

# Minutes

## Overview and Scrutiny Committee



29<sup>th</sup> November 2011

Councillors	Present	Councillors	Present
P R Barlow	Apologies	W J Rose	Yes
C A Cadman	Yes	C Sandbrook	No
Dr R L Evans (Chairman)	Yes	G A Spray	Yes (from 7.25pm)
S A Howell	Yes	J S Sutton	Yes
D J Louis	Apologies	J R Swift	Apologies
R P Ramage	Yes		

The following Members were also in attendance for item 5, Scrutiny of the Council's Budget:

Councillor Butland, Leader of the Council;  
Councillor Beavis, Cabinet Member for Communities;  
Councillor Lady Newton, Cabinet Member for Enterprise and Communities;  
Councillor Siddall, Cabinet Member for Efficiencies and Resources.

Apologies were received from Councillor Schmitt, Cabinet Member for the Environment.

The following members were also present: Councillors Bebb, Horner, McKee, O'Reilly-Cicconi and Tattersley.

The Chairman welcomed the Leader of the Council, Councillor Butland, and Members of the Cabinet to the meeting.

### 26. **DECLARATIONS OF INTEREST**

**INFORMATION:** No interests were declared.

In accordance with the Code of Conduct, all councillors remained in the meeting for all the items and took part in the debate and decision thereon.

### 27. **QUESTION TIME**

**INFORMATION:** There were no questions asked or statements made.

### 28. **MINUTES**

**DECISION:** Subject to at Minute 24, page 11, "Dr David" being amended to read "Dr Davis", that the minutes of the meeting of the Overview and Scrutiny Committee held on 16<sup>th</sup> November 2011 be approved as a correct record and signed by the Chairman.

## 29. **SCRUTINY OF THE COUNCIL'S BUDGET**

Committee members considered with Cabinet members, the Medium Term Financial Strategy 2012/13 to 2015/16 update report to be presented to Cabinet on 5<sup>th</sup> December.

Committee members received a PowerPoint presentation and handout pack from Councillor Butland, Leader of the Council, on the Council's Priorities and Resources for 2012/13. Topics covered included:

- An approach of maintaining service levels, efficiencies not cuts, matching resources to priorities, zero increase in Council tax, no risks that can't be managed;
- Consultation process and residents views of what makes a good place live and what needs most improvement in areas where residents live;
- Next steps on development of the Corporate Plan including presentation of the consultation at a Members' Evening and to Cabinet, partners and Business Council leading to Council approval in February 2012;
- Strategic priorities for 2012-16 including themes of Place, People, Partnerships, Prosperity and Performance with Cabinet member portfolio leads for each;
- Budget for 2012/13 including current position, cost pressures, increases to fees and charges and reserves and balances.

Cabinet members and Council officers provided the following information in response to questions raised by Committee members:

- The savings from the joint ICT contract are expected to be around £1.8million over 5 years subject to due diligence;
- The income from the New Homes Bonus scheme is expected to be around £509k per year for the next 5 years. The Leader advised that some authorities had put this money into their general funds. However, he would look for the Council avoid this approach if at all possible to avoid a funding gap at the end of the period;
- The Council would likely make representations to Government to discourage changes should any proposals emerge;
- Anticipated income from the proposed wind turbine project is now £250k per year as set out in the report. A number of tests (eg. wind tests, noise tests) are being carried out in relation to the wind turbine. On completion of these tests and other work, a business case on whether the Council proceeds with the turbine would be considered. Currently, the project could offer a significantly better rate of return for the Council than investments in banks;
- Return from investments in Icelandic banks now looks more positive. Test cases are giving high payments levels to local authorities. The Council was not a test case although it is anticipated that the Council should receive the same return as test cases. Returns from the £3million invested with Landsbanki will be in instalments and may take up to 2018 to be achieved at an expected rate of between 94 – 98 pence in the Pound. The £1m invested with Glitner is expected to be returned in full within 6 months. In respect of Kaupthing Singer and Friedlander, the Council has

already received a return of £630k and further returns are expected over the next year which should result in a return of around 84 pence in the Pound;

- Interest will be gained for the original period of the investments. However, the Icelandic Courts has ruled against any interest penalty payments;
- The Council does not intend to proceed with charging staff for car parking at Causeway House;
- Changes to Staff Terms and Conditions contained in the September Budget report have been implemented with a 90 day period of notice;
- The Council is in discussions with Town Councils and larger Parish Councils on what might be devolved to them as part of the localism agenda. £60k has been set aside for the transfer of rural car parks and toilets;
- £61k has been set aside to extend the provision of Modern Apprentices in the Council for a further 2 years. Modern Apprentice recruitments follows all equalities and employment legislation;
- The Leader believed there has been a noticeable return from the Green Heart campaign in terms of the cleanliness of the district. On the expiry of the 2 year £250k investment in the campaign, the Council will take a care and maintenance approach to keeping the district clean;
- Work is ongoing to complete the transfer of certain car parks, allotments and public conveniences to Parish Councils. A budget of £60k has been proposed to ensure the successful transfer of these facilities;
- The new electronic committee management system relates to an ICT software system which will assist officers in the preparation of committee documents such as agendas and minutes. The system will ensure the resilience of the service;
- Any S106 funds attract interest;
- The sum of £187k for unavoidable works on leisure centres covers priority work on all centres although the bulk of the funds are likely to spent on the Halstead centre;
- The provisional budget for additional leisure management expenditure relates to the joint use agreement on the current leisure centre contract. The Cabinet Member for Communities agreed to provide details on the percentage increase in the budget related to this provision for the meeting of Cabinet on 5<sup>th</sup> December;
- The budget provision for Health and Safety equipment covers any health and safety issues in relation to the provision of equipment that might arise in the course of the year. This includes any statutory requirements. The fund could also cover any health and safety training needed. The Cabinet Member for Efficiency and Resources agreed to provide more information to the Committee Chairman on the use of the Corporate Health and Safety Budget;
- The deficit to the Housing Revenue Account is in part due the current low rates of interest resulting in a lower return than anticipated. There has also been expenditure of some properties owned by the Council;

- The Council will be looking at the implications of a Government announcement in the Budget on a Right to Buy scheme whereby tenants may receive a discount on the purchase of social housing with monies received being invested in affordable housing;
- The Capital bid of £250k on Town Centre Improvement relates to substantial works required in the town centres. The Cabinet Member for Enterprise, Housing and Development expects to establish a consultation mechanism to involve local ward members in town centre development plans.

The Chairman thanked the Leader for his very informative presentation. He also thanked Committee members for their questions and Cabinet members for their answers.

30. **DECISION PLANNER**

**DECISION:** That the Decision Planner for the period 16<sup>th</sup> November 2011 to 31<sup>st</sup> March 2012 be received and noted.

The meeting commenced at 7.15pm and closed at 8.53pm.

Dr R L Evans  
Chairman