

STRATEGY AND RESOURCES SCRUTINY COMMITTEE 15 February 2013
5.00 - 5.55 pm

Present: Councillors Brown (Chair), Rosenstiel (Vice-Chair), Birtles, Boyce, Ashton, Benstead, Herbert and Tucker

Executive Councillors:

Deputy Leader and Executive Councillor for Housing: Councillor Smart

Executive Councillor for Customer Services and Resources: Councillor Smith

Executive Councillor for Community Development and Health: Councillor Pitt

Executive Councillor for Arts, Sport and Public Places: Councillor Cantrill

Officers Present:

Chief Executive: Antoinette Jackson

Director of Resources: David Horspool

Director of Customer and Community Services: Liz Bisset

Head of Tourism and City Centre Management: Emma Thornton

Committee Manager: Glenn Burgess

FOR THE INFORMATION OF THE COUNCIL

13/17/SR Apologies for absence

Apologies were received from the Leader of the Council and the Executive Councillor for Environmental and Waste Services.

13/18/SR Declarations of interest

Councillor	Item	Interest
Brown	13/20/SRb	Personal: Member of the Campaign for Real Ale (CAMRA)
Rosenstiel	13/20/SRb	Personal: Member of the Campaign for Real Ale (CAMRA)
Rosenstiel	13/21/SR	Personal: Tenant of a Council owned garage

13/19/SR Public Questions

None

13/20/SR Draft Revenue and Capital Budgets**13/20a/SR Executive Amendment**

Matter for Decision: Changes to the Budget Setting Report 2013/14 to reflect the Local Government Finance Settlement 2013/14 announcement made on 4 February 2013, additional grant determinations and their impact on the level of the General Fund Reserve

Decision of the Deputy Leader:

The Deputy Leader resolved to:

Authorise the Director of Resources to make necessary changes to the Budget Setting Report 2013/14, to be considered by Council at the meeting on 21 February 2013, to reflect the Local Government Finance Settlement 2013/14 announcement made on 4 February 2013, additional grant determinations and their impact on the level of the General Fund Reserve.

Reasons for the Decision: As set out in the officer's report

Any alternative options considered and rejected: As set out in the officer's report

Scrutiny Considerations:

The committee received a report from the Director of Resources.

In response to a question from Councillor Rosenstiel the Director of Resources confirmed the following:

- i. The Council Tax referendum threshold was not necessarily a flat rate of 2% across the whole country. By its category, any local authority in the bottom quartile could have a threshold of £5 or 2% (whichever was greater).

The Scrutiny Committee considered and approved the officer's recommendation by 4 votes to 0.

The Deputy Leader approved the recommendations.

Conflicts of Interest Declared by the Deputy Leader (and any Dispensations Granted):

Not applicable.

13/20b/SR Labour Amendment

The Leader of the Labour Group introduced the item.

The following minor amendments to the published document were highlighted:

Page 4: Reduction in Capital Scheme SC329

Should read £362,000 (not £326,000)

Page 8: 'Reduce the Strength' Licensing Officer LR1

Should read Jas Lally as the officer contact (not Emma Thornton)

Page 9: Deletion of capital scheme for metered electricity supply

Should read £7,500 for 2013/14 (not £860) and £15,000 for each of 2014/15, 2015/16 and 2016/17 (not £8360)

Page 15: Savings from cutting Corporate Document Management system project funds

Should read (addition underlined):

“As an example of opportunities to revise and rephrase the capital programme, investigation has identified proportion of this funding that is not required, as current year document management change costs are projected to be lower than previous estimates.”

In response to questions from Councillor Rosenstiel the Director of Resources confirmed the following:

- i. Stage 1 of the Electronic Document and Records Management System (EDRMS) had been rolled out as part of the Customer Service Centre project. The remaining funds could be bid against by other services, with money being carried forward year to year.
- ii. Acknowledged that technology such as electronic billing would have an affect on how the project progressed but highlighted the importance of maintaining relevant fraud protection measures.

In response to a question regarding the impact of LS5 on the wider Community Development Service Councillor Herbert acknowledged that, whilst improvements had been made to local decision-making and Area Committees, a considerable gain had not been achieved. It was therefore felt that ongoing work could be achieved by a half time post and existing resources.

13/20C/SR Updated Section 25 Report (Appendix T)

The Director of Resources introduced the item and members noted the updated Section 25 Report.

