

MINUTES OF SPECIAL POLICY & RESOURCES COMMITTEE HELD ON

18 December 2008

7.30pm – 10.20pm

PRESENT

COUNCILLORS

Simon Carter (Chairman)

Manny Doku
Russell Perrin

Andrew Johnson
Clive Souter

Chris Millington
Mark Wilkinson

APOLOGIES

Eddie Johnson

SUBSTITUTIONS

Joel Charles substitute for Eddie Johnson

ALSO PRESENT

Jean Clark

94. DECLARATIONS OF INTEREST

Councillor Jean Clark declared a personal interest in agenda item 4 (Welfare Rights & Advice Services) as she was the Council representative on the Advice Centre User/Management Group.

Councillor Simon Carter declared a personal interest in agenda item 12 (Review of Asset Management Plan) as he was a trustee for two of the properties mentioned in the report.

95. LATE REPORTS

Members complained that they had not received many of the reports in time to fully digest the information and make informed decisions at this meeting.

The Chairman regretted that the reports had been late. Every effort would be made to ensure that reports were appended to agendas in future,

although he acknowledged that officers were under pressure to produce detailed financial reports to tight timescales.

96. **NON-CONTENTIOUS BUSINESS**

RESOLVED that no items be taken as non-contentious.

97. **WELFARE RIGHTS & ADVICE SERVICES**

The Committee received a report on the conclusions of the Working Group, which had been established to recommend a budget for welfare rights and advice services.

The minutes of the meeting of the Welfare Rights & Advice Working Group held on 8 December 2008 were attached to the report.

It was noted the Working Group had concluded that it did not have sufficient information to recommend a budget.

In the absence of a recommended budget, it was agreed to invite tenders at different cost levels.

RESOLVED that

- (a) the report and minutes of the Welfare Rights & Advice Working Group held on 8 December 2008 be noted;
- (b) an invitation to tender for welfare rights and advice services be advertised at the beginning of January 2009 and tenderers be invited to submit proposals for service provision at the following budgetary bands:-

Up to £100,000 per annum.

Up to £150,000 per annum.

Up to £200,000 per annum.

Up to £250,000 per annum.

98. **GENERAL FUND REVENUE BUDGET MONITORING 2008/09 UPDATE**

Since the actions taken to mitigate the funding gap reported in the interim budget (Minute 28, 28/8/08), escalating uncontrollable costs and reductions in income had had a further detrimental impact on the budget.

The Committee received a report on the current situation, which forecast a £359,000 funding gap. If insufficient cost savings were made to close this gap, the overspend would have to be met from reserves.

Members noted the risks to which the Council was exposed and which could impact on this forecast.

RESOLVED that the report be noted.

99. **HOUSING REVENUE ACCOUNT BUDGET MONITORING 2008/09 UPDATE**

The Committee received a report on the budget situation for the current financial year, as reported to the Budget & Performance Monitoring Working Party.

It was forecast that the balance at the end of the year would fall short of the recommended minimum balance of £1,230,000, approved by Council in February 2008, by £151,000. An action plan was being implemented to produce savings, which could address this variation without reducing services to tenants.

Members noted that there were risks that could affect these year end projections.

RESOLVED that the report be noted.

100. **CAPITAL PROGRAMME BUDGET MONITORING 2008/09 UPDATE**

The Committee received a report which gave a summary update of the housing and non-housing capital programme, since the interim budget in August 2008 and revisions to the housing capital programming in November 2008.

Members noted that whilst the revised housing capital programme included under-programming of £501,000, events since then (including the risk that asset disposals may not be achieved) had led to the possibility of over-programming of £939,000.

This, together with a potential over-programming of the non-housing capital programme of £1,223,000 would necessitate prudential borrowing, unless asset disposals were achieved and/or the progress of projects for health and safety and contractually committed items slowed down.

RESOLVED that the report be noted.

101. **MEDIUM TERM FINANCIAL STRATEGY**

The Committee received a report which provided an update on the Medium Term Financial Strategy (MTFS), which was approved by Council in February 2008.

