

EXECUTIVE

Excerpt of the Minutes of the meeting held on Wednesday 14 November 2012 at the Town Hall, Royal Leamington Spa at 6.00 pm.

PRESENT: Councillors Caborn, Coker, Cross, Mrs Grainger, Hammon, Mobbs, Shilton and Vincett.

ALSO PRESENT: Councillor Boad (Liberal Democrat Group Observer), Councillor Barrott (Labour Group Observer), Councillor MacKay (Independent Group Observer), Councillor Gifford (Chair of Overview and Scrutiny Committee) and Councillor Mrs Knight (Chair of Finance & Audit Scrutiny Committee).

In the absence of the Leader of the Council, the Deputy Leader, Councillor Caborn, chaired the meeting.

81. **DECLARATIONS OF INTEREST**

There were no declarations of interest made in relationship to the minutes below.

PART 1

(Items on which a decision by Council is required)

83. **BUDGET REVIEW TO 30TH SEPTEMBER 2012**

The Executive considered a report from Finance that explained both the 2012-13 Budgetary position and also the financial forecasts for the Medium term. Also included were a number of changes to the budgets which required approval.

Members received quarterly budget reports and this was the second of those reports in the financial year 2012/13. The existing General Fund service expenditure position was a projected underspend of £465,000 compared to the latest 2012-13 budgets. Section 7 of the report discussed the main reasons for the surplus in more depth.

Appendix B to the report, along with section 7.8 of the report, detailed the changes to the Contingency Budget, Appendix A showed the favourable changes in excess of £350k and Section 7 of the report enabled members to understand why the amendments were necessary.

Appendix C updated Members on the Capital Programme Budgets and relevant changes to the programme as well as further changes which had been identified by managers and Appendix D detailed the Councils reserves as of October 2012.

The appendices detailed as E1 to E3 outlined the alterations in Fees and Charges that separate departments of the Council charged for services. These included amendments to the existing Neighbourhood Services and Licensing fees and an opportunity to generate additional income through Street Naming and Numbering.

One of the key elements of Fit For the Future was ensuring that the Council achieved the required savings to enable it to set a balanced budget whilst maintaining service provision. This report updated Members on the financial projections for future years, savings required and some of the key issues needed to be considered in preparing the 2013-14 budget and beyond.

An alternative option was not to report Executive regularly but considering the current financial climate, officers felt it was imperative to ensure members were kept fully informed of budgets being reviewed, monitored and reported on.

Alternatively, the Council could revert to its previous practice of deferring making such changes until December when the new-year budgets were considered. However, this would mean that the budgets were not up-to-date and were irrelevant for managers to monitor. The final alternative option was not slipping capital to the correct year, in which it was intended to be spent, making monitoring of projects difficult. Members would not have relevant, up to date information from which they could make decisions about capital projects and funding.

The Finance & Audit Scrutiny Committee supported the recommendations, whilst asking a number of questions in relation to specific elements of the report. Some dissatisfaction was expressed over the running down of the Equipment Renewals Reserve. Members noted that the procurement process for St Mary's Lands was currently underway.

The Head of Finance agreed to investigate whether or not Warwick Boxing Club had been given the £10,000 allocated to them, to ascertain whether the supplier of the chairs which had recently been withdrawn from use in the Town Hall had been informed that the chairs were not fit for purpose and to investigate what had happened to the large table from room 18.

The Portfolio Holder for Finance, Councillor Mobbs addressed the committee and advised he was confident that using the lean systems theories and working with officers to keep pressures heightened, would ensure continuity with savings.

Councillor Mobbs thanked the Finance and Audit Scrutiny Committee for their comments and assured them that the Equipment Renewal Reserve would be closely monitored, whilst looking five years ahead.

Councillor Boad enquired as to the plans in place to help the Council achieve a 0% increase in Council Tax bills next year.

In response, Councillor Mobbs felt it would be advisable to wait for the Budgetary report in December so that further forensic work could be carried out, which he hoped would help deal with any 'nasties' that may occur over the next 12 months.

Councillor Mobbs requested that the Executive's gratitude be passed to all departments for their support in maintaining tight budgets and congratulated the officers involved in generating new income opportunities for the Council.

Having read the report the Executive agreed the recommendations as written.

RECOMMENDED that

- (1) the budget position for the current year for the General Fund, currently £465,000 surplus, be noted;
- (2) the Contingency allocations already approved under the Head of Finance's delegated authority, be noted, the purchase of replacement chairs for the Town Hall be approved from this budget and the balance remaining in this account be noted;
- (3) the Budget Changes in Appendix A, the most significant of which are discussed in this report, be agreed;
- (4) the latest position on the Capital Programme be noted, and the Budget Changes (Capital) in Appendix C and the change in the HRA budget, shown in paragraph 7.6, be approved;
- (5) the latest progress towards meeting the Fit for the Future Targets, be noted;
- (6) the amendments to the Fees and Charges for 2013-14 as shown in this report, be approved;
- (7) the charging proposals for Street Name and Numbering, which could generate additional income for the Council from 2013-14, be approved.

