

## MINUTES

### FINANCE AND RESOURCES OVERVIEW AND SCRUTINY

2 FEBRUARY 2016

**Councillors:** Douris (Vice-Chairman)  
Barnes  
Birnie  
Clark  
Imarni  
Taylor  
Elliot  
Harden  
Tindall

<b>Officers:</b>	Sally Marshall	Chief Executive
	Mark Brookes	Group Manager - Legal Governance
	Nicholas Brown	Group Manager - Commercial Assets & Property Development
	James Deane	Corporate Director - Finance and Operations
	Ben Hosier	Group Manager - Commissioning, Procurement & Compliance
	Matt Rawdon	Group Manager - People
	Robert Smyth	Assistant Director - Performance & Projects
	Ben Trueman	Group Manager – Technology & Digital Transformation
	Chris Baker	Group Manager – Revenues, Benefits & Fraud
	Jim Doyle	Group Manager – Democratic Services
	Louise Collins	Member Support Officer (Minutes)

The meeting began at 7.30 pm

## 9 MINUTES

Following a Joint meeting of the OSC's where a budget presentation was given, the Finance and Resources OSC meeting began at 8.05pm.

The minutes of the Finance & Resources OSC meeting held on 13<sup>th</sup> January 2016 were confirmed by the Members present and signed by the Chairman.

## 10 APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Councillor's B Chapman and Fethney. Councillor E Collins was absent.

**11**                    **DECLARATIONS OF INTEREST**

Councillor Imarni declared that she was a trustee of Dacorum Sports Trust.

**12**                    **PUBLIC PARTICIPATION**

None.

**13**                    **CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO CALL-IN**

None.

**14**                    **BUDGET PREPARATION 2016/17**

Having received a presentation from the Director of Finance & Operations, the committee were open to discuss the budgets in their remits.

The Vice - Chairman asked Members if they had any questions surrounding the Draft Budget proposals 2016/17.

The Portfolio Holder for Finance and Resources had nothing to announce.

The Director of Finance and Operations mentioned that all the changes that have been made to the report are highlighted in the attached appendices and urged Members to pick out any variances that they considered to be significant.

Councillor Barnes congratulated the officers on the current report and said that it was much easier to read and understand compared to the last.

Councillor Birnie referred to page 5 and the Elms Hostel income and asked the officers to explain what the income was as it was not included in the budget.

J Deane, Director of Finance and Operations explained that the income is generated from Dens for running the hostel. This should have been in the Budget in the December paper but it wasn't. He added that they hadn't started receiving an income at the time that the December papers were put together.

Councillor Birnie asked if as the first amount of income is the first year of operation do they anticipate it will increase in future years.

J Deane explained to Members that he was not aware of the full details. However he did comment that he didn't think it would increase by much if at all because it is based on a certain level of occupancy at The Elms and it's based on a certain level of benefit income that's brought in on behalf of the occupants.

Councillor Douris said that he had heard that the occupancy rate was running at 100%.

Councillor Tindall referred to page 19, Supplies and Services and highlighted that the Supplies and Services section seemed to have the highest percentage of movement. He asked if this represented cuts or movements or if these items have been vired into other columns.

B Hosier, Group Manager – Commissioning, Procurement and Compliance replied that 72% reduction was a cut in the Budget but there are savings. He mentioned that they have reduced the budget from 15/16 to 16/17. In particular there was a budgetary amount of £6k for Consultancy to do with spend analysis. This money is no longer needed.

Councillor Tindall said that he was pleased that the savings are being achieved with the consultants.

Councillor Tindall referred to page 20 and 3<sup>rd</sup> parties. He asked why there was an increase in £13k.

M Brookes, Group Manager, Legal Governance replied that it was a realignment of some of the budgets.

Councillor Taylor referred to the number of related transfers and the costs that are being incurred by other departments but are not being charged.

M Brookes confirmed that this related to a transfer from the planning team. He said that they are constantly looking for ways to reduce costs and potentially all outside costs to be brought into house.

