

Minutes of a meeting of the **JOINT PERFORMANCE MONITORING PANEL AND POLICY DEVELOPMENT PANEL** held in the Council Chamber, Council Offices, Priors Road, Spalding, on Tuesday, 4 December 2012 at 6.30 pm.

PRESENT

| | | |
|----------------|--------------|-------------|
| B Alcock | R Clark | R Perkins |
| D Ashby | P E Coupland | R M Rudkin |
| M D Booth | A Harrison | M D Seymour |
| S M Booth | M Howard | S-A Slade |
| C J T H Brewis | J L King | E J Sneath |
| A Casson | A M Newton | S Wilkinson |

Apologies for absence were received from or on behalf of Councillors G R Aley, F Biggadike, G K Dark, A Miller, A C Tennant, D J Wilkinson and A R Woolf

In Attendance: The Assistant Director, Finance, the Business Development manager, the Chief Accountant, the Finance Business Partner and the Principal Member Services Officer.

1. ELECTION OF CHAIRMAN FOR THE DURATION OF THE JOINT MEETING

Consideration was given as to who should preside over the special joint meeting of the Performance Monitoring Panel and Policy Development Panel.

DECISION:

That Councillor B A Alcock act as Chairman for the duration of the special joint meeting of the Performance Monitoring Panel and the Policy Development Panel.

2. DRAFT BUDGET CONSULTATION

The Joint Panel received a presentation from Officers regarding the Budget for 2013/14. The Assistant Director, Finance provided information on the Revenue Budget, Risks and Sensitivity, the Capital Programme and Reserves. The Business Development Manager completed the presentation with a discussion on efficiencies and suggestions of areas where efficiencies could be found.

Members considered the information and the following questions and issues were raised:

- The Transitional Grant Scheme was available for a limited period to cushion the effects of changes to Council Tax support. Was it wise for the Authority not to take this up? Councils who toed the line seemed to lose out in the long term. How wise was it to freeze Council Tax – was it causing problems for the future?
 - The Cabinet would be making decisions on these issues in the new year.

**JOINT PERFORMANCE MONITORING
PANEL AND POLICY DEVELOPMENT
PANEL - 4 December 2012**

- Would there be uncollectable amounts of Council Tax in the future? Would the Police, County Council and Parishes, for whom amounts were collected as part of the Council Tax bill, be excluded from this non-collection?
 - Parish Councils would be indirectly affected, but their precept would be paid in full – SHDC, the County Council and the Police would be affected through the collection fund in proportion to their share of the Council Tax.
- Were there still moves to redress the balance between local authority and pension beneficiaries? Were there still moves to get it back to 2:1?
 - A new scheme was to be introduced in April 2014 as a result of national changes to public sector pension schemes.
- Were the RPI forecasts reliable?
 - The Office of Budget Responsibilities forecast had been followed.
- Was a 2% staff vacancy over optimistic as there was very little movement of staff currently?
 - The level of vacancies was a risk as there had been a slowdown in staff turnover.
- With regard to vacancies, had interim managers and consultants been included?
 - Yes, interim managers were included.
- Where was the cost for consultants built in?
 - Where any costs for consultants were allowed for, these were contained in the supplies and services budgets.
- Had any consideration been given to withdrawing from Legal Services Lincolnshire to cut the legal bill?
 - The budget was based on the current service provision, however the provision of all external services was being considered.
- With regard to future developments in Universal Credit, was there any contingency plan for dealing with the increase in workload and implementation of these changes?
 - Government policy was unclear as to how this would be implemented. However, Compass Point Business Services would manage delivery of changes to the benefits system. There was no contingency built into the base budget.
- With regard to legal services, how could what was needed be forecast?
 - There were no contingencies for this but reserves were held to cover any large unexpected issues.

