

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
30 NOVEMBER 2016

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held at County Hall, Mold on Wednesday, 30 November 2016

PRESENT:

Councillors: Marion Bateman, Paul Cunningham, Peter Curtis, Andy Dunbobbin, Robin Guest, Ron Hampson, Ray Hughes, Richard Jones, Brian Lloyd, Vicky Perfect, Paul Shotton and Nigel Steele-Mortimer

ALSO PRESENT (as all Members had been invited to attend)

Councillors: Haydn Bateman, Chris Bithell, Helen Brown, Derek Butler, David Cox, Veronica Gay, Dennis Hutchinson, Christine Jones, Kevin Jones, Dave Mackie, Nancy Matthews, Billy Mullin, Mike Peers, Neville Phillips and Gareth Roberts
Education & Youth Overview & Scrutiny Committee Co-optees: Mr David Hytch and Mrs. Rebecca Stark

SUBSTITUTION: Councillor Ian Dunbar for Councillor Ian Smith

APOLOGIES: Councillors: Clive Carver, Arnold Woolley, Cindy Hinds, Mike Reece and David Wisinger. Education & Youth Overview & Scrutiny Committee Co-opted Member: Bernard Stuart

CONTRIBUTORS:

Councillor Aaron Shotton, Leader and Cabinet Member for Finance, Chief Executive, Chief Officer (Organisational Change), Chief Officer (Planning and Environment), Chief Officer (Streetscene and Transportation), Chief Officer (Governance), Corporate Finance Manager, Finance Manager (Corporate Accounting and Systems), Finance Manager (Education & Youth)

IN ATTENDANCE:

Democratic Services Manager and Overview & Scrutiny Facilitator

61. DECLARATIONS OF INTEREST

No declarations of interest were made.

62. 2017/18 COUNCIL FUND BUDGET – STAGE 2

The Chair welcomed Members and the contributors to the meeting.

The Chief Executive outlined the purpose of the meeting, which was to:-

- Present, in detail the Corporate Financial Stewardship Proposals (Part 2 of the Strategy) to the Committee;
- Provide the Committee with the opportunity to review, scrutinise and comments on the proposals to be reported back to Cabinet on 6 December, 2016; and

- Set out the further work to be done to conclude the budget proposals for 2017/18.

The Chief Executive, Finance Manager (Corporate Accounting and Systems) and Finance Manager (Technical Accountancy) provided a detailed presentation on the following areas:-

- The Forecast 'Budget Gap' 2017/18
- Where we left off in November
- Corporate Financial Stewardship Proposals
- Apprentice Tax Levy
- Central Loans and Investment Account
- Summary of Overall Budget Position
- Corporate Financial Stewardship – Ongoing work
- Final Stages of 2017/18 Budget Setting

Members thanked the Finance Manager (Technical Accountancy) for the detailed and clear presentation of the proposed changes to the Central Loans and Investment Account.

A summary of the observations made by Members is attached at Appendix 1 of the minutes.

Budget 2017/18 Proposals – Potential public impacts and impact mitigation

The Chief Executive advised that the Council Fund Budget 2017/18 Stage 1 proposals had been approved at County Council on 15th November, 2016. A copy of the business planning efficiencies for each portfolio had been circulated to Members prior to the start of the meeting.

Planning and Environment Portfolio

Councillor Richard Jones raised concerns that the numbers next to each specific proposal differed from the original document provided to Members and therefore it was difficult to undertake an audit trail of the previously proposed budget efficiencies to see if they were being met. He referred to the proposed self-financing of Public Protection Services and the proposed increase in Planning and Application fees and asked why the efficiencies had been reduced from the initial proposals. The Chief Officer (Planning and Environment) explained that the additional income from increases in Planning and Application fees and the proposed self-financing of Public Protection Services were part of a three year efficiency programme, and therefore, the additional income shown for 2017/18 did not show the overall total figure.

Streetscene and Transportation Portfolio

Councillor Richard Jones commented on the heading 'In-house Service Productivity Improvement' and asked why this heading had been amended since the efficiencies were presented to Overview & Scrutiny and also why the proposed efficiencies had reduced by £600,000. The Chief Executive explained that the initial

efficiency proposal included looking at all aspects of the service with one of the options being to out-source the service. Since then a decision to keep the service in-house had been taken. Councillor Kevin Jones (Cabinet Member for Waste Strategy, Public Protection and Leisure) explained that Streetscene had achieved over 30% efficiency savings whilst increasing the level of service.

The Chairman suggested that if Councillor Richard Jones had a number of questions he could provide them in writing to the Chief Executive who would provide a written response.

RESOLVED:

That the Corporate Financial Stewardship proposals, as set out as part of Stage 2 of the Council Fund Budget for 2017/18 be accepted and that this be reported to the Cabinet and the County Council at the meetings to be held on Tuesday, 6th December, 2016.

63. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There were no members of the public and one member of the press in attendance.

(The meeting started at 10.00 am and ended at 12.25 pm)

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Chair

**Corporate Resources Overview & Scrutiny Committee meeting –
30th November, 2016**

**Summary of observations on the reduction of cost pressures through
corporate financial stewardship**

- **Council Tax Base Increase**

The Committee noted the change in forecast to the tax base.

- **Independent Living Fund (ILF)**

The Committee noted the change, following confirmation that the specific grant will continue at the same level for a further year.

- **Transition to Adulthood**

The Committee noted the change.

A comment was made that this proposal had not been presented to the relevant Overview & Scrutiny Committee for consideration. It was explained that each year an assessment was made of the future pressures on Adult Social Services budgets and following the review a reduction in the previous estimate has been identified. This is on-going work and therefore would not need to be considered by the Overview & Scrutiny Committee.

- **Flint Extra Care Scheme**

The Committee noted the change.

A comment was made that this proposal had not been presented to the relevant Overview & Scrutiny Committee for consideration. It was explained that the opening of the new facility was now set to be in early 2018, therefore the financial pressure for the 2017/18 budget had reduced.

- **Schools Investment**

The Committee noted the change.

A comment was made that this proposal had not been presented to the relevant Overview & Scrutiny Committee for consideration. It was explained that there would be an uplift of 1.34% to schools budgets. The £400,000 identified within the report was lower than first set out in the budget forecast, and therefore was not a reduction in schools budgets.

- **Apprenticeship Tax Levy**

The Committee noted the change.

A number of questions were raised around the need for a prudent approach when using reserves. Members were assured that the Section 151 Officer and Deputy Section 151 Officers took a prudent approach the using reserves and there were many principles that were followed which included, the use of contingency reserves and base level reserves. A judgement would be taken when the time came.

- **Central Loans and Investment Account (CLIA)**

The Committee spoke in support of the work undertaken in reviewing the Council's Minimum Revenue Provision (MRP) Policy and thanked the Officers for the detailed and informative presentation.

A number of questions were raised around the greater provision required for some years in the 50 year planning period and the impact this could have on the future Council to make necessary decisions. It was explained that the variations were considered reasonable in scale and therefore affordable.

Members were assured that a prudent and sustainable outcome was proposed and that when considering future central loans and investments, all re-payment methods be considered.