NORWICH City Council

MINUTES

SCRUTINY COMMITTEE

16:35 to 18:35 **7 February 2013**

Present: Councillors Stephenson (chair), Manning (vice chair), Brimblecombe, Button, Galvin, Gee, Grenville, Howard, Sands (M), Stonard, Storie

Apologies: Cllr Bradford

1. PUBLIC QUESTIONS

None

2. DECLARATIONS OF INTEREST

No declarations of interest were received.

3. MINUTES

RESOLVED to approve the accuracy of the minutes of the meetings held on 10 January 2013

4. CORPORATE PLAN 2012 - 2015

The executive head of strategy, people and democracy presented the report. He emphasised that the role of the scrutiny committee was to look at the elements within the corporate plan and to make any recommendations to cabinet to include anything not already reflected in the plan. He also introduced the extra papers circulated at the meeting which were further break downs of figures and some updated figures. He clarified that the information given at the all members briefing on the budget was included in the agenda as background information only.

The chair asked for recommendations from the committee on the corporate plan. A member suggested that the words “low carbon” be added to the council priority “to provide value for money services.” The members took a vote on this recommendation with five members in favour and six against.

During discussion members asked the policy and performance manager to undertake a piece of work to determine the how tonnage of residual waste could be measured.

RESOLVED:

a) to ask cabinet to include a recycling waste performance measure based on the reduction of tonnage of residual waste;

b) to include the number of people using community centres as a performance measure under the heading City of character and culture.

5. GENERAL FUND REVENUE BUDGET AND CAPITAL PROGRAMME

The deputy leader of the council presented the report. He reminded the committee that cabinet were looking for comments on the ability of the budget to carry out the actions within the corporate plan. The chief finance officer talked the committee through the report in more detail. She drew the member's attention to the new funding system in place which was more dependent on business rates collected by the council. She said that Norwich city council collected business rates on behalf of other organisations which was why the figure that was paid out by the council was bigger than the amount the council retained.

A member started a discussion on recommendation 8 of the report and asked for some clarification surrounding this. The deputy leader of the council and the executive head of people, strategy and democracy explained that council would set the budget for the year and the function of cabinet was to decide how the money was used. The deputy chief executive added that officers needed to ensure that services were delivered and would need to be flexible, therefore would need to have delegated authority. He reminded members that if there was no delegated authority then each decision would need to be brought before cabinet. There would be no loss of accountability with the delegated authority being granted as the portfolio holder would have to agree the details and the decisions were published on the council's website. The executive head of people, strategy and democracy explained that there was no longer a formal board to agree these decisions as the arrangements had been streamlined but that the key people were still involved in those decisions. The executive head of business relationship management reminded the committee that if any matters needed to go to the tender process, anything with a value of more than £177,000 must go back in front of cabinet.

In response to a question from a member, the deputy leader of the council explained that the medium term financial strategy was updated every year to avoid pitfalls in the future. The executive head of people, strategy and democracy explained that a business planning process ran alongside the budget planning process and each service was asked to look at their targets; budget pressures, staffing requirements etc and this was fed into the budget planning.

A member questioned the spending shown on transport and asked for a further breakdown of these figures. The finance manager stated that this would include the use and maintenance of pool cars, taxis and members mileages claims but confirmed he would circulate a complete breakdown of the figures to the committee.

Responding to a further question, the deputy leader of the council explained the figure shown for the disposal of community assets was the minimum figure expected from the disposal of assets with significant maintenance costs, high repair liability and low rental income. This money would be re-invested into purchasing new assets with a good income stream and low repair liabilities.

RESOLVED that:-

(a) the scrutiny committee endorses the report and is content that cabinet recommends to council for the 2013 - 14 financial year:

i) the Council's Budgetary Requirement be set to £20,616,854 and that the budgets set out in paragraph 6.3 are approved, taking into account the savings, income and other budget movements set out in the report.;

ii) the prudent level of reserves for the council is set at £4.35 million in accordance with the recommendation of the Chief Finance Officer;

iii) the Council's Council Tax Requirement is set at £7,477,494 (as per circulated changes);

iv) Council Tax should be set at £230.27 for Band D, which is an increase of 1.95%;

v) the precept of the collection fund for 2012/13 is calculated in accordance with Sections 32-36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011 as per the statutory determination at Appendix 3;

vi) the Non-Housing Capital Plan 2013 - 14 to 2017/18 should be as set out in paragraph 9.6, and the non-housing capital programme 2013 / 14 should be as set out in paragraph 10.3 of the report.

vii) cabinet delegates to the Deputy Chief Executive (Operations), in consultation with the Deputy leader and resource portfolio holder, the authority to agree the asset maintenance programme and the final scheme details, including any adjustment to the financial allocations of the section 106 works, provided that this investment is contained within the total budgetary provision shown in Table 10.3;

and

b) that the finance manager circulates a breakdown of the transport costs in the budget to scrutiny members.

6. HOUSING RENTS AND BUDGETS 2013 - 14

The chief finance officer presented the report and reminded the committee that this was a separate account relating to the council as a landlord but still looked at the resources available to the council. She brought attention to the additional data circulated at the meeting which showed updated figures.

Members discussed whether there was any flexibility in the budget to make whole house improvements a priority due to less affordable housing being built.
(Councillor Button left the meeting at this point.)

The finance control manager explained that the housing business plan was focused on making improvements to the housing stock although there was some flexibility in which works could be brought forward.

A member asked for further clarification on the renewable energy programme. The deputy chief executive explained that the council had some partnership funding for renewable works and also had significant investments in energy conservation projects such as new boilers and windows for housing stock. He said that the council had looked at ways of generating income through renewal energy but had encountered problems such as leasing roof space of tenanted houses.

RESOLVED :

(a) that the scrutiny committee endorses the report and are content that cabinet recommends, notes and approves the following to council:-

i) to recommend to council the Housing Revenue Account budgets set out in paragraph 3 and appendices 1 and 2.

ii) To recommend to council the council housing rent increase set out in paragraph 26 and appendix 3.

iii) To note that service charges will be determined under delegated powers in compliance with the constitution, as set out in paragraph 41.

iv) To recommend to council the prudent minimum level of housing reserves set out in paragraph 63 and appendix 4.

v) To recommend to council the housing capital plan set out in paragraph 69.

vi) To approve (or recommend to Council for approval) the housing capital programme set out in paragraph 71;

and

b) to ask for a report to go to the sustainable development panel looking at income generation surrounding renewable energy.

CHAIR