howe, Heather Humby, Patrick Joyce, David Knowles, Geoff Lumley, Colin Richards, Chris Welsford, Wayne Whittle

Against (20)

Cllrs Barry Abraham, Peter Bingham, George Brown, George Cameron, Dawn Cousins, Roger Dixcey, Edward Giles, John Hobart, Richard Hollis, Tim Hunter-Henderson, Julie Jones-Evans, Roger Mazillius, David Pugh, Susan Scoccia, Andy Sutton, Arthur Taylor, Gary Taylor, Ian Ward, Margaret Webster, David Williams

Abstentions (3)

Cllrs Lora Peacey-Wilcox, Jerry White, David Whittaker

RESOLVED :

THAT the amendment was lost.

A further amendment (Appendix C) was proposed by Councillor Reg Barry and seconded by Councillor John Howe.

Councillor Barry stated that the Liberal Democrat Group supported the Independent Groups efforts to prevent cuts to front line services and reiterated his concerns on the reduction in reserves in previous years.

Members were advised of two further concerns that had not been dealt with as part of the Independent Group proposals, these being the Highways PFI and Road Improvements. Councillor Barry detailed these concerns included the length of time of the project and the expected overall cost to the council. It was highlighted that the Liberal Democrat proposal would return the capital and revenue investment in the Island road network to the level prior to 2005 as a minimum.

There was some debate on the perceived misconceptions that had been made in regard to the Highway PFI and the viability of the project. Concern was raised as to any further delay in progress on the project and the impact this may have on the award of funding.

(During the debate the Chief Executive re-entered the room).

At the conclusion of the debate on the Liberal Democrat group's amended budget a recorded vote was then taken the result of which was as follows:

For (10)

Cllrs Jonathan Bacon, Reg Barry, Paul Fuller, John Howe, Patrick Joyce, David Knowles, Geoff Lumley, Colin Richards, Chris Welsford, Wayne Whittle

Against (23)

Cllrs Barry Abraham, Peter Bingham, George Brown, George Cameron, Dawn Cousins, Roger Dixcey, Edward Giles, John Hobart, Richard Hollis, Tim Hunter-Henderson, Julie Jones-Evans, Roger Mazillius, Lora Peacey-Wilcox, David Pugh, Susan Scoccia, Andy Sutton, Arthur Taylor, Gary Taylor, Ian Ward, Margaret Webster, Jerry White, David Whittaker, David Williams

Abstentions (4)

Cllrs Vanessa Churchman, Rodney Downer, Stuart Dyer, Heather Humby,

RESOLVED :

THAT the amendment was lost.

A further amendment (Appendix D) was then proposed by Councillor Geoff Lumley and seconded by Councillor Chris Welsford.

Councillor Lumley informed members his proposal would restore £4m in valued Island services which accounted for the increased ageing population and the threat to services for young people. It was stated that the proposals were both lawful and achievable and would maintain reserves of £4.5m, whilst minimising the impact of the proposed front loading of savings.

Suspension of Council Procedure Rule 26

The Chairman drew Council's attention to the time and proposed an extension to the meeting of up to one hour, which was duly seconded. Following the vote it was

RESOLVED:

THAT the meeting be extended for up to one hour.

Members raised concern of using reserves to preserve services and whilst this would maintain services in the short term, these savings would only be able to be used once.

At the conclusion of the debate on Cllr Lumley's amended budget a recorded vote was then taken the result of which was as follows:

For (9)

Cllrs Jonathan Bacon, Reg Barry, Rodney Downer, Paul Fuller, John Howe, Patrick Joyce, David Knowles, Geoff Lumley, Chris Welsford,

Against (23)

Cllrs Barry Abraham, Peter Bingham, George Brown, George Cameron, Vanessa Churchman, Dawn Cousins, Roger Dixcey, Edward Giles, John Hobart, Richard Hollis, Tim Hunter-Henderson, Julie Jones-Evans, Roger Mazillius, Lora Peacey-Wilcox, David Pugh, Susan Scoccia, Andy Sutton, Arthur Taylor, Gary Taylor, Margaret Webster, Jerry White, Wayne Whittle, David Williams

Abstentions (4)

Cllrs Stuart Dyer, Heather Humby, Ian Ward, David Whittaker

RESOLVED :

THAT the amendment was lost.

Another amendment (Appendix E) was then proposed by Councillor David Knowles and seconded by Councillor Wayne Whittle.

Councillor Knowles stated that the proposal had been formed following strong local opposition to the planned closure of the Waterside Pool facility and the damaging impact it would have on the community. It was noted that the proposal would form stage one of the Waterside Action Group bid to provide a longer term future for the

facility and would preserve the customer base during the interim period, whilst longer term strategies were developed.

There was discussion regarding plans to improve facilities at the other Island leisure facilities against proposed cuts to other services including Libraries.

At the conclusion of the debate on Councillor Knowles amendment a recorded vote was then taken the result of which was as follows:

For (13)

Cllrs Jonathan Bacon, Reg Barry, Vanessa Churchman, Rodney Downer, Paul Fuller, John Howe, Heather Humby, Patrick Joyce, David Knowles, Geoff Lumley, Colin Richards, Chris Welsford, Wayne Whittle

Against (19)

Cllrs Barry Abraham, George Brown, George Cameron, Dawn Cousins, Roger Dixcey, Edward Giles, John Hobart, Richard Hollis, Tim Hunter-Henderson, Julie Jones-Evans, Roger Mazillius, David Pugh, Susan Scoccia, Andy Sutton, Arthur Taylor, Gary Taylor, Ian Ward, Margaret Webster, David Williams

Abstentions (2)

Cllrs Lora Peacey-Wilcox, Jerry White

RESOLVED :

THAT the amendment was lost.

