

**DRAFT EXTRACT FROM THE PROCEEDINGS OF THE CABINET MEETING HELD
ON THE 12 NOVEMBER 2009**

CABINET

4.00PM 12 NOVEMBER 2009

COUNCIL CHAMBER, HOVE TOWN HALL

DRAFT MINUTES

Present: Councillors Mears (Chairman), Brown, Caulfield, Fallon-Khan, Kemble, K Norman, Simson, Smith, G Theobald and Young

Also in attendance: Councillors Mitchell (Leader, Labour Group), Randall (Convenor, Green Group) and Watkins (Opposition Spokesperson, Liberal Democrat Group)

Other Members present: Councillors Allen, Bennett, Cobb, Fryer, Harmer-Strange, McCaffery, Meadows, Morgan, Oxley and Taylor

116 TARGETED BUDGET MANAGEMENT (TBM) 2009/10 MONTH 6

- 116.1 The Cabinet considered a report of the Director of Finance & Resources concerning the forecast outturn position on the Council's revenue and capital budgets as at the end of September 2009 (for copy see minute book).
- 116.2 Councillor Mitchell expressed concern that there had been no improvement to directorate budgets and that this would ultimately result in increased charges for services and new charges for existing services.
- 116.3 In response to questions from Councillor Mitchell, Councillor Caulfield made the following comments:
- The unforeseen works to housing properties were as result of damp and structural problems discovered in some and a decision had been taken to carry out the works while scaffolding was already up; she fully expected the Housing Revenue Account to be balanced at the end of the financial year.
 - Work had only been carried out to LDV properties where major repairs were required; the majority of works could wait until new legal arrangements were determined.
 - She had not received any indication that health and safety works had ceased.
 - The Council had responded to the government's consultation on the abolition of the current housing subsidy system and she would circulate the response. However, it was understood that no decision would be taken until after the next general election. This made it difficult for the Council to plan how to pay off debt, and therefore the decision had been taken to repay debt early to reduce risk.

- The Director of Finance & Resources confirmed that if changes were made to the housing subsidy system it would be based on the council's notional debt, so decisions made on whether to pay down debt or not would not have any impact.

116.4 In response to Councillor Mitchell, Councillor Brown reported that the issue of raising the capital receipt for the government's Co-location Programme was likely to be considered at the next Cabinet meeting.

116.5 In response to questions from Councillor Randall the following comments were made:

- Councillor Norman confirmed that he would provide a breakdown of the £700,000 savings delivered in Adult Social Care and that the revised prediction of growth in physical disabilities was due to a data quality issue, which had now been addressed.
- Councillor Brown reported that savings delivered in respect of Children's Services were primarily due to a restructure of the management team and that front line services had not been affected.
- The Director of Finance & Resources explained that the Council had been negotiating with the Audit Commission to reduce external audit fees by relying more on the work of the Internal Audit team. She offered to provide further details on the Council's use of consultants.
- Councillor Theobald offered to provide further details of recovery measures and reported that measures, including vacancy management had been implemented across the directorate and would be monitored closely.
- Councillor Caulfield explained that work was ongoing in regard to the housing management improvement programme; as part of it, the three year programme would be presented at the next round of Area Housing Management Panels and it was expected that the whole programme would be considered by the Housing Management Consultative Committee in December.

116.6 **RESOLVED** - That, having considered the information and the reasons set out in the report, the Cabinet accepted the following recommendations:

- (1) That the forecast outturn for the General Fund, Section 75 Partnerships and Housing Revenue Account (HRA) for 2008/09 as at month 6 be noted.
- (2) That the impact of financial recovery plans on the forecast outturn position be noted.
- (3) That the drawdown of £0.350 million from reserves to meet potential costs of the Marina Development Appeal be approved.
- (4) That the forecast outturn position on the capital budgets as at month 6 be noted.
- (5) That the changes to the capital budget be approved.