

SCRUTINY COMMITTEE - RESOURCES

19 March 2014

Present:

Councillor Baldwin (Chair)

Councillors Ruffle, Brock, Bull, Dawson, Macdonald, Morris, Newby, Sheldon and Robson

Apologies:

Councillor Bowkett

Also present:

Chief Executive & Growth Director, Deputy Chief Executive, Assistant Director Finance, Corporate Manager Property, ICT Desktop Analyst (SR) and Democratic Services Officer (Committees) (SLS)

In attendance:

Councillor Rachel Sutton - Deputy Leader
Councillor Ollie Pearson - Portfolio Holder Enabling Services

11 **Minutes**

The minutes of the meeting held on 22 January 2014 were taken as read and signed by the Chair as correct.

12 **Declarations of Interest**

No declarations of discloseable pecuniary interests were made.

13 **Budget Monitoring (3rd Quarter)**

The Chair welcomed the new reporting style and acknowledged the combined efforts of the Financial Reporting Task and Finish Group. She also thanked the Assistant Director Finance and the Scrutiny Programme Officer, for their support and suggested contacting Anne-Marie if they had any more suggestions for further improvements to the report format.

The Assistant Director Finance presented the budget monitoring report, which advised Members of the material differences by management unit to the revised revenue budget. The current forecast suggested that the net expenditure for this Scrutiny Committee would increase from the revised budget by a total of £100,500, before transfers to and from reserves. The main deviations from the budget were set out in the report. It was agreed that more detail on the pension fund contribution process would be circulated. The Assistant Director Finance also updated Members on two areas of budgetary risk within the Scrutiny Resources revenue budget.

A Member complimented the Council's proactive response to recent changes in welfare reform, including the one view of debt initiative, which was now paying dividends in terms of improvements to the recovery rate and a lower rate of error. The Assistant Director Finance agreed there had been a significantly reduced overspend and the reduction in caseload was a testament to the efforts made by the Housing Benefit team. He also responded to a Member's comment on the inclusion of income from a commercial letting under the civic ceremonials budget confirming

that the cost centre detail would in future be included in the Commercial Property budget. The Corporate Manager Property would also circulate a response to a Member's request for details of the additional income gained from the feed-in tariff costs associated with the installation of solar panels at the Civic Centre.

Scrutiny Committee – Resources noted the report.

14 **Overview of Revenue Budget**

The Assistant Director Finance presented the report to advise Members of the overall projected financial position of the General Fund Revenue Budget and Housing Revenue Account after nine months, for the 2013/14 financial year. Members were advised of the main variances within the Scrutiny Committee's budgets, which showed a forecast overspend of £388,370 (3.2%) against a revised Service Committee net expenditure of £12,248,020, the Housing Revenue Account budget, outstanding sundry debt, debt write-offs and Creditor Payments performance. The Housing Revenue Account was likely to have an overspend relating to voids, reactive repairs and maintenance. They would continue to monitor the challenging area of homeless prevention, and a number of initiatives had attracted additional expenditure. A number of areas identified as a budgetary risk were listed in an appendix attached to the report.

The Assistant Director Finance responded to the following questions:–

- when the City Council took on a property through EXtralet, the Council's property management service, agreement was reached with the landlord to ensure that there was the appropriate standard at the beginning and end of the tenancy. If the property was returned in an unacceptable state, the City Council would intervene. Every effort was made to recover such costs wherever possible.
- that outstanding sundry debt was now being reviewed to ensure more cohesive management in the future.
- he would clarify the timeframe for reoccupation of void and abandoned properties.

The Scrutiny Committee - Resources supported the report and recommended approval by Council of the:-

- (1) General Fund forecast financial position for the 2013/14 financial year;
- (2) HRA forecast financial position for the 2013/14 financial year;
- (3) outstanding Sundry Debt position as at December 2013; and
- (4) creditors' payments performance.

15 **Capital Monitoring Statement to 31 December 2013**

The Assistant Director Finance presented the report to update Members on the current position in respect of the Council's revised annual capital programme and to advise Members of the anticipated level of deferred expenditure into future years.