The council then gave consideration to the motion which had earlier been moved by the Leader and duly seconded.

Members discussed the need for a more unified approach in future on formulating budget proposals, suggesting a cross party approach to identify common ground.

Suspension of Council Procedure Rule 26

The Chairman drew Council's attention to the time and proposed an extension to the meeting of up to one hour, which was duly seconded. Following the vote it was

RESOLVED:

THAT the meeting be extended for up to one hour.

A recorded vote was then taken on the motion and the outcome was as follows:-

For (19)

Cllrs Barry Abraham, George Brown, George Cameron, Dawn Cousins, Roger Dixcey, Edward Giles, John Hobart, Richard Hollis, Tim Hunter-Henderson, Julie Jones-Evans, Roger Mazillius, David Pugh, Susan Scoccia, Andy Sutton, Arthur Taylor, Gary Taylor, Ian Ward, Margaret Webster, David Williams

Against (11)

Cllrs Reg Barry, Vanessa Churchman, Rodney Downer, Paul Fuller, John Howe, Heather Humby, Patrick Joyce, David Knowles, Geoff Lumley, Colin Richards, Wayne Whittle

Abstentions (2)

Cllrs Lora Peacey-Wilcox, Jerry White

RESOLVED :

THAT Council agrees to

- (a) The Medium-Term Financial Plan as set out in Appendix 1 of the report;
- (b) The schedule of savings set out in the revised Appendix 5 (as set out in Appendix A to these minutes with inclusion of the revisions advised);
- (c) An increase in the Isle of Wight Council budget requirement by 2.5% and consequent actual council tax level as for 2010/11 after applying the council tax freeze grant;
- (d) The overall capital programme set out in Appendix 8 of the report.

Council further Agree:

- (i) The amount of the Isle of Wight Council element of Council Tax calculated in accordance with sections 32 to 36 of the Local Government Act 1992 be set at the same level for 2010/11 at £1,289.80 for a Band 'D' property;
- (ii) Its own overall budget requirement for 2011/12 at £135,047,309 to be met from RSG formula grant of £63,594,628 and Council Tax of £71,452,681;
- (iii) That a Schools Budget, inclusive of the Post 16 allocations, at the level of Dedicated Schools Grant be set for 2011/12;
- (iv) That the Schools Budget allocations be determined by the Chief Executive, in consultation with the Schools Forum, within the approved Schools Budget;
- (v) The Treasury Management Strategy, Investment Strategy, Borrowing Strategy, Minimum Revenue Provision Strategy and Prudential Indicators as set out in Appendix 14 of the report;
- (vi) The Overall Council Tax Base of 55,443.0 for 2011/12;
- (vii) The Isle of Wight Council element of Council Tax is therefore set out in the table below in respect of the property bandings;

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- (viii) That a Council Tax Setting Committee of 5 members be established on a politically proportionate basis (3 Conservatives, 1 Independent, 1 Liberal Democrat), with the necessary delegated authority to consider and approve the overall budget requirement and level of Council Tax for 2011/12 being that element agreed by Council for the Isle of Wight Council for 2011/12 under resolutions (i) and (ii) above plus the notified police precept plus the notified Parish and Town Council precepts. Once this task has been achieved then the Committee be disbanded;
- (ix) That the meeting of this Committee be held at 5.30pm on 1 March 2011.

64. **Reports of the Cabinet Members**

Owing to the late hour, the Chairman requested that the Cabinet Members reports be taken as circulated and any questions thereon be forwarded to the relevant cabinet member for a response.

CHAIRMAN

APPENDIX A

REVISED SCHEDULE OF SAVINGS – 2011/12

<u>Reference</u>	<u>Service</u>	<u>2011/12 £'000</u>	<u>Full year effect £'000</u>
	<u>Cross Council savings</u>		
C1	Reduction in management costs	6,475	7,250
C2	Communications, performance & partnership	1,250	1,250
C3	Reduction in business infrastructure costs	3,250	3,250
C7	Reduction in the casual mileage allowance	88	88
C8	Further savings in democratic services	<u>110</u>	<u>110</u>
		<u>11,173</u>	<u>11,948</u>
	<u>Economy and Environment</u>		
EE1	Increase of investment in the economy	(100)	(100)
EE2	Closure of tourist information centres	175	200
EE3	Waterside Pool transfer / closure	150	250
EE4	Reduce spend on parks and gardens	200	200
EE5	Reduce maintenance of public toilets	90	250
EE6	Cease direct provision of lifeguards	100	100
EE6.5	Funding for lifeguard training and support	(25)	(25)
EE7	Cease Wight Bus	75	150
EE8	Additional income from Chain Ferry	20	20
EE9	Cease Ventnor & Newport fire station builds	220	500
EE10	Fire control centre merger	125	250
EE11	Additional funding for public transport needs	<u>(100)</u>	<u>(100)</u>
		<u>930</u>	<u>1,695</u>
	<u>Community Well Being and Social Care</u>		
CS1	Removal of direct provision of general care	200	837
CS2	Re-provide in-house homecare	125	464
CS3	Reduce care management costs	80	330
CS4	Adjust adult social care eligibility criteria	1,000	1,600
CS5	Changes to adult social care charging policy	1,500	2,000
CS6	Ventnor Botanic Gardens / Dinosaur Isle	82	325
CS7	Review of library services	400	500
CS8	Review of archives and museums	50	200
		<u>3,437</u>	<u>6,256</u>
	<u>Education</u>		
ED1	Schools advice and support	750	750
ED2	Children and youth related activity	<u>1,300</u>	<u>1,300</u>
		<u>2,050</u>	<u>2,050</u>
	Total savings per final proposals	17,590	21,949
	<u>Provision for redundancy costs and slippage</u>	(574)	
	<u>Unallocated provision from C6 below</u>	(173)	
	<u>Further savings</u>		
C4	Capital financing savings and increased income net of parking and children's carry forward budget issues	50	<u>(750)</u>
C5	Further reduction in costs	450	
C6	Provisional allocation re New Homes Bonus	<u>490</u>	
	Overall net savings Total	17,833	21,199
			+ 3,366

