

EAST DEVON DISTRICT COUNCIL

Minutes of a Joint Meeting of the Corporate Overview and Scrutiny Committees held at Knowle, Sidmouth on 27 September 2006

Present:

Councillors:

G K Liverton (Chairman)
R C Peachey (Vice-Chairman)

Mrs K J Bamsey
R W Boote
P W Burrows
G P Chamberlain
D J Cox
Mrs C E Drew
C Gibbings
B O Ingham
J A Knight
Mrs A E Liverton

Mrs F I Newth
T G Reeves
Mrs L A Roden
Mrs M A Rogers
P J Skinner
B J Toye
C H Wale
Dr H W Waterworth
Mrs E E Wragg

Also Present:

Councillors:

Miss V Ash
D G Button
T A Cope
P A Diviani
Miss J M Elson
R G Franklin
S Hughes

S C Luxton
A T Moulding
R Mudge
B Nicholson
Mrs H E Parr
Mrs P A Stott

Apologies:

Councillors:

J E D Falby
K W George
A R Giles
J P Halse
H J Jeffery
Ms S M Merritt
S C Wragg

The meeting started at 6.30pm and ended at 8.46pm

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Election of Chairman

Councillor G K Liverton was proposed and seconded as Chairman of the meeting.

RESOLVED that Councillor G K Liverton be elected Chairman of the meeting.

*2 **Election of Vice Chairman**

Councillor P W Burrows was proposed and seconded as Vice Chairman of the meeting but declined to take up the position. Councillor R C Peachey was then proposed and seconded for the position.

RESOLVED that Councillor R C Peachey be elected Vice Chairman of the meeting.

*3 **Review of 2007/08 financial position and service priorities**

The need to find savings

The Corporate Director – Economy gave an informative presentation outlining the current and predicted future financial position for the Council. Members were advised that the meeting was being held to enable Members to give the Executive Board and Officers guidance on how they should set a balanced budget and if a surplus was identified what the spending priorities should be.

The Corporate Strategy was agreed in April 2006. The Service Plans emanated from this and from them came a range of issues and priorities. The Medium Term Financial Plan, drawn up for a five year period, set out the priorities in financial terms. The current Plan showed that the budget requirement was increasing year on year at a faster rate than the growth in resources available, resulting in a growing deficit each year.

The Capital account remained in credit, however the capital programme could not be funded through capital receipts alone therefore any expenditure would have to be funded either by reducing the capital balance or through borrowing. The cost of borrowing additional finance had not been included in the revenue account calculations.

Four principles had been previously been adopted when setting the budget:

- The need for a balanced budget
- The maintenance of reserves to adopted levels
- Expenditure on high priority areas over lower priority
- Council Tax kept within Government guidelines
- The need to follow the Capital Strategy in setting the Capital Programme

Members were advised that they needed to identify ways to address the £459,000 funding gap. Three options were available: efficiency savings, raise income and low priority service cuts.

Discussion took place on the options available. The general consensus was that Members did not want to see any services cut and believed that Council Tax should be raised. It was noted that even if the Council Tax was raised to 5% producing an income of £300,000 there would still be a funding deficit.

Each of the Portfolio Holders set out the areas they had been looking into with the aim of cutting expenditure.

The Portfolio Holder – Resources advised that the recommendations of the Fees and Charges Task and Finish Forum would be applied where possible. In addition consideration was been given to whether the Council could amalgamate with other authorities to provide certain services, whether the Civic Fund could be cut, the level of discretionary rate relief given, Member training, procurement, whether capital receipts could be increased and the effect the Leisure Trust could have on some in house services, for example the ICT service.

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Review of 2007/08 financial position and service priorities (Cont.)

The Portfolio Holder – Environment advised that Officers would be investigating the possibility of increasing charges for beach huts and boat and winch licences. The possible charging for pre application advice would be considered when the number of Planning Officers had increased to full establishment and the appointment of a Section 106 Officer was being looked into. The Portfolio Holder also spoke in favour of group Member training rather than training carried out on an individual basis.

The Portfolio Holder – Communications advised that possible savings had been identified through the print and post service (a report would be going to the next meeting of the Executive Board) and the use of ‘third party’ computer systems, instead the ‘reality’ system currently in use. ‘Third party’ systems were systems sold ‘off the shelf’ to a number of organisations and were updated each year by the system provider who also supported the system. The current ‘reality’ system was tailor made for the Council and was difficult to maintain and update. In addition the Portfolio Holder reminded Members that the Customer Service Centre would produce long term savings once fully established.

