
SCRUTINY COMMITTEE

MINUTES of the Meeting held in the Council Chamber, Swale House, East Street, Sittingbourne, Kent, ME10 3HT on Wednesday, 28 January 2015 from 7.00 - 8.08 pm.

PRESENT: Councillors Sylvia Bennett, Andy Booth (Chairman), Lloyd Bowen (Vice-Chairman), Jackie Constable, John Coulter, Mark Ellen, Mike Henderson, Peter Marchington, Prescott, Ben Stokes and Adam Tolhurst.

OFFICERS PRESENT: Anne Adams, David Clifford, Philippa Davies, James Freeman, Abdool Kara, Brian Planner, Bob Pullen, Mark Radford, Pete Raine, Dena Smart, Dave Thomas, Nick Vickers and Phil Wilson.

ALSO IN ATTENDANCE: Councillors Bowles, Duncan Dewar-Whalley, Gerry Lewin, David Simmons, Mike Whiting, Ted Wilcox and John Wright (Cabinet Members).

APOLOGIES: Councillors Mike Cosgrove and Ken Pugh (Cabinet Members).

452 MINUTES

The Minutes of the Meeting held on 13 January 2015 (Minute Nos. 421 – 428) were taken as read, approved and signed by the Chairman, subject to recording that Councillor Monique Bonney substituted for Councillor Mike Henderson.

453 DECLARATIONS OF INTEREST

No interests were declared.

454 DRAFT BUDGET 2015/16

The Chairman welcomed Cabinet Members, Members and officers to the meeting. He also welcomed Councillor Adam Tolhurst who was attending the Committee following the resignation of Mike Haywood. The Chairman advised that the purpose of the meeting was to review the 2015/16 Budget.

The Cabinet Member for Finance introduced the report and drew Members' attention to Appendix IV in the report which highlighted changes to the report since it was considered by Cabinet on 3 December 2014.

The Chairman invited Members to ask questions, firstly on the Appendices, and then on the main report.

Members reviewed the appendices and report page by page and Cabinet Members and officers responded to their questions as set out below.

Appendices:

Q1: (Page 11) With reference to the Director of Regeneration post, was it possible that a full time lower grade officer could be employed instead?

A1: The post holder was currently employed on a three-day week contract and was likely to retire in 2015/16 financial year. It was likely that the new post holder would be employed on a five-day week basis and it was right that provision was made for this in the base budget.

Q2: If the Director provided six months notice this would be at least four months into 2015/16, so should a third of the figure noted in the report be taken off?

A2: Contractually only three months notice was required for this post and it was prudent to plan for the 'worst case scenario'.

Q3: (Page 14) What was the current bill for emergency accommodation?

A3: There was a budget allocation of £247,600 for 2015/16.

Q4: What was the saving described as Minimum Revenue Provision Reduction – accountancy charge for capital expenditure?

A4: This was a combination of finance leases with a 4% declining balance each year which resulted in a reduction of £56,600.

Q5: What was the 2015/16 forecast for the waste contract savings?

A5: The savings for the waste contract were ongoing and were in the base budget.

Q6: (Page 15) Would the Head of Service Delivery be replaced when he retired?

A6: There were no immediate plans to replace him. His remaining functions would be distributed to other officers and the situation reviewed after three months.

Q7: (Page 16) What did 'ICT predicted savings as agreed by Cabinet in April 2012 and based on savings against 2011/12 base budgets' mean?

A7: This was an additional £15,000 from the base of this year's savings over and above savings delivered in previous years.

Q8: Concerned that proactive development work in the ICT department was not being pursued and would there be an impact on savings when there was still a lot more development work to be carried out?

A8: Future development was being planned and priorities would be ranked; a commissioning group was going to be established to look at this and prioritise in light of business needs.

Q9: (Page 17) Should planning fees be portrayed as being higher?

A9: Planning fees were unpredictable, with the level of applications varying so a prudent approach was taken.

Q10: Rather than an increase in planning fees, there should be an increase in the budget to take it towards figures that were already being received. There was a very large increase without additional resources, so was an increase in budget appropriate?

A10: It was not sensible to grow the budget based on assumptions of growth in planning fees.

Q11: Could a list of the increase in rental income from miscellaneous properties be provided?

A11: This would be forwarded to the Committee.

- **Head of Property Services**

Main report:

Q1: (Page 3) We do not know what the appeals will be or how many, how was the figure of £2.4million arrived at?

A1: Local information was taken into account when analysing appeals. It was difficult to be precise, and the final figure was likely to be higher.

Q2: How was the income from National Non Domestic Rates (NNDR) worked out?

A2: The figures in Appendix I were set out for the external audit, and it was budgeted a year in arrears which addressed the level of uncertainty when building growth in NNDR into the base budget.

It was a positive move that Local Authorities could benefit from growth in business rates and this could be a more stable form of income in the future than the New Homes Bonus (NHB). If there was a change in national Government, it was anticipated that the NHB funds may be allocated according to deprivation instead, but with Swale being in the top fifth of deprived areas in the UK, Swale would still be likely to receive a significant figure.

Q3: (Page 5) Does the national pay increase have an impact on staff salary at SBC?

A3: Staff salary at SBC was negotiated locally with the Trade Unions.

Q4: (Page 6) How does the Disabled Facilities Grant Funding arrangements compare with last year's funding?

A4: The grant was about £100,000 more, but the funding arrangement to passport it back to the Borough Council as part of the Better Care Fund arrangements with

Kent County Council (KCC) has only been confirmed for one year. This was the decision of Central Government.

Q5: (Page 10) Where were the savings being made in the waste contract?

A5: Savings were being made by the increase in recycling, new methods of collection and partnership working, rationalisation of routes and layers of management, and a different approach to street cleansing.

Q6: Was the service being rationed; what were we losing to gain the saving?

A6: The street cleansing service was not being rationed, but the approach had been changed. The new contract was based on performance rather than frequency with particular areas being targeted, rather than all areas being part of the cleaning routine, and also working close with contractors. This resulted in a more effective use of contractor resources and therefore reduced costs.

Q7: Were there enough people to monitor the contract?

A7: An additional post in the contract monitoring team was a budget proposal.

Q8: Was the contract reactive or proactive?

A8: A little of each. It was important to hear where resources were required, via the contract monitoring team and customer feedback, and then take a pro-active approach for deep cleansing where there were problems.

Budget Book

Q1: (Page 22) Was Swale Borough Council's (SBC) money used for coastal protection?

A1: There was an income of £23,600 from KCC for this for a contribution to capital costs of the works. The cost of protection works included both staff costs and maintenance costs; the staff costs were funded by SBC.

Q2: (Page 24) Could the 'Purpose of Service' paragraph under Corporate Costs be re-written?

A2: This would be re-drafted.

- Head of Finance

Q3 (Page 23) What was the actual cost of benefit administration?

A2: A response would be forwarded to the Committee.

- Head of Service Delivery

Q4 (Page 21) Why was there an increase in budget for 2015/16 on Leisure and Sports Centres and when did the leisure contract come to an end?

At this point, Councillor Booth declared a disclosable non pecuniary interest as he was Chairman of the Swale Community Leisure Trust.

A4: The increase in budget was to account for increase in utilities liabilities being charged to SBC. The contract was due to end in 2019.

Q5: (Page 24) What were the reasons for decrease in budget for pollution control?

A5: There was a carry forward of underspend; a full response would be forwarded to the Committee.

- Head of Service Delivery

The Chairman thanked the Cabinet Members, Councillor and officers for attending the meeting.

Chairman

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All Minutes are draft until agreed at the next meeting of the Committee/Panel