SUPPORTING INFORMATION

Ref	Proposal	2011/12 £'000
C1	Reduction in management costs A revised senior management structure to be implemented. This will reflect the changing nature of the organisation and the services that will continue to be delivered. Full implementation will be achieved by 31 March 2012. There will be a 36% cost reduction with a deletion of 38 senior management posts from 103 to 65 and a 33% reduction in other principal officer graded posts. The proposals have been fully consulted on with staff and unions and have been agreed to by the Employment Committee. Furthermore a Cabinet Member delegated decision has now been made to implement these changes, to which no representations were made.	6,475
C2	Communications, performance and partnership A review and restructuring of these areas was completed and a new structure came into place on 4 January 2011. This leads to a reduction in spend and posts of 50% with a full year effect in 2011/12 and a saving of £1.250m.	1,250
C3	Reduction in business infrastructure costs This includes savings carrying forward from the transformation programme covering accommodation rationalisation, shared services, procurement activity, ICT, HR, finance and support cost.	3,250
C7	Reduction in the casual mileage allowance This incorporates the proposal put forward under IND3 of the Independent Group alternative budget to reduce the casual mileage allowance from 46.9p to 40p per mile in line with the HMRC tax exempt rate. Following advice from officers, it is proposed to implement this with immediate effect from 1 April 2011.	88
C8	Further savings in democratic services This includes: <ul style="list-style-type: none"> • a £13k saving in civic expenditure, primarily from not having the car; • a £47k saving through staffing changes in Members' Support; • a £50k saving based on a reduced spend in members' allowances; a reduction in members' subsistence and off island travel (based on 2010/11 usage); and savings on memberships of outside organisations. 	110
		11,173
EE1	Increase of investment in the economy An element of this funding will be required to support the Solent Local Enterprise Partnership. It is intended that that balance is used to fund business support initiatives on the Island in light of the closure of Business Link and other business support agencies.	(100)
EE2	Closure of tourist information centres The Council is in advanced discussions with the private sector with regards to undertaking a role in the provision of information to visitors, and	175

Ref	Proposal	2011/12 £'000
	<p>Southern Vectis has already announced a service it plans to deliver to this effect. This will not be in the form of the existing Tourist Information Centres, nor will it provide the range of services provided in the TICs, but will be an additional service provided through operators' current facilities and staff.</p> <p>The existing tourist information centres will close on 31 March 2011.</p>	
EE3	<p>Waterside Pool transfer / closure</p> <p>This revised proposed saving figure for 2011/12 takes into account the proposal that has been submitted by a Ryde group with a view to keeping Waterside Pool in operation. This proposal embraces a wider potential transaction than the pool building and will take time to assess and to clarify in its impact on Council finances. This reduced level of saving for 2011/12 (£100k) is to be met by further savings in democratic services, as set out in C8 above.</p>	150
EE4	<p>Reduction spend on parks and gardens</p> <p>This saving has been delivered through the recent contract negotiations that were undertaken as part of letting the new grounds maintenance contract.</p>	200
EE5	<p>Reduce maintenance of public toilets</p> <p>This revised proposed saving figure for 2011/12 should be read in conjunction with the paper – Public Convenience Review – which will be considered by Cabinet on 1 March 2011. This reduced level of saving for 2011/12 (£10k) is to be met by further savings in democratic services, as set out in C8 above.</p>	90
EE6	<p>Cease direct provision of lifeguards</p> <p>The provision of lifeguards is non-statutory. The Council will work with town and parish councils and other groups who wish to support lifeguard provision in their area, however the Council will no longer have a direct involvement in this provision.</p>	100
EE6.5	<p>Funding for lifeguard training and support</p> <p>In line with the commitment outlined above to work with town and parish councils and other groups in the development of lifeguard provision in their areas, this funding is being made available to assist with training and support in Ryde, Sandown, Shanklin and Ventnor. More details on how this funding will be made available will follow. This funding allocation (£25k) is to be drawn from the saving achieved through the reduction in the casual mileage allowance, as set out in C7 above.</p>	(25)
EE7	<p>Cease Wight Bus</p> <p>It is proposed to cease the Wight Bus service from 31 August 2010. The Council directly subsidises the Wight Bus service in the sum of £150k per annum. If the service continued, this sum would be likely to increase given the reduction in the level of funding available for contracted services, from which Wight Bus benefits, as well as the reduction in demand from adult services.</p>	75
EE8	<p>Additional income from Chain Ferry</p> <p>The original proposal to introduce passenger charges on the Chain Ferry</p>	20

