

## **SCRUTINY COMMITTEE - RESOURCES**

23 January 2013

### **Present:**

Councillor Baldwin (Chair)

Councillors Ruffle, Bowkett, Branston, Brock, Bull, Crew, Crow, Macdonald, Robson and Spackman

### **Apologies:**

Councillors D J Henson and Pearson

The Council's External Auditors – Grant Thornton

### **Also present:**

Chief Executive, Strategic Director (MP), Assistant Director Finance and Member Services Officer (SJS)

#### **1 Minutes**

The minutes of the meeting held on 21 November 2012 were taken as read and signed by the Chair as correct.

#### **2 Declarations of Interest**

Members made no declarations of interest.

#### **3 Certification Work Report 2011/12**

The External Auditors, Grant Thornton, Certification Work Report 2011/12 was submitted.

In response to Members, the Assistant Director Finance advised that the issues with the Council's housing benefits software had now been resolved.

The Scrutiny Committee - Resources noted the report.

(Report circulated)

### **MATTERS FOR CONSIDERATION BY THE EXECUTIVE**

#### **4 Capital Programme (2013/14 - 2015/16)**

The Assistant Director Finance presented the report updating Members on the General Fund and Housing Revenue Account Capital Programmes for 2013/14 along with schemes identified for the following two years.

Members were advised that a borrowing requirement of £9.507 million had been identified over the next four financial years, which would have an ongoing impact on the Council Tax. The current revenue cost of borrowing was between £45,000 and £55,000 for each £1 million that was borrowed.

In response to Members, the Assistant Director Finance clarified that the budget for sports facilities refurbishment was for refurbishment that the Council was responsible for under the existing Leisure Management contract.

The Strategic Director (MP) advised that, for technical reasons, all the elements of the track at the Arena had to be replaced and Members would be circulated with these reasons shortly.

The Scrutiny Committee - Resources supported the following for approval by Executive:-

- (1) the General Fund capital programme for 2013/14 as set out in Appendix 3 of the report; and
- (2) the HRA capital programme for 2013/14 as set out in Appendix 4 of the report.

(Report circulated)

## **5 Revenue Budget Proposals 2013/14**

The Assistant Director Finance presented the report outlining the strategic framework within which the estimates had been prepared and highlighted the issues that would affect the actual setting of the overall level of council tax. The provisional settlement from Government now indicated that in overall cash terms the Council's 2013/14 formula funding would decrease by £445,922 against the 2012/13 'adjusted' formula funding amount of £8,257,807.

Members were advised that the Council had received a reduction in funding of nearly 30% over the last three years and in the following three years the Council would need to reduce its revenue budget by £2.448 million.

Members discussed the proposal to increase council tax by £5 (4%). Whilst some Members supported this increase others were opposed.

The Assistant Director Finance clarified that increasing council tax by 4% would increase council tax revenue by £170,000.

The Scrutiny Committee – Resources noted the report and recommended to Executive to approve the Draft Revenue budget proposals for 2013/14, and recommended minimum level for the General Fund Working Balance was to remain at £2 million.

(In accordance with Standing Order No. 43, Councillors Baldwin and Crow requested that their vote against this recommendation be recorded)

(Report circulated)

**6 Treasury Management Strategy Report 2013/14**

The Assistant Director Finance presented the report seeking adoption by the Council of the Treasury Management Strategy Report, incorporating the Annual Investment Strategy 2013/14, as required under section 15(1)(a) of the Local Government Act 2003. He advised that the main change was to allow investments of £3 million to be undertaken on a short term basis (up to 3 months) or in a call account with the four main banking groups.

The Scrutiny Committee - Resources noted the report and recommended that the Executive recommend to Council, the adoption of the new Treasury Management Strategy and delegations contained therein.

(Report circulated)

**MATTERS FOR CONSIDERATION BY SCRUTINY COMMITTEE - RESOURCES**

**7 Non-Housing AIM Budget 2013/14**

The Assistant Director Finance presented the report detailing the work proposed to non-housing properties in order to maintain and service such buildings in 2013/14. The work financed from the Asset Improvement and Maintenance fund, referred to as AIM, was contained within the Council's overall revenue budgets.

The Scrutiny Committee – Resources noted the proposed budget of £1,420,120 for non-housing property repairs and maintenance.

(Report circulated)

**8 Resources - Estimates / Fees and Charges 2013/14**

The report advising of the draft Revenue Estimates, Capital Programme and proposed Fees and Charges for 2013/14 was submitted

In response to a Member, the Strategic Director advised that work was being currently undertake on the delivery and cost of the Council's IT Services.

The Scrutiny Committee – Resources noted the draft Revenue Estimates, Capital Programme and proposed Fees and Charges for 2013/14.

(Report circulated)

The meeting commenced at 5.30 pm and closed at 6.23 pm

Chair