

FINANCE AND ADMINISTRATION COMMITTEE held at 7.30 pm at COUNCIL OFFICES LONDON ROAD SAFFRON WALDEN on 27 JANUARY 2011

Present: Councillor R P Chambers—Chairman

Councillors J E N Davey, K L Eden, A Dean, D M Jones, A J Ketteridge, H S Rolfe, G Sell, A D Walters and P A Wilcock.

Officers in attendance: J Mitchell (Chief Executive), S Joyce (Assistant Chief Executive-Finance), C Roberts (Democratic Services Officer).

FA44 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors R Clover, T P Knight, R M Lemon and R D Sherer.

FA45 MINUTES

The Minutes of the meetings of the Finance and Administration Committee held on 25 November and 14 December 2010 were approved and signed as a correct record subject to the inclusion of Councillor Cheetham in the list of those present at the meeting on 14 December, and the inclusion in Minute FA 42 of that meeting, immediately before the resolution, of the following:-

“Councillor Wilcock proposed the adoption of option 4 in lieu of the recommended option 5 and Councillor Knight seconded the proposal which was put to the vote and lost.”

FA46 LEAD OFFICER'S REPORT

The Committee considered the report of the Assistant Chief Executive-Finance which referred to

- the Council's website Transparency page which had received several hundred hits. The Council had been one of the first to publish such a page and it had been described as a model of good practice by the Department of Communities and Local Government.
- the emerging Revenues and Benefits Partnership;
- the timetable for the Budget and Council Tax Setting;
- progress with procurement improvement. The Assistant Chief Executive-Finance informed the meeting that Improvement East specialists would be helping the Council with procurement cards and solutions used by other councils.

Councillor Rolfe thought the OGC Framework with the support of a major bank provided attractive terms; and that there was more expertise there than in Improvement East.

The Chairman mentioned, since declarations of interest had not been invited earlier, that it was open to Members to declare these at any time during the progress of the meeting.

- Budget training for Members;
- an update on the Pension Fund funding strategy consultation;
- trends in relation to the Benefits caseload. In this context Councillor Dean said he had spoken to the Benefits Section about a problem of tardy handling of a housing benefits claim, which had left his constituent with no money since Christmas. He asked whether there was an underlying problem in view of the reported increase in caseload.

Councillor Chambers asked that the Chief Executive investigate this matter, but Councillor Dean said he had already referred it to the Divisional Head of Customer Support and Revenue Services.

Councillor Sell drew attention to the increase in caseload of 30% since March 2008 and asked whether the resources were adequate to deal with this.

Councillor Ketteridge and the Chief Executive said that no complaints of delay had been received in Benefits and all relevant vacancies had been filled. The Chief Executive added that officers were mindful of the need to keep the benefits service operating through the economically challenging times.

Councillor Rolfe reminded Members that the Performance Select Committee had been concerned about the accuracy of benefits work and that there had been improvements since then.

The Assistant Chief Executive-Finance explained that the Budget Strategy imposed a duty to provide adequate resources for the service; investment had been made and the relevant work was now achieving percentage accuracy well into the nineties.

- progress with the Asset Management Plan and Register;
 - the conduct and results so far of the Single Persons Discount Review.
- Councillor Dean wished to know the total amount of discount given by the Council under this head. The Assistant Chief Executive-Finance agreed to circulate the information after the meeting.

Councillor Wilcock asked whether there were any penalties imposed in connection with the review and the Assistant Chief Executive-Finance explained that the Council took account of voluntary admissions but could pursue a penalty.

RESOLVED that the report of the Assistant Chief Executive-Finance be noted.

DRAFT CORPORATE PLAN 2011-2016

The Committee considered the draft Corporate Plan for the next five years, presented by the Chief Executive. He explained that the Plan sought to preserve the Council's four priorities of finance, partnership, people and environment whilst embracing the new Government's reductions in public spending and concepts of localism, partnerships and the Big Society. Comments had been taken into consideration from Councillor Dean's Skills and Learning Group.