Ref	Proposal	2011/12 £'000
	will not be implemented. However it is projected that additional income of £20k will still be generated due to the increase in charges for vehicles and the reduction in the discount offered on multi-tickets. This reduced level of income for 2011/12 (£180k less from not introducing passenger charges) is to be met by £117k funding drawn from the provisional New Homes Bonus allocation (C6, as set out further below) along with £63k funding from the saving achieved through the reduction in the casual mileage allowance (C7, as set out further above).	
EE9	Cease Ventnor & Newport fire station builds Provision was made in the capital programme for the capital cost of rebuilds for Ventnor and Newport fire stations at £7.7m. The achievement of modernisation was not dependent upon the rebuilds and by putting the spend on hold will save capital financing costs of £220k in 2011/12 and £500k in a full year.	220
EE10	Fire control centre merger This project is underway as agreed by Cabinet earlier in the year. A decision on the final business case will be made by the Cabinet Member during March 2011.	125
EE11	Additional funding for public transport needs This seeks to incorporate the proposal put forward under IND25 of the Independent Group alternative budget to provide new funding to support rural bus services with community-led bus projects to mitigate effects of the withdrawal of services. This additional funding would complement the money already allocated to supporting the provision of services where the commercial operator may not provide, and would be used support either community bus initiatives or the continuation of subsidised bus services where considered appropriate. This additional funding allocation (£100k) is to be drawn from the provisional New Homes Bonus allocation (C6), as set out further below.	(100)
		930
CS1	Removal of direct provision of general care In the current year the main focus will be on reducing the cost base while retaining quality of delivery while also identifying and implementing opportunities for increased income generation. At the same time officers will be exploring possible options for transferring these services to alternative management arrangements.	200
CS2	Re-provide in-house homecare In the current year the main focus will be on reducing the cost base while retaining quality of delivery while also identifying and implementing opportunities for increased income generation. At the same time officers will be exploring possible options for transferring these services to alternative management arrangements.	125
CS3	Reduce care management costs As personal budgets become the norm the role of care management in organising and monitoring care provision will be significantly reduced.	80

Ref	Proposal	2011/12 £'000
CS4	Adjust adult social care eligibility criteria Raising the eligibility threshold for adult social care services to critical while focussing support for those with substantial needs on their areas of greatest risk will reduce expenditure on this group by £1m while still investing £6.3m to support them.	1,000
CS5	Changes to adult social care charging policy Additional income will be generated by: <ol style="list-style-type: none"> 1. Removing the entitlement to free homecare for people aged over 80; 2. Applying the charging policy to all people receiving adult social care support on an equitable basis regardless of their age or the nature of their disability; 3. Charging against either the value of the "personal budget" or the actual cost of services delivered; 4. Removing an upper charge limit for those who are able to afford it. 	1,500
CS6	Ventnor Botanic Gardens Staffing restructure, expenditure reductions and increased income generation will rebase the Garden's budget in the coming year. This rebasing is being undertaken in conjunction with the Advisory Group, to ensure a community-led business plan for the future. Dinosaur Isle This museum service site should be outsourced in the financial year 2011/12 and not require ongoing subsidy from the Council.	82
CS7	Review of library services This revised proposed saving figure for 2011/12 (and the revised figure for a full year effect) should be read in conjunction with the paper – The Future of the Island's Library Service – which will be considered by Cabinet on 1 March 2011. This reduced level of saving for 2011/12 (£100k) is to be met by funding drawn from the provisional New Homes Bonus allocation (C6), as set out further below.	400
CS8	Review of archives and museums The Review will involve external experts from The National Archive and the Museums, Libraries and Archives Council, working with officers to develop a set of proposals for the Island's heritage service. Key stakeholders will be consulted on these proposals. It should be remembered that Dinosaur Isle and Newport Roman Villa are also covered by this Review, because they are two of the Council's four accredited museums.	50
		3,437
ED1	Schools advice and support The greater freedom given to schools regarding curriculum and school leadership means the requirement for the current size of school improvement team will lessen and fewer staff will be employed (saving (£0.5m). The full cost of school support services (e.g. payroll, legal advice) will be charged thus removing any residual subsidy (this has been reducing over time since 2007).	750
ED2	Children and youth related activity The Government has previously funded a range of support activities (e.g. extended schools, parenting support) for children, young people and their	1,300

