

FINANCE AND AUDIT SCRUTINY PANEL 21 AUGUST 2012

- Present :-* Councillor Marcus Harrington (Chairmen)
Councillors Glenn Granger, Scott Greenhill, Julia Havis,
Theresa Higgins and Cyril Liddy
- Substitute Members :-* Councillor Colin Mudie for Councillor Ray Gamble
Councillor Nick Cope for Councillor Jon Manning
Councillor Will Quince for Councillor Dennis Willetts
- Also in Attendance :-* Councillor Paul Smith

14. Apologies

Councillor Gerard Oxford

15. Minutes

The minutes of the meeting held on the 24 July 2012 was confirmed as a correct record.

16. Items requested by members of the Panel and other Members

At the meeting on the 26 June 2012, Councillor G. Oxford requested a scoping report detailing the income and expenditure at High Woods Country Park for Panel members to decide if the information warrants full scrutiny at a future Panel meeting. Determining a way forward had previously been deferred in Councillor Oxford's absence.

The Chairman said Councillor Oxford had conveyed his opinion that whilst he believed this was a suitable item for future scrutiny, there was currently too little data on which a firm opinion could be made, and a more suitable time to review the impact of the introduction of car park charges would be twelve months after the April 2012 introduction. The Chairman concurred with this view.

Councillor Granger said following his request at the previous meeting for the Panel to support a report being provided that gave an update on the new refuse collection and recycling services, how it has gone, and what corrections and improvements have been made, Mrs. Ann Hedges had provided him with information appertaining to the last year. Councillor Granger thanked Mrs. Hedges for this information but felt there are still some issues that need to be analysed, and a more detailed financial report needed so a more considered judgement on projected costs could be made.

Mrs. Hedges said the savings from this fundamental service review had been built into the base budget and the quarterly financial monitor does provide information on how Council services are performing against projections. It was however difficult to unpick

the report to get to the issues in detail, so a more detailed report could be provided.

Councillor Quince, having sight of the information provided said that whilst there had been a significant improvement in the service since the outset of the new arrangements, there had been a deterioration since the commencement and this had had a significant impact on local residents. Councillor Quince said it was appropriate to have the opportunity to scrutinise what we are doing and whether we have delivered.

Mrs. Hedges said the cost of recovering missed bins was included in the overall financial monitoring costs provided. In regards to Street Services, there has been a positive reaction by staff to the new working practices, staff sickness had improved and staff morale was good. That said if the Panel wished to undertake a more detailed review of the performance of the waste service since the introduction of the four day operating, then she would arrange for the Portfolio Holder for Street and Waste Services and the Head of Street Services to present a report at a future meeting.

RESOLVED that the Panel:-

- i) Agreed to consider an update on the High Woods Country Park information in nine months time (following 12 months of operation) and then decide if a full scrutiny review is warranted.
- ii) Agreed to a full review of the Street Waste service since the introduction of the four day operation, at a future meeting and on a date to be agreed with the Portfolio Holder and Head of Service.

17. Capital Expenditure Monitor 2012-13, period April to June

The following Councillors declared non-pecuniary interests in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5);

Councillor Cope in respect of being a Council nominated Director of the Mercury Theatre.

Councillor Havis in respect of being a Director of the Mercury Theatre.

Capital Expenditure Monitor – period April to June 2012

Mr. Steve Heath, Finance Manager introduced the Capital Expenditure Monitor for the first quarter of 2012-13.

Mr. Heath explained that the Capital Expenditure Monitor set out details of spending for the period April to June 2012, and revised forecasts for future years. The report also included new capital funding and changes to the capital programme as revised by Cabinet on 4 July 2012, and capital expenditure in respect of the Housing Investment Programme including expenditure on the Council's housing stock.

Mr. Heath said that in the first three months of this year capital spending totalled £1.3

million, representing 5% of the total programme and 7% of the projected spend for 2012/13.

Budget managers have re-profiled their forecasts for expenditure in line with expectations for 2012/13 and beyond, and forecast spending for 2012/13 is £18.8 million, with the remainder of the programme planned for 2013/14 and beyond.

Mr. Heath mentioned the new layout of Appendix A of the report, providing an analysis of spend in each quarter compared to forecast, so as to provide a better indication in monetary terms of current and planned progress.

Mr. Heath said there was currently a forecast net overspend on the capital programme of £22.1k and included the Town Hall DDA Sensory Project (£3.1k), Phase 2 of the Carbon Management Programme (4.0k) and the Site Disposal Costs (15.0k).

Mr. Heath agreed to provide further details to Councillor Theresa Higgins in respect of the Town Centre Improvements Scheme, and agreed to provide further details to Councillor Quince of the registered housing providers, in respect of the Assistance to Registered Housing Providers Scheme.

Councillor Theresa Higgins said it would be useful if the details of spending and forecasts to each scheme indicated the ward(s) affected, and in respect of the Transcoast Scheme for example, whether the funding included EU money.

Councillor Smith, Portfolio Holder for Business and Resources confirmed to Councillor Granger that the Firstsite (VAF) capital scheme of £384.6k has already been budgeted for, and was to pay for outstanding (due to the long period of works) payments.

RESOLVED that the Panel:-

- i) Noted the level of capital spending during 2012/13 and forecasts for future years.
- ii) Agreed that each scheme should have the affected Ward noted within the scheme details where the scheme is site specific.
- iii) Agreed for the report to provide on a regular basis the overall breakdown of who provides the capital funding.

18. Financial Monitoring Report - April to June 2012

Councillor Quince (in respect of acting for clients with regards to the Right to Buy Scheme) declared non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5);

Financial Monitoring Report – April to June 2012

Mr. Sean Plummer, Finance Manager introduced the Financial Monitoring Report for the

first quarter of 2012-13.

Mr. Plummer said the report was the first review of the year, and early report, with the most important figures being the current forecast outturn, a net underspend of £74k, that excludes the risk factor allowance of £285k and which is not likely to be spent, and the Housing Revenue Account outturn position that is not forecasting any variance.

Mr. Plummer explained that an error within the report was identified at the previous week's briefing whereby the figures quoted in paragraph 4.1 are incorrect.

Mr. Plummer said the General Fund position to 30 June 2012 for service budgets (paragraph 4.1) should read as follows, "Appendix A summarises the Council position by expenditure group and by Service Group. The net position shows a variance against profiled budget for General Fund Services (excluding benefits) of **£492k** (favourable). This comprises total expenditure being **£1,013k** lower than expected and less income than expected totalling **£521k**". The corrected figures now match those shown in Appendix A of the report.

In response to Councillor Quince and the reported forecast of a shortfall in Street Services Income, Mr. Plummer referred members to the breakdown (with commentary) of forecast outturn variances shown in appendix C of the report. Mrs. Hedges believed the commentary suggested that the agency costs related to replacement vehicles due to the ageing fleet, but this detail would be included in the overall financial review of Street Services agreed to be undertaken at a future meeting.

RESOLVED that the Panel noted the financial performance of General Fund Services and the Housing Revenue Account (HRA) in the first three months of 2012/13.

19. Work Programme

Mr. Robert Judd agreed to schedule the Financial Review of Street Services (Waste Collection and Recycling) once a date was confirmed with the Portfolio Holder for Street and Waste Services and the Head of Street Services, and to arrange for a further update on the High Woods Country Park Income and Expenditure for the start of 2013-14.

Mr. Judd said the outstanding items referred to in paragraph 3 of the report remain work in progress, and he would notify the Panel once review dates are confirmed.

RESOLVED that the Panel considered and noted an unchanged Work Programme.