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## EXCERPT FROM THE MINUTES OF THE COMMUNITY OVERVIEW AND SCRUTINY PANEL HELD ON 24 NOVEMBER 2016

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### **COSP.79/16    BUDGET 2017/18 – 2021/22**

#### **(a)      Budget Update - Revenue Estimates 2017/18 to 2021/22**

The Chief Finance Officer submitted report RD.35/16 providing a summary of the Council's revised revenue base estimates for 2016/17, together with base estimates for 2017/18 and forecasts up to 2021/22 for illustrative purposes. The base estimates had been prepared in accordance with the guiding principles for the formulation of the budget over the next five year planning period as set out in the Medium Term Financial Plan (MTFP) and Charging Policy; Capital Strategy; and Asset Management Plan approved by Council on 13 September 2016.

The report set out known revisions to the MTFP projections, although there were a number of significant factors affecting the budget that were currently unresolved, details of which were recorded at Section 1.3. A summary of the outstanding key issues, together with the resource assumptions was also provided at Section 4.

Turning to the issue of savings and additional income proposals, the Chief Finance Officer added that the current MTFP included a savings requirement to be found by 2018/19 of £3.475 million. Further savings / additional income had already been identified in the budget process for 2017/18, details of which were set out at Section 6 of the report.

Also summarised were the movements in base budgets; the updated MTFP projections; the projected impact on revenue balances; together with a summary of the financial outlook and budget discipline 2017/18 to 2021/22.

The Executive had on 21 November 2016 (EX.98/16) received the report and:

“That the Executive:

1.      Noted the revised base estimates for 2016/17 and base estimates for 2017/18.
2.      Noted the current Medium Term Financial Plan projections, which would continue to be updated throughout the budget process as key issues became clearer and decisions were taken.
3.      Noted the initial budget pressures / savings needing to be taken into account as part of the 2017/18 budget process.”

In discussing the Homelife budget the Chief Finance Officer explained that the pressure reflected the gross costs of the staffing team and the budget had been non-recurring previously for approximately five years. A Member raised other moves from non-recurring to recurring and stated that they represented a 4% increase in Council Tax.

The Deputy Chief Executive reminded the Panel that the funding commitment for Homelife had been for 1 or 2 years, the funding had finished and the Council wanted to continue the approach on an ongoing regular basis and therefore appears as a pressure.

The Economy, Enterprise and Housing Portfolio Holder added that the decision to maintain Homelife had been taken to continue to employ staff and provide a service that was valued by residents. The Executive felt that it was worthwhile trying to retain the service if it was possible through the extension of the DFG funding.

RESOLVED – That the Budget Update – Revenue Estimates 2017/18 to 2021/22 (RD.35/16) be received.

**(b) Review of Charges 2017/18 –**

The Chief Finance Officer presented the Review of Charges reports informing the Panel that there was a 3% increase on the overall level of income in line with the Corporate Charging Policy.

**Community Services**

Report SD.27/16 was submitted setting out the proposed fees and charges for 2017/18 relating to those services falling within the Community Services Directorate.

The charges highlighted within the report would result in an anticipated level of income of £2,775,200 against the MTFP target of £2,835,200. That represented a shortfall of £60,000 against the MTFP target. The Panel were asked to consider the areas which were in their remit as set out on the agenda.

The Executive had on 21 November 2016 (EX.99/16) received the report and:

“That the Executive:

- (i) Agreed for consultation the charges as set out in the body of Report SD.27/16 and relevant appendices with effect from 1 April 2017, noting the impact those would have on income generation as detailed within the report.
- (ii) Delegated to the Deputy Chief Executive Officer, following consultation with the Portfolio Holder and Chief Finance Officer, the agreement of discounts on the car parking permit process within agreed limitations.
- (iii) Delegated to the Deputy Chief Executive Officer, following consultation with the Portfolio Holder and Chief Finance Officer, the agreement of variations to car parking ticket charges within parameters agreed by the Executive.”