Ref	Proposal	2011/12 £'000
	parents. This is being replaced by the Pupil Premium which schools will allocate and for which they will be publicly accountable. The Council has invested in staffing and infrastructure to support these grants and this will now be ceased unless schools choose to purchase these support services at full cost.	
		2,050
C4	<p>Capital financing savings and increased income</p> <p>Reduction in capital financing costs as a result of the reduction in capital spend in previous years, the reduction of interest costs as a result of treasury management strategy and reduction in Leisure improvement programme.</p> <p>In 2011/12 this amounts to £2.25m. This will reduce as external financing replaces use of internal funds. Increased income from charges agreed from 4 January 2011 is projected at £300k. To offset these savings there is a need to reduce the parking income budget to a level that matches likely income, projected to be some £1m and to offset a number of budget pressures in the previous children and young people services directorate that have been contained in 2010/11 by one-off measures of some £1.5m.</p>	50
C5	<p>Further reductions in costs</p> <p>The triennial revaluation of the local government pension fund and employers contribution has recently been completed. Previously it had been assessed that there would need to be a further increase in the Council's employer contribution of 1% or higher effective from 1 April 2011. Provision was made for 1% (£450k). Although still to be finalised the adoption of a medium-term stabilisation strategy would mean that the contribution could be maintained to the existing level in the next two years.</p>	450
C6	<p>Provisional allocation re New Homes Bonus</p> <p>On 17 February 2011 the Government announced the Isle of Wight's allocation of £490k for 2011/12 under the New Homes Bonus initiative. This is a provisional allocation and may be subject to change. However the Government has indicated that this bonus payment can be used to address local priorities, and have called on councils to consult residents to agree how this funding is used to meet local needs. It is proposed that £317k of this provisional allocation is used to support revised priorities in EE8 (£117k), EE11 (£100k) and CS7 (£100k), which are areas in which the Council has already received public feedback. The remainder of £173k of the New Homes Bonus funding (subject to final allocation) will be allocated to priorities in due course, following further consultation with the public.</p>	490

APPENDIX B

Independent Group Budget - Revised 0% increase in Isle of Wight Council Tax for 2011-2012

Highlights:

- . An approved balanced budget proposal offering:
- . £3.9m - Additional funds achieved through further efficiency savings
- . £4.1m - Spent on saving and maintaining vital public services
- . £0.5m - Boost to reserves
- . 180 jobs saved
- . All Libraries saved
- . Life guards fully funded
- . Archives and Museum Service saved
- . Ventnor Botanic Gardens Saved
- . Ryde Waterfront Pool Saved
- . Women's Refuge Funded
- . Tourist Information Centres saved
- . And much, much more!

Reference	SERVICE	2011/12 £'000	2012/13 £'000
	Cross Council savings		
IND1	Reduction in management costs	7,876	9,112
IND2	Communications, performance & partnership	1,250	1,250
IND3	Reduction in business infrastructure costs	3,582	3,847
		12,708	14,209

Reference	SERVICE	2011/12 £'000	2012/13 £'000
	Education		
IND13	Schools advice and support	750	750
IND14	Children and youth related activity	1,300	1,300
		2,050	2,050

Reference	SERVICE	2011/12 £'000	2012/13 £'000
	Economy and Environment		
IND26	Establish New Local Economy Support Fund	-100	-100
IND4	Reduce spend on parks and gardens	200	200
IND5	Cease Wight Bus	75	150
IND25	Establish New Community Bus Fund	-100	-100
IND6	Defer Ventnor & Newport fire station builds	220	500
IND7	Fire control centre merger	125	250
		420	900

Reference	SERVICE	2011/12 £'000	2012/13 £'000
	Community Well Being and Social Care		
IND8	Reinstate direct provision of general care in current year	0	637
IND9	Re-provide in-house home care	125	464
IND10	Reduce care management costs	80	330
IND11	Change adult social care eligibility criteria	1,000	1,600
IND12	Changes to adult social care charging policy	1,500	2,000
IND28	Small Repair Service	-60	-60
IND29	Advocacy	-20	-20
IND30	Welfare benefits advice service	-50	-50
IND31	General Welfare Information and Advice	-13	-30
IND32	Domestic Violence	-225	-228
IND27	Retention of Isle of Wight Music Service	-50	-50
		2,287	4,593

	Total savings	<u>17,465</u>	<u>21,752</u>
	<u>Provision for redundancy costs and slippage</u>	-574	
	<u>Further Items</u>		
IND15	Capital financing savings and increased income net of parking and children's carry forward budget issues	50	<u>-750</u>
IND16	Further reduction in costs	<u>450</u>	
IND33	Contingency fund (temporary boost to reserves) to cope with possible legal obligations not currently budgeted for	-48	-293
	Provisional allocation re New Homes Bonus	490	490
	Overall net savings Total	17,833	21,199
			<u>3,606</u>
NOTE	This budget proposal must be read in conjunction with the notes to the Independent budget 2011/12 attached. Adoption of the Independent Group 2011/12 Budget proposals would result in the necessary statutory consultation with trade unions and other professional bodies.		

Ref	Notes to the Independent Budget 2011/12
<i>Introduction</i>	<i>Whilst this budget is not intended to be an amended version of the ruling group proposals, it is inevitable that our proposals are constrained by policies that they have imposed upon this Council during the last 5 years that they have been in control. The provision for reductions in certain areas such as adult social care and cuts to staffing and schools are made as a consequence of these policies. Had we been able to make policy, it is our contention that these cuts would not have been necessary to the degree that they now are. In particular, the reduction in reserves, that leaves us with little or no room for manoeuvre, is a serious constraint that would not have been applied had it not been for the mismanagement of the Council's finances over the last few years. We condemn this as we condemn the illogical pursuit of schools reorganisation, despite the obvious consequences which impact on the wellbeing of our rural communities as well as on our financial situation. We are however pleased that we have been able to demonstrate that cuts to many services can be avoided and the impact of others lessened through the reallocation of funds. We commend this alternative budget proposal for your consideration.</i>
<i>Summary</i>	<i>We propose no increase to council tax in line with the Collation proposal for capping. Additional savings have been identified and verified with officer assistance to show that it is possible to avoid cuts to many important public services. We have also been able to reduce the impact of job cuts at a junior level by more than 180 posts which will allow frontline services to be maintained.</i>
Note	We are pleased to be able to confirm that our proposed budget would allow the continuation of the following services whilst still delivering a balanced and lawful budget:

