

CORPORATE RESOURCES – OVERVIEW & SCRUTINY COMMITTEE**(SPECIAL) MEETING****TUESDAY 8 JANUARY 2002 AT 2.00 PM**

PRESENT: Councillor Guest (Chairman), Councillors Bain, Mrs Bradley, Joscelyne (as substitute for Councillor Jefferson), Mrs Parsons, Mrs J Prest and Toole (as substitute for Councillor Blackadder).

ALSO PRESENT: Councillor Stevenson attended the meeting as the Portfolio Holder for Finance and Resources.

CROS.1/02 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Blackadder, Jefferson and Mrs Styth.

CROS.2/02 CALL IN OF DECISIONS

There were no matters which had been the subject of Call-In.

CROS.3/02 BUDGETARY MATTERS

The Committee considered the following reports and the related Executive Decisions, which were referred to this Committee for comment as part of the budgetary process :

(a) Housing Revenue Account (HRA) Revenue Estimates 2002/03

The Executive's Decision Reference EX.105/01 and the City Treasurer's Financial Memo 2001/02 No. 103 (amended), setting out the Revised Revenue Estimates for 2001/02 together with the Estimates for 2002/03 in respect of the Housing Revenue Account were submitted. The Executive's decision set out draft proposals as to the budget requirements and decisions in respect of the Housing Revenue Account for 2002/03, for the purposes of consultation.

The City Treasurer then outlined the contents of the Financial Memo and then he and the Director of Housing answered Members' questions on national and local void levels and revenue generated from an increase in housing rent.

RESOLVED – That the contents of the Report and the Executive's Decision EX.105/01 and the contents of the report be noted.

(b) Estimated Capital Resources & Capital Programme 2002/03

The Executive's Decision Reference EX.106/01 and the City Treasurer's Financial Memo 2001/02 No.114 (amended), estimating available Capital Resources in 2002/03 on the basis of the Capital Receipt Projection for that year were submitted. The Executive's Decision set out draft proposals as to the Housing Investment and General Fund Capital Programmes, for the purposes of consultation.

The City Treasurer outlined the contents of his Report and then he and Councillor Stevenson answered various Members' questions in relation to Asset Management Plan Provision, the inclusion of the Millennium Gateway City Project in future year's budgets and the capitalisation of planned major repairs to property.

RESOLVED – That the Executive's Decision EX.106/01 and the contents of the Report be noted.

(c) Proposed 2002/03 Integrated Public Sector Improvement**Programme & Amendments to 2001/02 Housing Revenue Account****Budgets**

The Executive's Decision Reference EX.107/01 and the Director of Housing's Report H.117/01, containing recommendations for initiatives to be included in the 2002/03 Integrated Public Sector Improvement Programme, and virement between Housing Revenue Account Budgets in 2001/02 were submitted.

In response to Member's questions about the recommendation to increase the budget for Special Needs Improvements, the Director of Housing advised that there had been a substantial increase in requests for Special Needs Improvements over the last few years. Consequently, there were waiting lists for improvements. He further advised that Registered Social Landlords could source funding for Special Needs Improvements in three ways:

1. by funding improvements internally;
2. by accessing Housing Corporation funding; or
3. as a private landlord, with tenants applying for Disabled Facilities Grant Support.

In response to a further question from a Member, the Director confirmed that the recommended virement from the Planned Maintenance Budget Resource to address an overspend in the Voids Budget was something which had also been done in previous years, and that it was a reflection of overall demand problems.

RESOLVED – That the Executive's Decision EX.107/01, making recommendations to the Council, and the contents of the Report be noted.

(d) Housing Investment Programme (HIP) for Private Sector Properties 2002/03

The Executive's Decision Reference EX.108/01 and the Director of Environment and

Development's Report EN.189/01, detailing a recommended Private Sector Housing Investment Programme for 2002/03 were submitted. The Executive had agreed the areas of expenditure for Private Sector Renewal in 2002/03 in principle, for consideration as part of the budget process.

The Director of Housing and City Treasurer then answered Member's questions in relation to specific aspects of the Report.

RESOLVED – That the Executive Decision EX.108/01 and the contents of the Report be noted.

(e) General Fund Revenue Estimates & Budget Considerations

2002/03

The Executive's Decision Reference EX.109/01 and the City Treasurer's Financial Memo 2001/02 No.120 outlining the 2001/02 Revised Estimates and Budget Considerations for 2002/03 were submitted. The Executive's Decision contained draft proposals as to the budget requirements and decisions in respect of the General Fund for 2002/03, for the purposes of consultation.

The City Treasurer outlined the contents of the Financial Memo and then answered various Members' questions in relation to potential funding gaps for 2003/04 onwards, the maintenance of an adequate level of balances and the responsibility of the Council for the cost of unfunded pension enhancements of former HRA/DSO staff who would not be transferred under TUPE arrangements.

Councillor Stevenson then answered Members' questions on the Executive's Decision, in particular in relation to the absence of identification of departmental savings, the costs of Best Value Reviews and the initial processes which were being put in place to move towards 3 year planning.

RESOLVED - That the Executive's Decision and contents of the Report be noted.

The Chairman then stated that a number of areas of concern had been raised during the meeting e.g. funding Special Needs Improvements, income raised by increasing housing rent, potential funding gaps for 2003/04 onwards, and three year financial planning. He commented that the Executive and the Finance and Resources Portfolio holder should consider referring these matters to the relevant Overview and Scrutiny Committees for consultation and monitoring.

RESOLVED – That the Chairman's comments be noted.

(The meeting ended at 3.20 pm)