Councillor Douris asked if there were any changes made to the vacancy factor.

J Deane confirmed that no changes had been made.

Councillor Barnes referred to page 11 and the Pensions Triennial review £900k and asked the officers to explain this to Members in detail.

The Director of Finance and Operations explained to Members that the Pension fund tends to show that each time the deficit is growing. We have a reserve of 1.8 million for the pension's reserve. This is a contribution for the Council paying off the back funding.

Councillor Tindall referred to page 21 and the allotments and the 74% increase and asked for further information regarding this.

N Brown, Group Manager – Property and People explained that they are currently using the Community Payback Team to assist in allotment clearance and maintenance but that is no longer possible as fees are rising.

Councillor Tindal mentioned that the Community Payback Team have been very useful in the past in removing graffiti. He asked why they the Council are no longer able to use them.

N Brown said that we are able to use the payback team however there are charges to use their services.

Councillor Imarni declared an interest that she is a Trustee of the Dacorum Sports Trust. She referred to page 12 and that one of the Community Centres was managed centrally. She asked the officer to explain what the reason behind this.

The Portfolio Holder for Residents and Regulatory Services explained that The Heights is the only one that the Council manage as an organisation. All of the other Community Centres are run by management committees of the centres themselves. They will be looking to release the management which will in effect have a saving of £10k.

The Portfolio Holder for Residents and Regulatory Services asked the officer to clarify which organisation is charging for the payback services.

N Brown said that he will get back to Members regarding this information.

Councillor Douris referred to page 22 – Car parking and 3<sup>rd</sup> parties with a mention of a change of £160. He asked the officer to explain why there was a charge involved.

N Brown said that he didn't have the figures to hand and would report back to the committee on this.

Councillor Douris referred to page 26 of the report. He asked why there was an increase in rental charges.

N Brown said that there was a variance charge put out by Serco for the halls. The charges for Victoria Hall for the year 2016/17 were suggested by the building managers comparing the property in relation to similar venues for hire in the locality. Councillor Tindall referred to page 19, premises. He mentioned that the figure had gone down from 700 to zero and also a 34% variation in transport. He asked the officer to explain.

J Doyle, Group Manager for Democratic Services explained that with regard to the Mayor's official car the servicing charges are increasing and they will need to look at replacing it fairly soon but not in the near future. Servicing charges may well continue to rise. With regards to the premises question the officer said that he will need to report back to Members on this.

Councillor Imarni referred to page 66 line 26 - the Rossgate Shopping Centre. She mentioned that £200k was spent last year and now has moved to this year and now spread out to 17/18. She asked the officers to explain why this keeps moving so frequently.

Councillor Douris agreed with Councillor Imarni's concern over the Rossgate Shopping Centre and replied that if the works are considered urgent then why would they be delayed to 2017/18.

N Brown said that he was aware that the Rosco Shopping Centre is subject to an amount of interest. He said that he would get back to Members with an answer to her question.

The Leader of the Council explained that the £1.6 million assumptions in the Council Tax growth (around 1000 properties a year added to the Council tax roll) is a very optimistic assumption.

Councillor Douris added that the greater the reliance we have in collecting the Council Tax monies, the greater the importance we get in making sure that our collection rate is as high as it possibly can be. There is always a worry that if this was to drop we would suffer that reduction in the collection.

The Director of Finance and Operations explained that the Council is currently running at 98% at present. He also added that there is a big push to get residents to take advantage of the direct debit scheme or possibly sign up for the future.

Actions:

1. N Brown to confirm to Members what organisation is charging for the Community payback services.
2. N Brown to explain to Members why there are charges to third parties with regards to parking.
3. J Doyle to explain why the charges have gone from £700 to zero with regards to premises charges.

### **Outcome**

Members noted the report.

## **15                    WORK PROGRAMME**

The Vice – Chairman requested that all Members have an up to date copy of the Work Programme as there had been some confusion over the next meeting date.

The Meeting ended at 8.55 pm