Ref	Notes to the Independent Budget 2011/12
IND17	Ryde Waterside Pool - Recognising the importance of this facility to the local community and its contribution to local tourism and the local economy through efficiency savings across the rest of the service. A requirement for uniformity in approach to all IWC Public Swimming Pools is required, whereby opportunities should be explored.
IND18	Tourist Information Centres retained for the coming season enabling a new strategy to be developed with other partners during the 2011-2012 year. We recognise the importance of keeping these centres open whilst discussion should be had with Tourism partners and interested entities.
IND19	Retain public conveniences through alternative strategic plan
IND20	Retain lifeguard service recognising its importance to tourism, the local economy and public safety
IND21	Cowes Chain Ferry we will not implement pedestrian charges. Any income from increased vehicular charges would be accumulated to assist in funding the replacement of the chain ferry which is nearing the end of its useful life.
IND22	Retain Ventnor Botanical Gardens within public control and explore efficiencies and alternative strategies to safeguard this Internationally renowned tourist facility, which contributes so much to the Isle of Wight's economy in a variety of ways.
IND23	Retain Public Library Services recognising their importance to our communities especially the elderly and the young. This will enable us to buy time to explore sustainable methods of delivering this service.
IND24	Retain Archives and Museum Services in recognition of the important contribution that these services make to our society and culture. We will again 'buy time' to discuss and explore acceptable ways forward.
IND25	Provide new funding to support rural bus services with community-led bus projects to mitigate effects of the withdrawal of services
IND26	Funding to support economic regeneration
IND27	Reintroduce music service subsidy withdrawn as part of 2010/11 budget strategy. This funding will assist the IWC Music Dept in continuing to support our young musicians who cannot afford to participate in music otherwise.
Note	In addition to the attempts to mitigate the effect of ruling group policy on our community as outlined above (see * IND8 & IND11) we will support vulnerable and needy people through these difficult times by proposing:
IND28	Support for a small repair service for elderly clients as part of an accident prevention strategy. Recipient match funding.
IND29	Advocacy: To provide independent representation for those unable to speak for themselves.
IND30	Specialist advice to ensure effective and efficient application of benefits.
IND31	General Welfare Information and Advice 2011/12 external funding available £17,000
IND32	Domestic Violence counter-measures - Funding targeted at reducing the incidence of domestic violence and funding for the Women's' refuge
IND33	Contingency: The Isle of Wight Council have legal responsibilities that appear not to be budgeted for, such as seaweed clearance and issues relating to the aborted Ryde Interchange project. Currently these costs are met from reserves. We propose a provision for them here that can be held on reserve to address these issues as they arise.
Note	The following sections outline where we have identified possible savings by focusing on the way we as a Council operate. This adopts the principal of efficiency savings rather than cuts. This would enable us to retain and develop important frontline services despite rapid deficit reduction policies being forced on us by National Government, supported by the Conservative Ruling Group and rejected by the Independent Group.
IND1	Restructuring and reduction in senior management. 5% Reduction in salaries excluding staff grades Sc 1 – Sc 6 but including all elected member allowances

Ref	Notes to the Independent Budget 2011/12
	regardless of responsibilities. 10% reduction for staff earning over £65k per annum. Provision to prevent this reduction from reducing pay below these thresholds. Assumed consultation period of 3 months. Achieves savings of £1,530,000 in a full year. This would involve the removal of 39 senior management posts, a 33% reduction in other principal officer graded posts, and the sharing of the Chief Executive with a partner organisation.
IND2	The new structure for Communications, performance, policy and partnership came into place on 4 January 2011. This leads to a reduction in spend and posts of 50% with a full year effect in 2011/12 and a saving of £1.250m.
IND3	Achieved by accommodation rationalisation, shared services, procurement activity, ICT, HR, finance and support cost reductions. Following feedback from Unison we have withdrawn our proposal to achieve savings of £88,000 through a reduced casual mileage allowance by taking the opportunity to utilise the additional revenue raised through the New Homes Bonus announced this week.
IND3	Energy savings (ICT) - Potentially £35,000 in a full year if we can power down overnight or power to idle in the day. Virtual Desktop (VDI) to be rolled out from 1st April 2011, saving will not be fully achieved until 2012/13
IND3	Energy savings (Heating – smart metering) - Saving of £25,000 to be achieved by using smart meters and thermostats to control temperatures and reduce energy costs across the Council
IND3	Reduce investment in Leisure Facilities over the next 2 years; based on average 20 years life and interest rate of 5.42% the MRP saving is £100,000 and interest saving £108,400 in year 1. We believe investment in new workstation gyms in our leisure facilities during a recession is unlikely to be financially viable and at this time of constraints and cuts it would be an unwise utilisation of council tax payers money. However we will utilise the £1.3m of extra investment for this year to maintain the current provision.
IND3	Introducing £150 residents parking permits to save a further £65,000. We do not accept the conclusion from the review of parking income. We believe that there will be an increase in parking revenue and a reduction in non-compliance resulting in an overall surplus in the coming year in excess of £65k.
IND3	Savings from the sale of the Civic Car and associated expenses - business case from Member Support Team indicated a £14k saving.
IND4	Reduction spend in parks and gardens as a result of ruling group policy decision already made.
IND5	Cease Wight Bus –The vehicle fleet is already depleted and the Isle of Wight Council does not have money in reserves and balances, or a funding stream to invest in this service .Please see new funding for community bus projects below. - see new funding for community bus projects below.
IND6	Defer Newport and Ventnor Fire Station Rebuilds indefinitely
IND7	Fire Control Centre merger decision already and in process
Note	The Independent Group do not support the level of budget reduction by the current administration's proposals for Adult Social Care but recognise that these changes are being implemented. We acknowledge the effect of these changes by the proposals made by the Director and Cabinet. Historically the budget has been under pressure and incurring a considerable overspend at the year end 2010-2011. We are aware of the funding which will be passed through from the Health Service which is not ring fenced, however with this funding we will be taking forward new responsibility. We therefore have not taken that money to preserve the future of existing front line