13/21/SR Housing Revenue Account (HRA) Budget Setting Report (BSR) 2013/14 to 2016/17 - Revenue Implications

Matter for Decision: HRA BSR – Revenue implications

Decision of the Executive Councillor:

The Executive Councillor for Housing resolved to:

Review of Rents and Charges

- a) Approve the proposed charges for Housing Revenue Account services and facilities, as shown in Appendix B of the HRA Budget Setting Report.
- b) Approve that council dwellings rents be increased in line with rent restructuring guidelines to seek to achieve convergence with formula rent by 2015/16, with a maximum in individual increases of inflation (RPI at September 2012 of 2.6%) plus half percent (0.5%) plus £2.00 per week with effect from 1 April 2013, in accordance with the latest government guidelines.
- c) Approve inflationary increases of 2.4% in garage rents for 2013/14, in line with the base rate of inflation for the year assumed in the HRA Budget Setting Report, pending future recommendations in respect of garage pricing structures following the findings of the Garage Working Group.

- d) Approve that service charges for gas maintenance, door entry systems, lifts and electrical and mechanical maintenance are increased by a maximum of inflation at 2.6% plus 0.5%, if required, to continue to recover full estimated costs as detailed in Appendix B of the HRA Budget Setting Report.
- e) Approve that caretaking, communal cleaning, estate services, grounds maintenance, window cleaning, temporary housing premises and utilities, sheltered scheme premises, utilities, digital television aerial and catering charges continue to be recovered at full cost, as detailed in Appendix B of the HRA Budget Setting Report.
- f) Approve revised leasehold administration charges for 2013/14 as detailed in Appendix B of the HRA Budget Setting Report.
- g) Approve the revised Rent Write Off Policy, as detailed in Appendix A(1) of the HRA Budget Setting Report.
- h) Approve the revised Rent Policy, as detailed in Appendix A(2) of the HRA Budget Setting Report.

Revenue – HRA

Revised Budget 2012/13:

- i) Approve with any amendments, the Revised Budget items shown in Appendix D of the HRA Budget Setting Report.

Budget 2013/14:

- j) Approve with any amendments, the Non-Cash Limit items shown in Appendix E of the HRA Budget Setting Report.
- k) Approve with any amendments, the Unavoidable Revenue Bids and Savings shown in Appendix F of the HRA Budget Setting Report.
- l) Approve with any amendments, the Priority Policy Fund (PPF) Bids shown in Appendix G of the HRA Budget Setting Report.

Treasury Management

- m) Approve the continued approach to determining the most appropriate borrowing route in respect of any additional HRA borrowing requirement, as outlined in Section 6 of the HRA Budget Setting Report, delegating responsibility to the Director of Resources for the final decision, in consultation with the Executive Councillor, Chair, Vice Chair and Opposition Spokesperson for HMB.

Reasons for the Decision: As set out in the officer's report

Any alternative options considered and rejected: As set out in the officer's report

Scrutiny Considerations:

The committee received a report from the Director of Customer and Community Services

In response to questions from Councillor Herbert the Director of Customer and Community Services confirmed the following:

- i. Rents would increase locally by 5.16%, equivalent to £4.53 per week on a 52-week basis.
- ii. Whilst ringfenced, the HRA would not be managed individually, but as part of the Council's overall budget process. When moving to self-financing there had been a lot of close working with the central finance team and this would continue.

Councillor Herbert questioned the principle of the Housing Management Board, instead of the Strategy and Resources Scrutiny Committee, scrutinising treasury management aspects of the HRA. It was also suggested that, as housing funds were now significantly higher, consideration should be given to a change in the scrutiny structure.

The Executive Councillor for Housing confirmed that, whilst the HRA budget may now be bigger, she would not be happy with losing the high level of input provided by the tenant representatives on the Housing Management Board. It was acknowledged however that the scrutiny structure may need to be looked at and she would be happy to include Councillor Herbert in these discussions.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted):

Not applicable.

13/22/SR Appointment of Director representative on the new BID Board

Matter for Decision: Appointment of Director representative on the new BID Board

Decision of the Deputy Leader:

The Deputy Leader resolved to:

Appoint Councillor Julie Smith, as the Executive Councillor for Customer Services and Resources, as the Director representing the City Council on the board of Cambridge BID Ltd.

Reasons for the Decision: As set out in the officer's report

Any alternative options considered and rejected: As set out in the officer's report

Scrutiny Considerations:

The committee received a report from the Head of Tourism and City Centre Management.

In response to members questions the Executive Councillor for Customer Services and Resources and the Head of Tourism and City Centre Management confirmed the following:

- i. As the position was closely connected with the Customer Services and Resources portfolio it was more appropriate that Councillor Smith, and not the Leader, be appointed.
- ii. An update on BID would be provided as part of an all member briefing scheduled for Monday 25 February.
- iii. The personal liability of the Director representative of the City Council would be limited to £1.

At the request of members the recommendation was amended slightly to specifically name the relevant Executive Councillor.

The Scrutiny Committee considered and approved the officer's amended recommendation by 4 votes to 0.

The Deputy leader approved the amended recommendation.

Conflicts of Interest Declared by the Deputy Leader (and any Dispensations Granted):

Not applicable.

The meeting ended at 5.55 pm

CHAIR