

Minutes of the meeting of the **Member Budget Monitoring Sub-Committee** on **16 January 2002** when there were present:

Cllr Mrs J Helson – Chairman

Cllr D R Helson  
Cllr R E Vingoe  
Cllr P F A Webster

### **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllr G Fox.

### **SUBSTITUTES**

Cllr P D Stebbing.

### **OFFICERS PRESENT**

P Warren	-	Chief Executive
R J Honey	-	Corporate Director (Law, Planning & Administration)
R Crofts	-	Corporate Director (Finance & External Services)
D Deeks	-	Head of Financial Services
J Bostock	-	Principal Committee Administrator

### **157 MINUTES**

The Minutes of the meeting held on 12 December 2001 were approved as a correct record and signed by the Chairman.

### **158 OUTSTANDING ISSUES**

The Sub-Committee received the schedule relating to decisions.

Outstanding Issues would be carried forward.

### **159 COST OF GOVERNMENT INITIATIVES**

The Sub-Committee considered the report of the Head of Financial Services on the cost of Government Initiatives for the Financial Year 2001/02 and 2002/03.

During debate it was noted that Best Value outcomes often overlapped with service improvements to be introduced in any event. Whilst statute did not necessarily prescribe minimum service levels, there could often be various consequences associated with inadequate provision, such as the withdrawal of funding or involvement by other agencies.

The Sub-Committee expressed some concern at the resultant costings. From current indications Government financial support would be disproportionate to the Council's costs. There remained a sense that initiatives were imposed on local authorities who were required to act as agents for the Government.

#### **160 MANDATORY AND DISCRETIONARY SERVICES**

The Sub-Committee considered the report of the Head of Financial Services on services that are mandatory and discretionary.

It was recognised that there are a number of difficulties in being prescriptive about whether a service is mandatory or discretionary. A key consideration was the new power to promote well being, which set out objectives for the promotion or improvement of the economic, social and environmental well being of an area. Pending legal challenge, it could be regarded that services such as economic development and leisure and recreation provision fell within the definitions of the Act and should be treated as statutory.

Reference was made to the likelihood that, notwithstanding the statutory position, the public had expectations about which services their local authority should provide. The Chief Executive referred to the need for the Council to consult the public on the broader objectives of the authority and to the possibility that weighting which the public gave to various services could be ascertained via such consultation. Members agreed that this would be a valuable exercise.

#### **161 UPDATE ON ISSUES RELATING TO THE REVENUE BUDGET AND CAPITAL PROGRAMME**

The Sub-Committee considered the report of the Head of Financial Services on issues relating to the Revenue Budget and Capital Programme. The report set out budget strategy models for tax increases of 6%, 8½% and 10%.

The following bid, received from the Labour Group, was tabled by the Head of Financial Services:-

- (a) Refurbishment of Hullbridge public toilets to a vandal-resistant standard.
- (b) Refurbishment of the Hullbridge Pavilion toilets to a vandal-resistant standard, subject to officers reports. Times of operation will also need to be considered.
- (c) Refurbishment of Great Wakering public toilets to a vandal-resistant standard when resources permit.
- (d) Explore the provision of a Noise Abatement Officer for the District, subject to the outcome of the Environmental Health Department Best Value Review.
- (e) To investigate the funding and implementation of a feasibility study to provide off-road cycle provision within the District for health and recreation purposes. Subject to any existing reports that are available and if required in conjunction with the County Council.
- (f) The changing of the two vacant properties in Rochford Garden Way into two 1-bedroom properties to fulfil an identified need."

With regard to noise abatement, the Labour Group had identified that there may be possibilities for considering a shared service with an appropriate neighbouring authority and that a key aspect would be facilitating cover for times when problems are significant, such as at weekends.

During discussion of the bid, officers advised that:-

- a survey in respect of disabled facilities which includes Hullbridge Pavillion had just been concluded and would be reported to Members.
- Noise abatement was likely to be included as part of the 2002/3 Public Protection Best Value Review. The review is likely to reach conclusions by the Spring of 2003.
- It would be of value to identify the County Council's current priorities/ proposals as they relate to off-road cycle provision, including funding mechanisms.

- To date, Officer work on the vacant properties in Rochford Garden Way was establishing that residential use was likely to be a recommended option.

During discussion of the various tax models, Officers advised that:-

- Technically, a maximum of £600,000 could be transferred to revenue from the Capital Programme although capital schemes would need to be deleted.
- Notwithstanding the tax which may be set for 2002/3, the models have been produced on the assumption that tax for remaining years would be at 6%.

The Corporate Director (Finance & External Services) advised that, due to the gearing position, a 1% increase in budget could represent a 2% increase in tax. When a budget exceeds inflation, there is immediate pressure on balances. The key value of a 3 year rolling budget is that potential problems can be identified. The Council's general fund balance of £650,000 remained below the recommended Audit Commission threshold of 10%-20% of net revenue expenditure. This position was not necessarily problematical if there is a budget strategy reserve. However, there is a need to be more cautious when there is only a general fund working balance. The Corporate Director confirmed that he would suggest a tax figure of 10% for 2002/03. This would virtually balance the budget for that year. Certainly, within the current regime, the Authority needed to consider an increase of more than 6%.

During debate, the Sub-Committee concurred with the observations of a Member that it is important to be mindful of avoiding a financial position which puts the Council at risk in future years. The approach should adequately protect balances whilst retaining services/minimising tax levels. It was observed that, notwithstanding the setting of a reasonable tax level, the identification of any savings was important.

### **Exclusion of the Press and Public**

#### **Resolved**

that the press and public be excluded from the meeting for the remaining business on the grounds that exempt information as defined in paragraph 9 of Part 1 of Schedule 12A of the Local Government Act 1972 would be disclosed.

**162 BUDGET STRATEGY MODELS AND THE LEISURE MANAGEMENT CONTRACT**

The Head of Financial Services tabled further budget strategy models which have been revised to take account of the various outcomes currently associated with the renewal of the Council's Leisure Management contract. The models expanded on the information already set out in the exempt report of the Corporate Director (Finance & External Services) submitted to Extraordinary Council.

The Sub-Committee concurred with the view of a member that Officers should be thanked for their work in providing such informative documentation.

The meeting commenced at 6.00pm and closed at 7.41pm.

Chairman: \_\_\_\_\_

Date: \_\_\_\_\_