Ref	Notes to the Independent Budget 2011/12
	support, but have endeavoured to mitigate these where possible. Most of the savings identified below are made as a consequence of existing policy decisions which the Independent Group do not support:
IND8	Removal of direct provision of general care - mitigated by the provision of £200k* in a the current year from the revenue budget but still represents a cut to this service in the full year which is nonetheless a massive blow to those requiring adult social care
IND9	Reduced Provision of in-house homecare by denying this service to the over 80's
IND10	Reduction in care management costs
IND11	Raising the Adult Social Care eligibility threshold to critical: Whilst we do not support the raising of this threshold, we do support the provision of £6.5m for those with "substantial" needs to lessen risk of these people moving to a critical assessment - but reject the policy proposal.
IND12	Changes in the charging policy for adult social care depriving those in need of £2m in a full year.
Note	The following items are legacy funding reductions incurred as a direct result of ruling group policy over which we have no control:
IND13	Reduction in schools advice and support as a consequence of schools reorganisation which reduces the local authority involvement in the support and management of schools. We do not support the reduced role of the LA and a majority of Independent Councillors voted against reorganisation.
IND14	Reduction in provision for children and youth related activity as a consequence of schools reorganisation. A central theme of reorganisation was a reduction in the direct involvement of the local authority in the support and management of schools. Through reorganisation you ensured that as many schools as possible were to reopen as "new schools" to ensure that they would no longer have to be managed by the Isle of Wight Council but by their own private management arrangements – through academies and the Dioceses. The Government's new pupil premium does not have to lead to a reduction in LA involvement in providing for extended schools and parenting support, if the LA was willing to provide a cost effective solution. You are not willing to do that and given the way schools, parents, governors and teachers have been treated by your administration over the last few years, who can blame them for being less than likely to buy their support services from you at "full cost" as you put it (EA2). We don't support this cut and we don't agree with your strategy but we see no alternative given the fact that you have embarked on reorganisation, privatised schools management and embraced the new pupil premium system in the way you have.
IND15	We have been unable to substantiate these savings or income streams. We recognise that they have been made necessary due to the culture of the utilisation of Isle of Wight Council reserves and balances over the previous 5 years
IND16	Further reductions in costs - We are forced to accept the outcome of the recent triennial revaluation of the local government pension fund and that the resulting employers contribution for which provision was made for 1% (£450k). This still has to be finalised and we understand that the adoption of a medium-term stabilisation strategy would mean that this contribution level could be maintained to the existing level in 2011/12 and 2012/13. We have not been able to assess the risk that market and economic conditions could prevent this strategy from succeeding.

APPENDIX C

Isle of Wight Council Budget Meeting 23rd February 2011

Liberal Democrat amendment to the Independent Group budget

1. The Liberal Democrat Group welcomes and supports the Independent Group's efforts to prevent damaging cuts to front line services proposed by the ruling Group.. We endorse their concerns over apparent financial mismanagement in recent years, which has seen reserves fall from £34,659,000 in April 2007 down to £14,945,000 in March 2011, even though the Council received Government Revenue Support Grant settlements during those years which were well above the national average. Despite this relatively benign financial environment the budget has only been "balanced" over the last four years by withdrawal from reserves and a massive under-spend in capital investment for the future. Appendix 7 shows that 2010-11 has been no exception.
2. Appendix 11 shows that the likely impact of non-insurable risks in the coming years amounts to £12,200,000, against which a reserve of only £4,927,000 is held. This means that all of the so called "General Reserve" is actually required to cover these risks, and if the application for capitalisation of redundancy costs is unsuccessful, resulting in a further charge to reserves, then likely risks will exceed the reserves available.

In these circumstances the Group cannot support the Labour amendment, which entails taking a further £3,267,000 from already inadequate reserves.