The Committee considered the Plan in detail. Points were made and questions were asked as follows:-

- LSP* Councillor Dean asked for clarification on the proposed review of "Uttlesford Futures". The Chief Executive said that with the withdrawal of the funding for all the working groups, the Local Strategic Partnership faced structural change; partnership negotiation had begun with authorities at Epping and Harlow.
- Councillor Rolfe felt that although there was perhaps no future for the LSP, there was a place for joined up community outcomes through consultation and dialogue. Councillor Chambers felt that partnerships would be essential, but that hopefully some benefit to the residents would arise from them.
- Facilitator* Councillor Sell felt it was important for the public to be educated to appreciate that the Council was moving towards being a facilitator rather than a provider. Some residents felt they were unable to influence anyone. Councillor Ketteridge replied that in an Essex wide survey the Council had been highly rated as a place where residents felt they could influence decisions.
- Targeting* Councillor Wilcock felt there should be tighter targeting of aims, closer definition of what the Council was trying to achieve e.g. set a target for the percentage of variance from budget.
- Devolution* Councillor Sell welcomed the devolution of services, citing p 21 "To open a new CIC in Stansted" and p 24 "To develop the Community Area Forums in conjunction with Uttlesford Futures". He felt December 2012 would be good timing for the CIC.
- Affordable Housing* Councillor Dean referred to p 22 "Housing Stock" and asked that £2.6 million of the Stansted Area Housing Partnership monies be used to provide affordable housing in the District rather than mere warm words. The Chief Executive referred to the ongoing plans for affordable housing (on pages 28 and 29) which might however be revisited by a new administration after the May election.
- Museum* Councillor Dean referred to p 23; the date for the Museum sustainable business model had been changed from 2010 to 2015. An appropriate change to the word

"establish" was therefore needed. The Assistant Chief Executive-Finance commented that the Medium Term Financial Strategy sought to taper the Council's contribution to Museum costs over this period.

Culture of Organisation In answer to a question from Councillor Dean the Chief Executive said that the cultural change looked for was something in which all staff were currently being trained, a continuous process of improvement, but one which might be revisited by a new administration after the May election.

Scrutiny development Councillor Dean referred to the need to develop the scrutiny function to meet the needs of the projected cabinet system and the Chairman and Chief Executive agreed that the wording of the Plan should be altered to reflect this.

Stansted Airport Councillor Dean also referred to the entry in the Plan for Stansted Airport stressing the importance of relations with the community. The Chief Executive agreed to raise this with Mr Barton at the next meeting.

Economic Development Councillor Dean hoped there was agreement on the way forward.

Home Energy Climate Change Councillor Dean thought the Plan could be made more positive by including targets and research into the possibility of generating renewable energy and thereby making money.

Environment management Councillor Dean asked that Environment management include consideration of glass recycling and garden waste collection with both of these being included in the Plan. The Chief Executive requested the guidance of the Committee on this matter.

LSP Groups Councillor Walters referred to the Council's responsibilities under the Crime and Disorder Act and asked that more emphasis be given to this and more effective action be taken as well as closer liaison with local communities.

(Councillor R P Chambers declared a personal interest in so far as he was Chair of the Essex Police Authority)

Councillor Ketteridge described this aspect of the LSP activities as a "work in progress".

Councillor Rolfe asked for the following amendments to be considered.

PCTs Page 3 paragraph 6 add the new title "Health and Well-being Boards"

- “People”* Page 6 ensure all parts of the Community are catered for rather than placing emphasis on children.
Page 14 add “Citizens’ panel” to “What we achieved in 2010-11”.
- Procurement* Page 18 include a reference to value for money.
- Asset Management* Page 18 include a reference to implementing the plan.
- Fee Services* Councillor Rolfe raised a question about fees for pest services (Page 19) and it was noted that this matter had been reviewed thoroughly recently.
- Day Centres* Councillor Dean asked for an item to be included in the Plan under the heading Review of Day Centres containing an assurance that the outcome of the recent review would happen in 2011. The Chief Executive explained that this formed a part of the Housing Strategy and said he would add it to the Corporate Plan.

RESOLVED that the Draft Corporate Plan be noted and that Members advise Officers of any changes prior to the presentation of the plan to the next meeting of the Committee alongside the Budget and Medium Term Financial Strategy.

FA48 **2010/11 BUDGET MONITORING REPORT – F & A COMMITTEE**

The Committee considered the detailed report prepared by the Assistant Chief Executive – Finance which set out financial performance for the period April to November 2010 and a forecast outturn to the end of the financial year. The Committee’s General Fund expenditure was forecasted to end the year with a net favourable variance of £375,000 and capital schemes were forecasted to end the year with a net favourable variance of £523,000. The information in the report had been collated into a report covering the Council’s corporate financial position to be received by the Committee later on in the agenda. The Assistant Chief Executive – Finance added that the Committee’s expenditure remained well within its means.

In answer to a question from Councillor Sell the Chief Executive gave an account of the activities of the Interim Change Manager in the areas of workforce development, succession planning and corporate development all of which had been highlighted by the Audit Commission as in need of attention. This had been a valuable service to the Council. A review of the role would take place in March.

