

BRIGHTON & HOVE CITY COUNCIL

POLICY & RESOURCES COMMITTEE

4.00pm 13 FEBRUARY 2014

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillor J Kitcat (Chair) Councillors Littman (Deputy Chair), G Theobald (Opposition Spokesperson), Morgan (Group Spokesperson), Hamilton, Lepper, A Norman, Peltzer Dunn, Randall and Shanks.

PART ONE

115. PROCEDURAL BUSINESS

(a) Declarations of Substitutes

115.1 There were no declarations of Substitutes.

(b) Declarations of Interest

115.2 There were no declarations of interest.

(c) Exclusion of the Press and Public

115.3 The Committee considered whether the press and public should be excluded from the meeting during the consideration of any of the items listed on the agenda.

115.4 **RESOLVED:** That the press and public be excluded from the meeting during consideration of the item contained in part two of the agenda.

116. MINUTES

116.1 The minutes of the last meeting held on the 16th January 2014 were approved as a correct record of the proceedings and signed by the Chair.

117. CHAIR'S COMMUNICATIONS

117.1 The Chair noted that over the last few days council officers alongside colleagues from Southern Water, the Environment Agency, East Sussex Fire & Rescue and the Utilities had been engaged in an emergency response to the rising water levels on Patcham. An early warning of impending floods was issued and residents regularly informed of developments about the groundwater levels, with sand bags issues to those properties

in danger of water ingress. An information hub had been established at the Black Lion pub, and many residents had been in to talk to the various agencies. Vulnerable residents had been identified and either moved to more secure accommodation or were being supported in their homes.

117.2 The Chair stated that he was very happy to report that the Planning Committee of the South Downs National Park had recently approved an application by the Council for a permanent Travellers site at Horsdean. He hoped that the new site would give greater stability for travelling families and noted that it would enable the Traveller Liaison Team to operate from a building on the site. He also hoped that the 12 new pitches would help to manage unauthorised encampments more effectively and wished to thank the National Park for their approval and everyone involved in drafting and supporting the application.

117.3 The Chair stated that he was pleased to report that the Council had reached its Decent Homes Target, which meant that all of the council housing stock now met a locally agreed definition of decency and marked the success of a long running and challenging piece of work. It had been a remarkable achievement and one the council as a whole should be very proud of.

117.4 The Chair also wished to offer his congratulations to Brighton Housing Trust, who had been awarded £9.2m to support people with multiple needs, and working in partnership, would be used across Brighton & Hove, Eastbourne and Hastings to improve and better target support and services to those in need.

118. CALL OVER

118.1 The following items on the agenda were reserved for discussion:

- Item 121 General Fund Revenue Budget & Council Tax 2014/15
- Item 122 Housing Revenue Account Budget 2014/15
- Item 123 Capital Resources & Capital Investment Programme 2014/15
- Item 124 Housing Revenue Account Capital Programme 2014-17
- Item 125 Targeted Budget Management (TBM 9)
- Item 126 Procurement of Corporate Banking Services
- Item 127 ICT Strategy and Resourcing Update

118.2 The Head of Democratic Services confirmed that the Items listed above had been reserved for discussion.

119. PUBLIC INVOLVEMENT

119.1 The Chair noted that one deputation from the public had been received and welcomed Mr. Melson to the meeting and invited him to present the deputation.

119.2 Mr. Melson thanked the Chair and stated that he had asked Ms. El-Shabba as a co-signatory to the deputation to read it out on his behalf.

119.3 Ms. El-Shabba then read out the deputation:

“B&HCC’s Constitution provides for the Policy-making process on Council Housing to be conducted by consultation with the four Area Housing Management Panels, and Housing Management Consultative Sub Committee. The four “special-interest” Groups (Sheltered Housing, High Rise Action Group, Leaseholder Action Group, and Tenant Disability Network) have seats on HMCSC. We understand the difficulty Central Government’s tardiness can cause officers however, the Rent Convergence directive does not mean that a provisional budget Report could not have been produced and Consulted in good time. Reading out an isolated list of changes to the Service Charges at a Sheltered Housing meeting, and at Area Panels (after Housing Committee had sat on the Budget Report) cannot be construed as Consultation.