In considering the report Members raised the following comments and questions:

- In response to a question the Chief Finance Officer explained that the decision to remove grants to Parish Councils had been taken as part of the 2016/17 budget process. The concurrent grants had now been removed apart from those Parishes which had burial sites.

- A Member highlighted the increase in the allotment fees commenting that the increase of 20% was much higher than the Corporate Charging Policy's 3%. Members also questioned the rationale behind the removal of the over 60 discount when the Council was trying to encourage more active lifestyles. It was felt that the change could cause issues for some people.

The Deputy Chief Executive responded that there had been a change in the trend for allotments and a wide range of age groups now used allotments. It was felt that the allotments should be kept affordable and a fair standard fee applied to all allotments. There was no intention to isolate people over 60 but there had been a shift in the demographic.

- Would the move to leasing football pitches on a peppercorn rent prevent other users having access to the pitches?

The Deputy Chief Executive explained that the move to giving clubs the option to leasing a pitch on peppercorn was to encourage clubs to carry out more of the preparation and maintenance of the pitches themselves. The lease would mean that the pitch was the club's for their use during the season for the length of the booking. The pitches could still be accessed at other times. He added that the fees for the football pitches had never met the cost of the maintenance of the pitches and was therefore subsidised by the Council.

- Had the review of the charges for the Old Fire Station come from market demand?

The Contracts and Community Services Manager confirmed that the review had been based on supply and demand and the increase to evening hire prices had reflected the break that was required in the programme of events to accommodate private parties.

RESOLVED –1) That the Review of Charges 2017/18 – Community Services (SD.27/16) be received.

2) That a report be brought to a future meeting of the Panel on the concurrent grants to Parish Councils.

## **Governance and Regulatory Services**

Report GD.62/16 was submitted concerning the proposed fees and charges for areas falling within the responsibility of the Governance and Regulatory Services Directorate.

The report set out the proposed charges relative to Environmental Health and Housing; Homeless, Prevention and Accommodation Services; and Legal Services. The introduction of the proposed charges was forecast to generate income of £893,300 in 2017/18 as summarised in the table at Section 5.16 of the report.

The Executive had on 21 November 2016 (EX.101/16) received the report and:

“That the Executive agreed for consultation the charges as detailed within Report GD.62/16 and accompanying Appendices, with effect from 1 April 2017; and noted the impact thereof on income generation as detailed within the report.”

RESOLVED – That the Review of Charges 2017/18 – Governance and Regulatory Services (GD.62/16) be noted.

**(c) Revised Capital Programme 2016/17 and Provisional Capital Programme 2017/18 to 2021/22**

The Chief Finance Officer submitted report RD.36/16 detailing the revised Capital Programme for 2016/17, now totalling £10,440,000, together with the proposed method of financing. The report summarised the proposed programme for 2017/18 to 2021/22 in the light of the new capital proposals identified, together with the estimated capital resources available to fund the programme based on the announcements by Government in the spending review.

Section 4 which provided details of the current commitments and new spending proposals. Any capital scheme for which funding had been approved by Council may only proceed after a full report, including business case and financial appraisal, had been approved.

A summary of the estimated resources compared to the proposed programme year on year was also provided.

The Executive had on 21 November 2016 (EX.103/16) received the report and:

“That the Executive:

1. Noted the revised capital programme and relevant financing for 2016/17 as set out in Appendices A and B of Report RD.36/16;
2. Had given initial consideration and views on the proposed capital spending for 2017/18 to 2021/22 contained in the Report in the light of the estimated available resources;
3. Noted that any capital scheme for which funding had been approved by Council may only proceed after a full report, including business case and financial appraisal, had been approved.”

RESOLVED – That the Revised Capital Programme 2016/17 and Provisional Capital Programme 2017/18 to 2021/22 (RD.36/16) be noted.