**JOINT PERFORMANCE MONITORING
PANEL AND POLICY DEVELOPMENT
PANEL - 4 December 2012**

- The Authority currently did not charge for commercial or trade waste. Was this something that could be introduced?
 - There was currently no charge. It could be introduced as part of the waste round however, if the Authority did this it would open up competition and possibly affect other local companies.
- Why had new Christmas lights been purchased?
 - Monies from Spalding Special Expenses had been used to provide a contribution to the Chamber of Trade to replace the lights. South Holland District Council had in the past been solely responsible for the Christmas lights however, the Chamber of Trade now dealt with this with a contribution from the Authority.
- How did the car park charging increase of around £25,000 (on page 16 of the agenda) and the figures on page 47 of the agenda tally up? Car park charges should not be increased. The policy on car parking charges was a break-even policy however the figures on page 47 suggested that charges would have to be increased to break even.
 - This was based on a 10% increase from the service.
- Why was the ICT Strategy budget of £80,000, detailed on page 19, so high? It appeared to be a large budget.
 - There was a general provision in the Capital Budget (£100,000 in the Capital Programme, £20,000 in the Housing Revenue Account). No schemes had been identified and the budget was therefore an estimate. There were many pressures from central Government – implementation of secure systems, data encryption/firewalls etc.
- Why was the Leisure Contractor, Pool and Hall Works budget being reduced?
 - The leisure contract had been re-negotiated 2-3 years ago and amounts were committed for capital expenditure on a reducing balance until the end of the contract.
- Could Officers explain the New Homes Bonus?
 - This was a government grant paid for the number of new homes brought into existence. South Holland placed the receipt in reserves to fund future initiatives, rather than supporting the base budget. This was a government grant, and it was uncertain as to how long it would continue for in the current form.
- What was the recycling grant used for?
 - A grant of £1.8 million over 3 years had been given and was to be used for specific items such as continuing weekly collections, replacing freighters, education programmes etc. The capital element would be use to replace some of the refuse vehicles.

**JOINT PERFORMANCE MONITORING
PANEL AND POLICY DEVELOPMENT
PANEL - 4 December 2012**

- What was the total value of Section 106 monies and where were they accounted for?
 - The balance of Section 106 monies as at 1 April 2012 stood at £1.137 million. The balance was held under grants and contributions on the Authority's balance sheet.
- What were the Third Party Payments and the Supplies and Services referred to on Page 9?
 - Third Party Payments covered payments to those working for the Council e.g. Compass Point Business Services and Leisure Connection. Supplies and Services included paid for items such as printing, postage, consultants etc.
- Why was there no budget from 2013/14 for Town Centres and Tourism (detailed on Page 43)?
 - The budgets were still there but had been moved to a central code under Economic Development.
- Was the list of suggested ideas for savings, outlined by the Business Development Manager, part of the Corporate intention?
 - No, these were purely ideas for debate. There were some serious policy considerations to be made by the Council with regard to future savings.
- There were challenges ahead for the Council. How should the Authority address this if the policy was not to pursue these ideas?
 - This question should be raised at Council.
- As well as cutting and reducing, should thought be given to more entrepreneurial ways of increasing income?
 - Yes, this was an option although it was not natural territory for local authorities in general. Ultimately, it would remain a political decision.
- This approach was essential for the Authority in order to get to grips with shortfalls in the future, otherwise there was a danger that it could become unviable.
 - There needed to be a balance of income and the Authority needed to get to grips with these issues and seriously drive forward with options to address them.
- Had Compass Point Business Services taken on any new work?
 - No new business had yet been secured. The Managing Director continued to seek new business.
- On page 29, future spending under 'Desirable Schemes for Members IT was £25,000. Members commented that they would want better IT provision than they currently had.

**JOINT PERFORMANCE MONITORING
PANEL AND POLICY DEVELOPMENT
PANEL - 4 December 2012**

DECISION:

- a) That the Panel request that the increase in car parking charges, detailed on Pages 16 and 47 of the agenda, not proceed; and
- b) That as a matter of priority, the Authority commence consideration of how to deal with future budget shortfalls, in line with the suggestions made by the Business Development Manager.

(The meeting ended at 8.20 pm)

(End of minutes)