The Strategy had been updated to take account of the anticipated impact of the unprecedented economic factors affecting the Council's budgets and would continue to be developed as a result of budget monitoring.

A further report on the MTFS would be submitted to this Committee in February 2009 as part of the budget setting process.

RESOLVED that the report be noted.

102. **TREASURY MANAGEMENT STRATEGY UPDATE**

The Committee received a report on the Treasury Management Strategy and Annual Investment Strategy, which had been reviewed and updated in light of the current global economic climate.

Members noted that 'counties' at paragraph 4 of the report should have read 'countries' and that the IT implications were supplied by Lee French (not Keren Mallinson).

Members thanked officers for their efforts in managing the budgets during the current extraordinary economic pressures and for their diligence in investing the Council's balances during the recent banking crisis.

RESOLVED that the report be noted.

103. **MATTERS OF URGENT BUSINESS**

The Chairman exercised his discretion to accept an item under 'Urgent Business'. This was a confidential item which was considered after the departure of the press and public.

The title of this item was 'Senior Management Restructure'. The Chairman was satisfied that this item met the requirements for consideration as a matter of urgency in that it could not be deferred until the next meeting of this Committee, as some matters impacted on existing agreements and the need to give adequate notice and also that there were good reasons why the report could not be prepared in time to meet the publication of the agenda.

104. **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED that the press and public be excluded from the meeting during consideration of the following agenda items on the grounds that they involve the likely disclosure of exempt information as specified in paragraphs 1 and 3 respectively of Part One of Schedule 12A of the Local Government Act 1972, if and so long as, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Paragraph 1 – Information relating to any individual.

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information).

At this juncture the Chairman adjourned the meeting for five minutes for a comfort break and it was agreed to continue the meeting until the completion of the business.

105. **REVIEW OF ASSET MANAGEMENT PLAN**

As he had declared a personal interest in this item, Councillor Simon Carter relinquished the Chairmanship to his Vice-Chairman, Councillor Russell Perrin, for this item only.

In view of the current market downturn, the Committee received a report outlining the options for taking forward the asset management plan, which had been agreed in July 2008.

RESOLVED that

- (a) the downturn in the financial markets affecting the Council's ability to attain the full capital value for assets within the disposal programme, be noted;
- (b) bids received significantly below valuation reports be not accepted and the disposal be deferred;
- (c) the options set out in paragraphs 6-7 of the report be investigated and reported back to this Committee in April 2009;
- (d) the options and viability of a Community Trust Foundation aligned to the localism agenda, as set out in paragraphs 8-

11 of the report, be explored and reported back to this Committee in May 2009;

- (e) implementation of the accommodation review, as set out in paragraphs 14 a-f of the report, be agreed;
- (f) lease-rent reviews be implemented as per the recommendations set out in appendix D of the report and a progress report on this review be submitted to this Committee in March 2009;
- (g) the rate payment relief break on void commercial shops (paragraph 15) introduced by Government and effective from April 2009, be reinvested into the vacant shops to carry out repairs for one year only;
- (h) restrictions on catering establishments in neighbourhood hatches be relaxed, for reasons set out in paragraphs 17-19 of the report and a draft policy be submitted to this Committee for consideration.

106. **SENIOR MANAGEMENT RESTRUCTURE**

Robert Pinkham, on behalf of SOLACE who produced the report at Appendix A of the report, accepted an invitation to attend this meeting for this item only.

The Committee received a report proposing changes to the senior management structure and salary scales.

RESOLVED that

- (a) the proposed management structure and salary scales, shown in Appendix C and E respectively, be implemented from 1 April 2009, with the Chief Executive's salary increase being phased over two years with an increase from 1 April 2009 to the mid point between his current salary and the bottom of the new salary range, with progression to the new salary range from 1 April 2010 at incremental point two.
- (b) a further report on the benefits package for senior staff be received by a future meeting of this Committee.

CHAIRMAN OF THE COMMITTEE