The report also sought Members' approval to amend the annual capital programme in order to reflect the reported variations. The revised capital programme for the current financial year was £16.265 million. He responded to a number of comments including the enhancement programme of the Central Station forecourt. The Portfolio Holder for City Development referred to the cooperation between Devon County Council, Network Rail and the City Council and as the enhancement project had

finished slightly under budget it was now possible to complete the restoration of the Station building frontage.

Scrutiny Committee – Resources noted the current position in respect of the annual Capital Programme and recommended approval by Council.

16 **An Energy Neutral Council - A Renewables and Energy Efficiency Programme**

The Corporate Manager Property presented the report, which detailed the ongoing programme of renewable and energy saving initiatives. The programme would assist in the delivery of corporate priorities around improving the environment and maintaining the assets of the city, as well as providing essential income and long term savings to the Council. A number of energy saving initiatives had already taken place including solar photovoltaics or PV panels on the roof of the Civic Centre which had already exceeded anticipated energy savings by 32%. The report contained a financial summary of the Phase 1 programme, which was underway. Any projects not completed before April 2014 would be rolled forward and added to the programme for Phase II. Capital investment had been secured through borrowing and would provide significant long term savings and ultimately an income for the Council.

A Member referred to the increasing energy costs against a backdrop of a reducing workforce and whether the vacated office space should also be rationalised as a way of reducing consumption. The Corporate Manager Property advised that he had been tasked together with the Deputy Chief Executive and Assistant Director Finance to look at the rationalisation of the operational estate as the establishment was reduced. A Member sought more information on electricity charging points for vehicles and PV schemes in car parks. The Corporate Manager Property confirmed that a programme of new park and plug sites were being installed across Exeter, with the added incentive that the charging points were free to use.

Members congratulated staff on the innovative work achieved to date and wished the strength of their support to be recorded.

Scrutiny Committee – Resources noted the report and endorsed the proposed new initiatives and progress made to date to deliver renewable and energy efficient initiatives included in Phase 1 and Phase II of the pilot and recommended approval by the Executive of the following:-

- (1) authority to be given to the Corporate Manager Property, subject to prior consultation with the Portfolio Holder Enabling Services, Deputy Chief Executive and Assistant Director Finance, to approve delivery of further energy saving projects within the Capital Programme funding allocation, and
- (2) the outcomes of the programme be reported to Scrutiny Committee Resources on a regular basis.

17 **ICT Provision for Members**

The report of the Deputy Chief Executive was submitted, providing information and feedback from the recent pilot of the Leader and Portfolio Holders using iPad devices to access council emails, agendas and reports. The report also sought approval to proceed with the provision of iPads to all Members following the Local Elections on 22 May 2014. Training would be tailored to meet the needs of individual councillors, but at the very least would include the necessary compliance and security clearance. Steve Roach, the ICT Services Desktop Analyst attended the meeting and gave a

demonstration of the connectivity and uses of the iPad, as well as the City Council's Committee retrieval system ModGov which would enable Members to view and annotate Committee agendas and reports on the screen. Councillor Sutton spoke of her positive experience as part of the pilot project and thanked Steve Roach for his support.

A Member enquired whether there would still be an option to gain connectivity via Broadband as 3G access could be variable in parts of the city. The Deputy Chief Executive explained that Members would not be fixed to a particular provider. A Member welcomed the proposals and passed on this gratitude for the support given to him by the Council's ICT Services to him in recent weeks.

Scrutiny Committee – Resources supported the report and recommended to Council that:-

- (1) the current PC/Laptop solution be replaced with an iPad for all elected Members following the local elections on 22 May 2014;
- (2) all Council ICT equipment currently used by Members to be returned to ICT Services;
- (3) removal of the Members' current broadband allowance of £7.50pm, in favour of a 3G connection;
- (4) BlackBerry devices provided to the Leader and Portfolio Holders be replaced with a standard phone;
- (5) training for use of the iPads be provided to all Members;
- (6) the publishing of paper copies of meetings cease (only copies of the agendas will be provided at each meeting), subject to the appropriate legislation being in place;
- (7) existing PC and printing facilities located in the Members' Room in the Civic Centre be maintained; and
- (8) additional capital funding of £17,460 and an additional revenue budget of £2,225 to cover the additional costs be approved.

The meeting commenced at 5.30 pm and closed at 6.55 pm

Chair