

Minutes

of a meeting of the

Scrutiny Committee

held at 7pm on Thursday 16 February 2012

at the Abbey House, Abingdon



Open to the public, including the press

Present:

Members: Councillors Jim Halliday (Chair), Melinda Tilley (Vice-Chairman), Eric Batts, Andrew Crawford, Jane Crossley, Charlotte Dickson, Jason Fiddaman, Bill Jones, Julie Mayhew-Archer, and Fiona Roper

Substitute member: Councillor Dudley Hoddinott (in place of Councillor Tony de Vere)

Non-participating members: Councillors Matthew Barber, Jenny Hannaby, and Richard Webber

Officers: Steve Bishop, Steve Culliford, William Jacobs, Anna Robinson, and Bob Watson

Number of members of the public: Nil

Sc.77 Notification of substitutes and apologies for absence

The committee noted an apology for absence from Councillor Tony de Vere, who appointed Councillor Dudley Hoddinott as his substitute.

Sc.78 Minutes

RESOLVED: To adopt the minutes of the committee's meeting held on 26 January 2012 as a correct record and agree that the chair signs them, subject to the following amendment:

- In minute Sc75 on the garden waste service, in the penultimate sentence of the third paragraph, amend the wording to read 'this was the basis of the Cabinet member decision'.

Sc.79 Declarations of interest

Councillors declared the following interests on the budget 2012/13 item:

Councillor	Interest	Details
Charlotte Dickson	Personal	She was a Wantage Town Councillor
Jim Halliday	Personal	He was a trustee of the Albert Memorial Trust
Jason Fiddaman	Personal	He was an Abingdon Town Councillor

Councillor	Interest	Details
Julie Mayhew-Archer	Personal	She was an Abingdon Town Councillor
Fiona Roper	Personal	She was a Wantage Town Councillor

Sc.80 Urgent business and chair's announcements

None

Sc.81 Statements, petitions and questions from the public relating to matters affecting the Scrutiny Committee

None

Sc.82 Budget 2012/13

The committee considered report 69/11 of the head of finance, which set out the Cabinet's budget proposals for 2012/13. These consisted of the revenue budget for 2012/13, the medium term financial plan to 2016/17, the capital programme to 2016/17, and the prudential indicators. Together they formed the Cabinet's budget recommendation to the Council on 22 February. The committee considered the proposals and raised questions with the Cabinet member for finance, who had been invited to the meeting.

The committee noted that:

- The Cabinet member for finance had authority to make minor adjustments to the Cabinet's budget proposals before the Council met
- Interest from capital investments could be used for revenue expenditure
- There were many unknown factors that could affect reserves and balances in future years, such as government grants, the use of the new homes bonus, and the localisation of business rates and council tax benefits. The council would have to tackle these when the details were more certain and would have to look for on-going efficiency savings
- In terms of essential growth items that had been removed from the budget since the consultation draft in December 2011, these were listed in appendix A2 of the report. No other new growth items had been added besides those listed in appendix A2
- No significant risks had been identified while assessing the equality implications of the savings proposals
- The chief finance officer was comfortable with the level of general fund balances projected throughout the medium term financial plan
- The officers agreed that in the medium term financial plan, line 36, the heading should read 'revenue impact of capital bids 2012/13'
- The budget contained a provision to outsource administration of the garden waste service in case a firm proposal came forward from the contractor in 2012/13
- Included in the budget were funds to cover the net increase in the cost of housing benefit
- The economic development team was developing a new website to publicise the Vale, replacing the Visit Vale website
- The first aider allowances budget had been cut and the council had sufficient first aid cover
- The council had removed the subsidy to the Octabus dial-a-ride scheme as this was no longer necessary. The county council's basic service covered this council's required service level and it was not necessary to increase this further

- The growth bid for new geographical information system software was a cost-effective solution to replace the council's old system. The chief finance officer agreed to inform committee members of the costs of the current system
- The footnotes to appendix D on growth proposals would be updated before the Council meeting
- The reference to projected increase in capital receipts in appendix E referred to potential property sales or re-gearred lease arrangements
- There was £100,000 in the capital programme for capital community grants. This would be apportioned to the four area committees to allocate to capital community projects. In addition, there was an earmarked reserve of £50,000 for Cabinet to award in exceptional cases
- The council still had a responsibility for some sewage treatment works and had to maintain these. There was a growth bid for this purpose
- The budget included £250,000 for the HomeBuy Scheme, designed to help people buy their first home on the open market through a HomeBuy loan. This was to be treated as a pilot scheme in 2012/13
- The cost of housing homeless people was a variable factor that could have a significant effect on the council's budgets each year. However, the housing service was working hard to reduce homelessness and the amount spent on housing homeless people in bed and breakfast accommodation
- In order to secure future revenue streams and become less reliant on government grant funding the chief finance officer believed that the council should increase its Council Tax in 2012/13 rather than freezing it and receiving a grant for doing so. However, he accepted that this was a political choice and he understood Cabinet's reasons for it
- Another risk to the council's budget in future was that business rate revenues from companies moving into the Science Vale UK enterprise zone could be kept by the Oxfordshire Local Enterprise Partnership and would not have to be re-invested in the enterprise zone. However, the new 'localisation of business rates' scheme would mean business rate growth from existing companies would be kept by the Vale
- There was a significant risk of loss of business rates once Didcot A Power Station was decommissioned after 2015, unless the government categorised this as an extraordinary event. The council would have to lobby the government to approve this categorisation. There was also the possibility that the council could apply to have the business rates' base level reassessed, independently of the national reassessment every ten years. Guidance on the procedure was awaited.

The committee thanked the officers for their work on the draft budget. The chief finance officer agreed to organise councillor briefings on the 2013/14 draft budget preparation.

RESOLVED: To

- (a) note the Cabinet's proposed budget for 2012/13 and note that amendments may be made before the Council meeting on 22 February 2012 to:
 - (i) the medium term financial plan in line 36, to rename the heading 'revenue impact of capital bids 2012/13'
 - (ii) update the footnotes to appendix D on growth proposals
- (b) note the potential financial impact of losing business rate income from the decommissioning of Didcot A Power Station; and

- (c) to request the chief finance officer to organise councillor briefings on the 2013/14 draft budget preparation.

Sc.83 Board Report - third quarter 2011/12

The committee considered the December 2011 board report. This monitored the council's performance of its key services. The committee considered whether to invite any heads of service to the next committee meeting to explain performance levels but declined to do so on this occasion. However, the committee agreed to keep a watching brief on two items: the development of affordable housing and outstanding debt through the garden waste service.

RESOLVED: To

- (a) note the December 2012 board report;
- (b) keep a watching brief on the development of affordable housing and outstanding debt through the garden waste service.

Sc.84 Scrutiny work programme

The committee reviewed its work programme, noting that the staff satisfaction survey results were due to be considered at its meeting on 19 April.

Councillors asked for the report on the housing allocations policy review to include background on the existing waiting list and how the current policy was applied.

The committee also agreed to set up a task group to review the council's website. Councillors Jim Halliday and Jane Crossley volunteered to take part.

RESOLVED: To

- (a) update the work programme as set out above; and
- (b) set up a scrutiny task group to review the council's website and bring recommendations back to the committee in due course; the task group to comprise Councillors Jim Halliday and Jane Crossley.

Exempt information under section 100A(4) of the Local Government Act 1972

None

The meeting closed at 8.33 pm