

**OVERVIEW & SCRUTINY**  
**Corporate Services - Initial Budget Proposals 2013/14**

No.	Comments and Questions:	Responses:
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<b>PART ONE - Corporate Services</b>		
<b>1.0</b>	<b><u>Corporate Comments / Issues</u></b>	
1.1	<ul style="list-style-type: none"> <li>Can the reduction in the budget gap from £11m in July to £1.5m at 18<sup>th</sup> December be explained?</li> </ul>	<ul style="list-style-type: none"> <li>The £11m budget gap as at July was the starting point prior to a rigorous examination of pressures. This include a lengthy review and challenge process leading to identification of efficiencies totalling £5m and a reduction of £4.5m in the value of pressures.</li> </ul>
1.2	<ul style="list-style-type: none"> <li>Has the recent Welsh Government announcement on Welfare Reform relating to the removal of the need for some people who previously received 100% Council Tax benefit to pay 10% in the future changed the Council tax base for those Town and Community Councils which had made provision for bad debt?</li> </ul>	<ul style="list-style-type: none"> <li>Although the Council Tax base cannot be changed, there will be a beneficial impact for Flintshire in terms of bad debt. We had made provision for collecting 97.5 % of Council Tax as opposed to our customary 99 %, so it is possible that there will now be a surplus achieved on Council Tax collection in 2013/14.</li> </ul>
1.3	<ul style="list-style-type: none"> <li>Please clarify the difference between this being a “stepping stone” budget between the previous and the new Council as stated in the report to Cabinet on 18<sup>th</sup> December.</li> </ul>	<ul style="list-style-type: none"> <li>At a time of volatility we are aware of potential pitfalls and we need to ensure that we prepare properly for the future. Flintshire Futures is a key part of our strategy to protect front line services. The status quo is not an option and we will need to become more radical in aligning finances with the new challenges.</li> </ul>
1.4	<ul style="list-style-type: none"> <li>Is the assumption of a 3% increase in a Band D property a new proposal?</li> </ul>	<ul style="list-style-type: none"> <li>This is consistent with the approach which has been adopted in previous years and the Council’s Medium</li> </ul>

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1.5	<ul style="list-style-type: none"> <li>Why is there an assumption that we will budget at £1.738m below Standard Spending Assessment (SSA)?</li> </ul>	<p>Term Financial Strategy (MTFS).</p> <ul style="list-style-type: none"> <li>This is because if we were to spend up to our standard spending assessment, we would actually need to increase Council Tax by 6% rather than 3% to achieve it because of the amount of Revenue Support Grant (RSG) we receive from Welsh Government.</li> </ul>
1.6	<ul style="list-style-type: none"> <li>Is a 1% pay award realistic?</li> </ul>	<ul style="list-style-type: none"> <li>Yes. However, the amount of budget provision doesn't necessarily influence the amount of any pay award. The amount of any pay award will be determined by national negotiations.</li> </ul>
1.7	<ul style="list-style-type: none"> <li>Do we use our office space as efficiently as possible?</li> </ul>	<ul style="list-style-type: none"> <li>We have done some rationalisation but we have to recognise that our buildings are old and reworking them for modern use is costly. We are bringing more people into County Hall to free up other buildings.</li> </ul>
1.8	<ul style="list-style-type: none"> <li>How much does the Council contribute to Clwyd Theatr Cymru (CTC)?</li> </ul>	<ul style="list-style-type: none"> <li>The Council currently contributes £1.034m to CTC which is around 40% of their running costs. The remaining 60% comes from the Arts Council. CTC is the only local authority producing house in Wales and one of only two in the UK.</li> </ul>
1.9	<ul style="list-style-type: none"> <li>Why are we making provision for the former Municipal Mutual Insurance company (MMI)?</li> </ul>	<ul style="list-style-type: none"> <li>MMI faced bankruptcy in 1992. The run-off arrangements which were put in place at the time were intended to ensure that the company would still be able to meet its</li> </ul>

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1.10	<ul style="list-style-type: none"> <li>When we have previously received a specific (hypothecated) grant, which is subsequently subsumed into the non-hypothecated settlement, do we honour the notional amount?</li> </ul>	<p>historic obligations. However, the extent of recent claims has shown that this is no longer possible. Those Authorities which were covered by MMI (most in the UK including Flintshire's constituent Authorities) are effectively being asked for a retrospective premium payment to enable the insurer to meet the needs of former insurance holders.</p> <ul style="list-style-type: none"> <li>Yes we do. The transfer of the finance which was previously a specific grant into the settlement means that its use now becomes an issue of local choice as to how that money is spent. One of the principles contained within our Medium Term Financial Strategy is that we "passport" and thus protect formerly hypothecated sums.</li> </ul>
2.0  2.1 2.1.1	<p><b><u>Corporate Services Comments / Issues</u></b>  <b><u>Human Resources and Organisational Development</u></b></p> <p><b><u>Pressures</u></b></p> <ul style="list-style-type: none"> <li>Why are we showing a budget pressure of £0.070m for Criminal Records Bureau (CRB) checks and also an efficiency of £0.035m?</li> </ul>	<ul style="list-style-type: none"> <li>This could have been netted off as a pressure of £0.035m but was shown as it has been for the sake of transparency.</li> </ul>