The Portfolio Holder – Economy and Regeneration advised that although investment was required for the car parks the returns generated would far outweigh the investment. Members were advised that there was concern over whether the Heart of Devon Enterprise Agency (HoDEA) was providing sufficient return to the Council for the level of support given. Their Service Level Agreement was being scrutinised by Officers and it was possible that their funding could be cut in the future. In addition the Portfolio Holder spoke on the level of return obtained from the funding given to the Quantock Hills Area of Outstanding Natural Beauty and advised how the projects carried out met with the Council’s priorities.

The Portfolio Holder – Communities advised Members that a large proportion of Communities work was mandatory. The Housing Review Board now managed the Housing Revenue Account, which was funded by Council property rents. It was this account rather than Council Tax that was used for property maintenance. Efforts had been taken to try and improve the efficiency of the Communities Directorate as a whole. The Portfolio Holder advised that the possibility of reducing the dog service would be considered especially now that there was increased awareness and peer pressure regarding the problem of dog waste.

Some Members expressed disappointment that the Portfolio Holders had not been able to state figures for the amount of revenue which could be saved within their Portfolios. However, Members were advised that this meeting represented the start of the budget process and ideas needed to be carefully considered before their effect and possible savings could be calculated.

Suggestions put forward for raising income / cutting expenditure included:

- Seeking advertising to fund bus shelter maintenance
- The maintenance of memorial benches to be paid for by the purchasers of the benches
- Procurement to be looked into across all the services, to include the procurement of utilities for example, electricity
- An increase in energy saving measures
- Looking more closely at the recipients of grant funding to ensure that the services provided are valuable to the Council
- Reviewing the water safety service and in particular the need for investment in a replacement rigid inflatable boat, jet ski and quad bike
- A regular review of the fees and charges every few years on a similar basis to the review carried out by the Fees and Charges Task and Finish Forum

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Review of 2007/08 financial position and service priorities (Cont.)

- The possible handing over of services to Town and Parish Councils in return for funding, which could ensure services more closely meet the needs of local communities whilst saving the Council money
- The possible use of partnerships with other organisations, the Parish Paths Partnership entered into by Devon County Council was given as an example
- All new sports ground leases could include a maintenance clause
- The possible introduction of a 'roof tax' to be paid by the owners of new properties towards the services provided in their area.

The Members of the Fees and Charges Task and Finish Forum stressed the importance of investigating their recommendations especially with regard to sports pitches, Section 106 agreements and 'roof tax'.

Members suggested that each service area should be reviewed in detail by Members throughout the year. It was noted that the Service Planning exercise did encourage scrutiny by Members and was designed to improve a Councillor's awareness of the work of all services.

Areas for additional investment and Members additions to the 'wish list'

The following areas of expenditure were suggested for investment should the funds be made available:

- Littleham Cemetery
- Expansion of the Concessionary Fares scheme
- More enforcement of byelaws
- Provision of affordable housing
- Maintenance of open spaces, with particular regard to Honiton

The Head of Street Scene Services advised that legislation had changed with regard to waste storage which is why a figure had been included in Appendix B(ii) for a Depot Yardman at the Camperdown and Manstone depots. Waste was currently stored in bulk containers which, when full, were then transported to the landfill sites outside the District. Under new legislation a licence was needed from the Environment Agency in order to store waste. It was likely that the Agency would require qualified Yardsmen to manage the licence conditions.

The Head of Street Scene Services also advised that a figure had been included for an Assistant Car Park Manager as there was currently only one Car Park Manager and when he was away there was no one with the capacity or knowledge to take on his work.

An increase in the Street Cleansing budget had been requested to cover the increase in the number of areas which needed to be cleaned. An increase in properties and play areas had impacted on the service and was only partly covered by Section 106 funding.

Prioritisation of additional investment and Members' 'wish list'

Members agreed that it would be sensible to wait until additional savings had been identified before time was spent prioritising additional investment.

The Corporate Director – Economy was thanked for his report and all Officers present were thanked for their attendance.

(Councillor Mrs Stott declared a personal interest when discussions took place on the Exmouth rescue boat as her son had previously manned the vessel)

Chairman Date.....