(The Portfolio Holder for this item was Councillor Mobbs)
(Forward Plan reference 401)

84. COUNCIL TAX SUPPORT

The Executive considered a report from Finance which provided members with details regarding the outcome of the Council Tax Support consultation

which ended on the 19 October 2012 and provided an update on a recent Government announcement on an additional Council Tax Support Grant for 2013/14.

Following an August Executive Report, four options for changes to the Council Tax Support scheme from 1 April 2013 were consulted upon. The public consultation over the Council's proposed Council Tax Support scheme closed with 706 responses received and summary of these were included in paragraph 3.1 of the report.

Details of the four options were included in Section 7 of the report and officers recommended that Option Four be accepted as the Council's support scheme for 1st April 2013 to 31st March 2014.

Officers felt there was logic in this preferred option, which was to maintain the existing scheme for 2012/14 because it offered a number of advantages including reducing confusion for claimants and benefitting the County Council and Warwickshire Police Authority.

There were three alternative options available as detailed in Section 7 of the report, however, Option 1 would not make the required savings and Options 2 and 3 would have financial impact on the working age claimants. Option 4 would involve making no changes and adopting the current scheme in its entirety.

The Head of Finance explained that, in light of a one off financial incentive from central government which would significantly benefit the District, the organisation had reappraised its preferred option and was now backing option 4 rather than option 1. The Finance & Audit Scrutiny Committee supported the recommendations in the report but suggested that when the Council went out to consultation again, it should explain the reasons for the change of approach so as not to lose credibility.

The Portfolio Holder for Finance, Councillor Mobbs, agreed with the scrutiny committee's comments and assured members that consultation would cover all the concerns raised.

Having read the report the Executive,

RECOMMENDED that members accept Option 4 as the Council's support scheme for 1st April 2013 to 31st March 2014 and continue with a council tax support scheme based on the current council tax benefit scheme.

(The Portfolio Holder for this item was Councillor Mobbs)

(Forward Plan reference 440)

85. **THE COMMUNITY RIGHT TO BID**

The Executive considered a report from Development Services that advised Members of the implementation of the section of the Localism Act 2011 relating to Assets of Community Value and sought authority for setting up the list of assets and related processes. This part of the Localism Act was known as the "Community Right to Bid".

The relevant statutory provisions came into force on 21st September 2012 meaning that the Council was required to consider all nominations that it received for Assets to be placed on the List of Assets of Community Value.

The Localism Act and the Community Right to Bid required the District Council to maintain a list of assets of community value. There was no prescribed form, but the list must be available for public inspection without charge and the Council must maintain a list of unsuccessful nominations.

Nominations for inclusion on the list must be made by a voluntary or community body with a local connection and Warwick District's nomination form was attached at Appendix 1 to the report.

The report also requested that authority be delegated to the Head of Neighbourhood Services to conduct listing reviews and compensation reviews in respect of assets of community value and consider and decide any review of listing, or compensation.

The Overview and Scrutiny Committee supported the recommendations but felt that recommendations 2.2 and 2.3 should be amended to include the appropriate Portfolio Holder and Shadow Portfolio Holders in the delegation. They therefore made a formal recommendation to the Executive to amend recommendations 2.2 and 2.3.

The provision and maintenance of a List of Assets of Community Value was a statutory requirement and therefore there were no alternative options.

The Portfolio Holder for Development Services, Councillor Hammon endorsed the report and gave assurances to the Overview and Scrutiny Committee that the Portfolio Holder would be liaised with, as per paragraph 3.7 of the report.

The Deputy Chief Executive, Andrew Jones, addressed members and advised that ordinary delegations of this type were made to officers and included Portfolio Holders for added security.

Councillor Mobbs agreed with this approach and highlighted that it was not regular practice to stipulate inclusion of the Shadow Portfolio Holders. He felt that paragraph 3.7 covered the necessary details and proposed that the recommendations be agreed as per the report.

The Deputy Leader, Councillor Caborn, thanked the Overview and Scrutiny Committee for their recommendation but advised that it would not be accepted because paragraph 3.7 detailed the relevant parties to be liaised

with and sticking to current form and practice was the best option, to avoid complicating the delegation further.

Having read the report the Executive,

RECOMMENDED that

- (1) the section of the Localism Act related to the Community Right to Bid, which came into force on the 21st September 2012, be noted;
- (2) authority be delegated to the Head of Development Services to:-
 - maintain the List of Assets of Community Value and list of unsuccessful nominations;
 - consider and decide the technical correctness of nominations for inclusion of assets on the list; &
 - consider & decide, in consultation with the Development Services Portfolio Holder, the merits of nominations for inclusion of assets on the list.
- (3) authority be delegated to The Head of Neighbourhood Services to:-
 - conduct listing reviews and compensation reviews in respect of assets of community value; &
 - consider & decide any review of listing, or compensation;
- (4) the scheme of delegation be amended accordingly; and
- (5) Government has given this Council "New Burdens" monies and the transfer of this to reserves, be approved

(The Portfolio Holder for this item was Councillor Hammon)
(Forward Plan reference 459)