3. We have two particular concerns which are not covered by the Independent Group's proposals, and this amendment seeks to address those.

a. Highways PFI

- (i) When it was first mooted back in 2002-03, the Highways PFI was financially attractive from the point of view of the Island, if not quite so attractive to the national taxpayer. By the time the expression of interest was submitted in 2006, with a planned start date of early 2009, the initial capital investment of over £160,000,000 and 25 year running costs were estimated to cost the Island taxpayer about £700,000 per annum more than the then available revenue budget of just over £6,000,000. (The so-called "affordability gap")
- (ii) Since then the project has been delayed by four years until 2013, and this has been accompanied by a number of other factors all of which tend to increase the affordability gap:
 - A 20 to 30% drop in Government funding
 - Less appetite for risk from potential partners following the credit crunch, leading to increased financing costs
 - Four years of neglect during which time the network has deteriorated significantly, raising the level of initial investment required
 - A very significant reduction in the annual revenue budget for roads compared to the 2006 assumptions
 - Four extra years of price inflation, and higher inflation expectations in the future, particularly for oil based products.

- (iii) We have not been able to obtain a clear assessment of the affordability gap as it now stands, but we are concerned that it could be so large as to create an impossible financial situation for an incoming administration in 2013 and over the following 24 years, with massive additional service reductions.
- (iv) Set-up costs are budgeted at £3,100,000 over the next 2 years, and before committing this sum we suggest that an independent view of the affordability of the scheme needs to be obtained.

b. Road improvements

- (i) Whether the PFI goes ahead or not, the planned capital and revenue investment in the road network in the meantime is inadequate. It needs to be returned at least to the level it was at before this administration took over in 2005, and as a first step we suggest an increase in capital investment in carriageway improvements of £3,000,000 in 2011-12.
- (ii) The cost of the resultant debt charges would be met by a further reduction in communications, performance, policy and partnership, on the grounds that many of these functions are more effectively carried out as part of normal management responsibility, and in the case of communications, better served by delivery than propaganda.

4. Proposed Amendment

That the following additions be made to the Independent Group amendment:

- a. No further expenditure on the Highways PFI should be incurred until Full Council has an opportunity to consider an independent report on the likely financial implications beyond 2013
- b. An additional capital budget of £3,000,000 for carriageway improvements is provided in 2011-12, the debt charges thereon to be financed from further reductions in the central communications and performance functions.

APPENDIX D

FURTHER INCOME/USE OF RESERVES	£k	ADDED EXPENDITURE (refs relate to Appendix 5, Cabinet Budget paper 8/02/11)	£k
from General Reserves	2,757	Retention of Tourist Information Centres (ref EE2)	175
Salary reduction scheme for earnings above £50k pa	280	Retention of Waterside Pool (ref EE3)	250
Smart' Reductions in Street Lighting times	120	Retention of all public conveniences (ref EE5)	100
Harbour Facilities - reduce trading deficit	115	Retention of lifeguards (ref EE6)	100
New Homes Bonus	490	Retention of Wightbus (ref EE7)	75
		No Cowes Chain Ferry pedestrian charges (ref EE8)	180
		Reverse proposed social care eligibility criteria changes (ref CS5)	1,000
		Retain subsidy to Ventnor Botanic Gdns and Dinosaur Isle (ref CS6)	82
		Retain existing Library Service in entirety (ref CS7)	500
		Retain children and youth related activities (ref ED2)	1,300
TOTAL	3,762	TOTAL	3,762
		NET ADDED EXPENDITURE	0
		<u>0% INCREASE IN COUNCIL TAX FOR 2011-12</u>	

APPENDIX E

Proposed amendment to item 5 in respect of the Waterside Pool

1. This amendment is put forward by four members of the Council representing the Ryde area and adjacent wards. It is a response to the strong feelings that have been expressed at the planned closure of this popular facility, including a petition of signed by over 7,000 residents.
2. We are concerned about the damaging impact that the closure would have in the loss of an important sporting, teaching and recreational amenity, but we also recognise the importance of the Centre for health, tourism and community and social contact reasons, especially having regard to the above average age of the Waterside customer base.
3. The Waterside Management Team have put forward costed proposals that would deliver savings of £100,000 in 2011-12, without major detriment to the service provided, largely through more effective and productive use of staff and a more business driven approach to the programme provided. To do this would entail reducing the gross operating cost by 23%. If the other centres could achieve a tiny fraction of this, with gross operating costs reduced by approximately 2.5%, then the entire £150,000 savings requirement could be achieved without closing any centre. Each centre's share under this arrangement is shown below:

Centre	Gross operating cost (2010-11) £	Share of Saving	
		£	%
Heights	1,066,009	27,382	2.56
Medina	880,563	22,618	2.56
Waterside	440,045	100,000	22.72
Total	2,386,617	150,000	.

A risk assessment of potential business critical maintenance items has been undertaken, and a request has been made to Ryde Town Council for a guarantee of up to £20,000 in that respect.

4. It seems to all of us that it would be preferable to have all three centres open and each operating at a higher level of efficiency, than to deprive a major population centre of its only facility. We are also conscious that each of the other two centres will be closed next year for refurbishment, which in the absence of Waterside would leave the bulk of the Island's population served by only one centre for a considerable period of time.
5. The Waterside Management Team proposals form stage 1 of the Waterside Action Group (WAG) bid to provide a longer term future for the Waterside. WAG is now the Council's preferred bidder. Keeping the facility open while the longer term developments envisaged by WAG are put in place is desirable in its own

right, but it will also have the benefit of preserving the customer base during this interim period.

6. RECOMMENDATION:

That the Waterside Pool remains open during 2011-12, and that the Council's budget for 2011-12 be amended as shown in paragraph 3 above in order to deliver the £150,000 saving requirement for this service area.

Vanessa Churchman

Wayne Whittle

David Knowles

Reg Barry