RESOLVED that the report be noted and approved.

FA49 **2010/11 BUDGET MONITORING REPORT – CORPORATE**

The Committee considered the report of the Assistant Chief Executive – Finance which detailed financial performance relating to General Fund, Housing Revenue Account, Capital Programme and Treasury Management. It was based upon actual expenditure and income from April to November and forecasts for the end of the financial year. The Assistant Chief Executive – Finance added that the Council's financial position would be materially affected by the decision, expected imminently, in the Landsbanki court case currently in process in Iceland.

He set out, in answer to Members' questions, reasons for the variances.

Councillor Dean made a proposal which was seconded and put to the vote but lost, that the Council should use money from the £24,000 Business Improvement Team saving to invest in an energy saving initiative of a type which would earn money for the Council.

Other Members felt that Councillor Dean's proposal was premature, and Councillor Chambers considered that May would be the time for such suggestions.

Councillor Jones asked whether it would be possible to renew the Energy Efficiency loan and the Assistant Chief Executive – Finance agreed to research this.

The Assistant Chief Executive – Finance also answered questions on management of deposited balances and described in detail the constraints, legal and chronological, which limited the Council's choices in these matters.

Councillor Ketteridge thanked the Assistant Chief Executive – Finance for his explanations which Councillor Ketteridge felt were as transparent as the Council had ever received.

RESOLVED that the report be noted and approved.

FA50

2011/12 F&A COMMITTEE FEES AND CHARGES

The Committee considered the report of the Assistant Chief Executive-Finance on the Council's fees and charges for the coming financial year.

The Assistant Chief Executive – Finance answered questions from Councillor Dean about parking income, adequacy of lines and signing in some car parks and the reasons for offering the Rotary Club preferential room hire fees for their school leavers mock interview service. In answer to a question from Councillor Rolfe he agreed to ask the responsible service manager to explain particular aspects of the provision of accommodation for the Registrar.

RESOLVED that the Committee's proposed fees and charges set out in the Appendix to the report be approved.

FA51 **2011/12 F&A COMMITTEE BUDGET**

The Committee considered the report prepared by the Assistant Chief Executive-Finance regarding the Committee's Revenue Budget and were alerted to changes involved in the proposals.

The Assistant Chief Executive – Finance outlined significant issues and answered Members' questions.

Councillor Dean asked the Assistant Chief Executive – Finance to confirm after the meeting that the subscriptions savings listed in paragraph 20 of the report represented money which had not been used previously.

Councillor Dean again stated the need for expenditure on scrutiny.

The Chief Executive stated that the cost neutrality of the new governance arrangements would be assumed until it could be assessed in operation.

In answer to a question from Councillor Wilcock the Assistant Chief Executive – Finance confirmed that the Finance Service budget was sufficient to enable additional zero based budgeting in future.

RESOLVED to approve the Finance and Administration Committee 2011/12 revenue budget as set out in Appendix A.

FA52 **2010/11 – 2015/16 F & A COMMITTEE CAPITAL PROGRAMME**

The Committee considered the report of the Assistant Chief Executive-Finance and the Principal Accountant setting out the 2011/12 capital programme, which would be subject to final determination by the Council on 24 February. The Committee was reminded that all committees' capital programmes would be collated and reviewed by the Finance and Administration Committee on 8 February ahead of final determination.

The report also provided an indicative programme for the years 2012/13 to 2015/16. This would be subject to continuous review and a rolling annual approval by the Council. Items in the indicative programme were subject to change. In particular, the amount of expenditure indicated for a new depot, and its timing, was subject to a number of variable factors.

The Assistant Chief Executive – Finance drew attention to the web site investment which should result in some cost savings.

At the request of Councillor Dean the Chief Executive updated the meeting on the work now being completed at the glazed link.

RESOLVED to:

- 1 approve the 2011/12 capital programme as set out in Appendix A.
- 2 note the indicative capital programme for 2012/13 to 2015/16 set out in Appendix A.

FA53 **ANTI-FRAUD POLICY ANNUAL REVIEW**

The Committee considered the report of the Assistant Chief Executive-Legal inviting Members to undertake the annual review of the Council's policy regarding imposition of particular sanctions for benefit fraud.

RESOLVED to endorse the existing policy.

FA54 **CONSIDERATION OF A REPORT REFERRED TO THE COMMUNITY AND HOUSING COMMITTEE (20 JANUARY 2011)**

This item was withdrawn pursuant to the decision of the Community and Housing Committee on 20 January 2011.

The meeting ended at 9.22 pm.