

BATH AND NORTH EAST SOMERSET

RESOURCES POLICY DEVELOPMENT AND SCRUTINY PANEL

Monday, 8th February, 2016

Present:- Councillors Sarah Bevan (Chair), Bob Goodman (Vice-Chair), Christopher Pearce, Jasper Becker, Colin Barrett, Chris Dando and Andrew Furse

Also in attendance:

48 WELCOME AND INTRODUCTIONS

The Chairman welcomed everyone to the meeting.

49 EMERGENCY EVACUATION PROCEDURE

The Chairman drew attention to the emergency evacuation procedure.

50 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

There were none.

51 DECLARATIONS OF INTEREST

There were none.

52 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN

There was none.

53 ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE DEPUTATIONS, STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING

There were none.

54 MINUTES

The Panel noted an addition regarding Councillor Goodman's declaration of interest and confirmed the minutes of the previous meeting as a true record and they were duly signed by the Chairman.

55 BUDGET AND COUNCIL TAX 2016/17 AND FINANCIAL OUTLOOK 2016/17 TO 2019/20

Tim Richens, Divisional Director for Business Support, introduced the report.

Panel members considered the budget report along with comments from the Policy Development and Scrutiny Panels made in the November meetings on the Directorate Plans and notes on public consultation (Budget Fair) meetings.

The Cabinet Member for Efficiency and Resources, Councillor Charles Gerrish introduced the budget.

Panel members asked the following questions and made the following points:

Responding to a question from Councillor Furse (page 26) regarding 'ring fenced' money for Adult Social Care (ASC), the officer explained that funding from this element of any Council Tax increase – sometimes referred to as the 'social care precept' - must be used on ASC and that there have been very careful calculations on this.

Regarding a question from Councillor Goodman (page 29), the officer explained that Bath Western Riverside & Enterprise Area needed funding to enable the Council to carry out its role in project delivery and land assembly for the next phases. In response to a query from Councillor Barrett (page 28), the Strategic Director for Place Louise Fradd explained that the current Waste contract is due to end in 2017 and a re-procurement process will commence soon. She further explained that the recent pay settlement is between Keir and their staff.

Councillor Barrett asked about the budget allocation for the B&NES Mayoral referendum (page 29) and Mayor's budget should that be the outcome. The Cabinet Member explained that if a Mayor is elected as a result of the referendum outcome, the Mayor would need to operate within the current budget in this financial year.

Councillor Pearce asked what provisions are in place to monitor progress on the budget. The Strategic Director for Resources, Andrew Pate explained that there are a range of checks in place including internal management processes and regular monitoring reports to Cabinet. The Cabinet Member explained that he reviews performance against budget with his senior officers, he does take into account that a budget is over a 12 month period and there will be peaks and troughs. He confirmed that there is also a quarterly report to Cabinet on this.

Councillor Robin Moss (in attendance at the Panel meeting) stated that he felt that this had been his first opportunity to comment on the budget proposals as the information from other Panel's and budget fairs is now outdated. He stated that elements of this budget are relying on economic growth and 'spending to save', there is recognition in the papers that the devolution deal may be impacted by economic growth, or lack of, so the risk element is substantial. The Cabinet Member responded that devolution is still a fluid picture and other than the consultancy costs of modelling and developing a deal, it is not reflected in the 2016/17 budget, being not expected to commence before the following year 2017/18.

Councillor Dando asked if the authority intends to get a four year firm settlement from Government and the Cabinet Member explained that he does not have enough information on their requirements at this stage - the Government have not yet responded on the implications.

Councillor Furse asked some questions on the Capital Programme (page 35-54). He asked how the authority can afford some of the income generating schemes shown on page 53, the Cabinet Member explained that borrowings will not be taken if there is insufficient return, that is the principle.

Councillor Moss asked what measures are in place to make sure that 106 agreements are enforced and the Cabinet Member explained that a more robust system for enforcing 106 agreements has been developed.

Councillor Barrett asked if there is a minimum set reserve and the officer explained that there is a risk assessed balance, which each Director inputs on, which is reviewed every year. He explained that the Government does not assess Council reserve levels (information is set out in Table 9 on page 57). The Cabinet Member explained that there is a clear programme for earmarked reserves and that some reserve money is being drawn down to ease the impact of the settlement.

Councillor Goodman asked the Cabinet Member what he thinks 'affordable housing' is and about housing at Foxhill. The Cabinet Member explained that the definition of affordable housing seems to be changing but his view is to use money to facilitate houses for those who can least afford it. Regarding Foxhill he stated that it may be possible to encourage Curo to increase the proportion of houses for rent in the area.

In response to a query from Councillor Furse, the officer explained that Avon Fire Authority met on 5th February (page 62) and set its precept at 1.99%.

Councillor Dando stated that in previous years this would have been viewed as a deficit budget and he wished his concern about the deliverability of the budget to be recorded. He commented that there is not enough detail and more business cases are required. The Strategic Director, Andrew Pate explained that the 151 officer has commented on the robustness of the budget proposals in the report and concluded that this is a balanced budget. He explained that the technical work had been done, he further explained that the majority of information presented in the Appendices was previously presented in the Directorate Plans which went to the November 2015 PDS Panels. In response to a further question from Councillor Dando, the Strategic Director explained that Management and Service Reviews will have firm proposals in April which will be consulted upon with a view to implementation in October. He explained that the cost of not achieving a saving mid-year will be funded out of reserves, the full year saving will be achieved but only part of that being in this year.

Councillor Moss stated that information given to PDS Panels in November has been superseded and there is still no settlement. He stated that PDS Panels should be commenting at this stage. He explained that in his experience, these proposals would have been ruled out due to lack of detail. The Strategic Director commented that the late government announcement has not been helpful but the vast majority of information in the Appendices comes from the Directorate Plans seen by PDS Panels in November. He further commented that this budget may seem different to past budgets due to its emphasis on income generation but that there is a similar level of detail to previous years.. The Cabinet Member stated that while there have been some changes (such as the national insurance contributions figure which has been refined since November when it was estimated) the vast majority of lines in

Appendix 3 are the same as submitted to PDS Panels in November and to Budget Fairs.

Councillor Furse asked about budget lines around substance misuse, sexual health and teenage pregnancies. The Cabinet Member explained that savings regarding drug and alcohol misuse were being made in various ways including more internal community support rather than people being sent away to detox which sometimes only works until the person returns to their community area. This represents a refocus on the service delivery.

Councillor Furse questioned (page 91) the savings in the area of transport delivery. The Strategic Director for Place explained that this would just be an amendment to staff structure and that efficiencies are also being considered such as improvements in safe routes to schools so that children can walk to school. It is about encouraging more efficient use of public transport.

Councillor Dando asked how the figures in the Adult Social Care budget have been agreed and the Cabinet Member explained that he had met with officers from Adult Care and had challenged them on how they reached their figures which had also been to the November PDS meeting.

Panel members noted the comments from other PDS Panel (page 127-139) and the notes from Budget Fairs (pages 141 – 156)

It was **RESOLVED** that the minutes of this meeting be passed on to the Cabinet for their consideration of the budget.

56 CABINET MEMBER UPDATE

The Cabinet Member informed the Panel that his recent work had been focused on the budget as detailed in the previous item. He had nothing further to add.

57 PANEL WORKPLAN

The Panel noted the future workplan.

Councillor Gerrish stated that he would report back to the Panel on budget matters in the event of a four year plan.

The meeting ended at 7.15 pm

Chair(person)

Date Confirmed and Signed

Prepared by Democratic Services