

TRANSFORMATION AND RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Wednesday, 18th January, 2012

Present:- Mrs Shenton – in the Chair

Councillors A Beech, Y Burke, Fear, Snell, Taylor, Waring, I Wilkes, Bates and F Myatt

1. APOLOGIES

Apologies were received from Cllr Jones, Cllr Nixon and Cllr Mrs Walklate.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES OF PREVIOUS MEETINGS

That the minutes of the meeting held on 2nd November 2011 be agreed as a correct record.

4. REVENUE AND CAPITAL BUDGETS 2012/13

The Committee received a report on the completion of the revenue and capital budgets for 2012/13 following agreement of the 5 year Medium Term Financial Strategy.

The report had been to Cabinet that morning where it had been agreed that a 0% increase in Council Tax be recommended. It was stated that all expenditure was under control but there were some areas where income was down such as land charges fees, planning fees and car parking fees. It had been predicted that all of these areas would be affected by the economic situation and an allowance of £200,000 had been included in the budget to take account of it. Further allowances had now been made for the shortfalls following clear identification of the affected areas and actions had been taken to reflect them in the MTFS such as a reduction in the anticipated income from land charges,

There was a 'gap' for 2012/13 of £2.621m and a number of proposals had been identified to bridge it which would leave a deficit on the draft budget of £523,000.

The question was raised as to whether there were areas in the MTFS that had led to the deficit or whether the primary cause was a shortfall in government funding. It was stated that one reason for the shortfall were the holding costs for Jubilee 1 and Knutton Recreation centre and a rule change that had come into law regarding empty properties, this had been taken into consideration for 2012/13. There was however still uncertainty regarding how long the holding costs would be paid for as they were dependant on how the sites were classed, what they were used for and how long they remained the property of the Council. It was as yet uncertain how long Knutton Recreation Centre would remain operational and it was confirmed that only the outdoor football area was currently being used with staff employed to cover this

Transformation and Resources Overview and Scrutiny Committee - 18/01/12

activity only. The timing and nature of any full closure would be dependant on the outcome of public consultation exercises.

The Committee questioned whether steps were being taken to increase income to the Council. Promotional activities were due to start to help promote car parking in the Borough through improved signage and the marketing and promotional plan for Jubilee 2 would kick in from April 1st 2012 and would be closely monitored. Members stated that they would need to monitor both of these areas closely.

The Committee discussed the restructurings that had recently been undertaken in the Council and those that were still ongoing and proposed. Members requested clarity regarding how many actual jobs were included in the 60 FTE jobs that had removed from the Councils structure; it was agreed that information regarding this provided in writing to Committee Members.

It was reported that £30,000 savings in energy costs had been made through the re tendering of contracts to fixed rates through partnership working with the County Council and the new procurement framework.

Clarity was requested regarding the energy costs that would need to be met when the new tenants moved into the Civic Offices and information was sought regarding how these costs would be calculated. It was stated that costs would be allocated depending on the proportion of floor space occupied by the tenants and that negotiations were still ongoing with the police due to the fact that they would be using the premises seven days a week, 24 hours a day. There would be no additional costs for the Borough Council.

Concerns were raised by Members regarding the impact that a 0% increase in Council Tax this year could have on future year's budgets due to the grant from the government being a one off. There was however no suggestion that there should be an increase in the rate of Council Tax. Officers confirmed that in order to receive the grant from Government no increase in Council Tax could be made.

The Committee queried whether there had been further areas of potential savings that had been identified in the Service Reviews in 2010 that had not been followed up or that could still be addressed. Officers agreed to provide further details of these in writing for the next meeting.

The Committee queried section 7.4 of the report which referred to the need to top up the Insurance Fund by £120,000. Members questioned why the fund needed to be increased. Officers agreed that a written answer regarding this be provided to Members of the Committee.

The Committee requested that further information was required to enable Members to fully evaluate the budget proposals and it was agreed that the 100 page 2011/12 budget book be circulated electronically to the Committee.

The Committee thanked Officers for having provided a comprehensive and well written report.

Resolved: (a) That the following written response be provided to Members prior to the next meeting on Wednesday 25th January 2012:

- I. A Breakdown of the Full Time Equivalent Posts Job Savings.
- II. A list of the outstanding items from the Budge Service Reviews in 2010.

III. Information regarding the need to top up the insurance fund.

(b) That the comments of the Committee be put forward to Cabinet

5. SCALE OF FEES AND CHARGES 2012/13

A report was submitted informing the Committee of the proposed scale of fees and charges to apply from 1 April 2012.

Attention was drawn to section 2.6 of the report regarding the open market fees which at present covered the cost of providing the market. Due to the current financial climate it was not proposed to increase the fees for the upcoming year.

Resolved: That the information be received

6. CAPITAL STRATEGY

A report was submitted informing the Committee of the Capital Strategy that had been considered by Cabinet that morning.

It was agreed that the Chair of this Committee be invited to comment on the Capital Strategy at the Council meeting on 22nd February 2012.

Resolved: That the report be noted.

7. CIVIC OFFICES - UPDATE (JANUARY 2012) ON PARTNER CO-LOCATIONS

The Committee received a report updating it on the co-location of partners in the Civic Offices.

Concerns were raised regarding the use of the car park to the rear of the Civic Offices by the Police. It was confirmed that a disproportionate amount of the space would be let to the Police but that this would be compensated for monetarily. Any displaced staff would be able to park on the Midway or King Street car parks free of charge.

Resolved: That the information be received.

8. TREASURY MANAGEMENT STRATEGY 2012-13

A report was submitted requesting the Committee consider and scrutinise the Treasury Management Strategy for 2012/13, including the prudential Indicators, Investment Strategy and Minimum Revenue Provision Strategy contained within it.

It was confirmed that the last training as referred to on Pg 43 had taken place in 2010 and that further training would be organised following the elections in May 2012.

Resolved: (a) That the Committee approve the strategy for submission to Full Council on 22nd February 2012.

(b) That the current contract with Sector Treasury Services Ltd be extended for a further 12 months.

9. ASSET MANAGEMENT STRATEGY

The Committee considered the Asset Management Strategy that had been reported to Cabinet that morning.

The Asset Management Strategy sought to provide a robust and formal approach to the management and use of the Council's land and property assets. The strategy was a working document and did not go into any specific details regarding sites or properties. Members queried whether the Council currently owned any premises that could be disposed of; it was stated that this was a consideration that was constantly under review and that each site or premise was judged on an individual basis.

Resolved: That the information be received and that Cabinet be informed that the Committee had no further comments regarding the report.

MRS SHENTON
Chair