A meeting with two people, out of more than 2,300 High Rise properties, cannot be a valid consultation with the High Rise Action Group that has not seen the list of changes to the Service Charges or any of the Budget Report. The proper purpose of Tenant and Leaseholder Representatives is to bring the consensus of their electing body to inform the views of Members and help them in the final “tweaking” of Reports. Without proper Consultation with the Area Panels and Groups the meeting of Housing Management Consultative Sub Committee on the 11th February 2014 is flawed by reliance on the personal views of the Tenant and Leaseholder representatives present rather than the consensus of all council-housed residents.

This Deputation considers the Consultation process on this HRA budget is not adequate or satisfactory and has unresolved issues with some of the proposals in this Budget. The £145,000 for Discretionary Grants: Housing Management has specialised teams in place from Financial Inclusion and Sustainable Tenancy to Travellers and everything in between. The HRA is ring-fenced and can only be spent on Housing and for the general benefit of all council-housed residents. Grants to Voluntary Sector groups raise an issue if the group to whom a grant is made provides services which are not housing-specific, or restrictive (for Older People, Young People, Disability, LGBT, Ethnic), or provided across the Private Sector. If the introduction of additional Service Charges is based on the principle that a resident who does not receive a Service should not subsidise those that do then clearly they should not subsidise Voluntary Sector groups which do not pay into the HRA. However council-housed residents do pay Council Tax in common with the Private Sector and any Discretionary Grants should be paid from the General Account.

Discussions with two local Letting Agencies and a Private Sector landlord have made it clear that they factor these charges and the proximity of other amenities of their properties, transport, shops, schools, doctors, views from the property, into the Rent asked. Long-time residents tell us that lighting and lifts were included as part of the rent setting process when letting the newly-commissioned high-rise buildings (late 60’s and early 70’s) and what would be a duplicate cost has been introduced at the time we became a Unified Authority. We have not had time to ask the question or find documentary support for that.

The principle that a resident who does not receive a Service should not subsidise those that do leads us into PV panels: a question of recharge was shelved as it was not a factor when the previous Administration had negotiated for an Energy company to provide, install and maintain these cost-neutrally to the HRA. However, this Administration did not finalise that proposal and installations are funded from the HRA

and no longer cost-neutral and raise a question as to whether the installation of pv panels are a hidden subsidy of the Electricity bills for the properties on which they are installed. If they do constitute a subsidy of private financial liabilities are they a legitimate expenditure from the HRA unless each installation is recharged, not at an average cost across the whole expenditure but specifically to the beneficiaries of each installation at the cost of each installation? The same proportionate recharge would need to be applied to the Communal Digital TV installation. The cost of the satellite dish is the same whether it is installed on a low-rise comprising 6 dwellings or a high-rise of 100 dwellings, if the dish cost £600 then low-rise would need to pay £100 each as opposed to the high-rise £6. Similarly with maintenance visits, the cost is the same per installation. Is the same principle to be applied to Repairs and Maintenance? Is a resident paying £60pw only entitled to half the repairs of someone paying £120? Clearly a *reductio ad absurdum!*

That the HMCSC papers tell us that consultation will start immediately after Housing Committee and focus on the implementation of the new service charges and further consideration of how any adverse impact on tenants and leaseholders can be mitigated is not good practise, once the horse has bolted...We ask this Committee to modify the Budget items above before approving the Recommendations of this Report.”

- 119.4 Mr. Melson also pointed out that in his view there had been a failure to consult residents on the proposals for the Housing Revenue Account Budget, which included payments to third sector agencies which he believed was not the correct use of HRA funding. Whilst he acknowledged the work of voluntary sector groups, he did not believe that the HRA should fund them as it meant that residents were in effect being charged twice. He therefore asked that consideration be given to amending the recommendations contained in the report that the committee was due to consider and recommend to the council.
- 119.5 The Chair thanked Mr. Melson and invited Councillor Randall, as the Chair of the Housing Committee to respond.
- 119.6 Councillor Randall stated that he would provide Mr. Melson with a full and detailed response to the deputation and noted that it had been too early to bring forward budget proposals to the Area Panels in November. However, he had since attended two Area Panel meetings where the only concerns raised had been in relation to the proposed motor scooter charges. He had missed a meeting with the High Rise Action Group because of a diary mix up but was due to meet with representatives to discuss the proposed service charges and noted that this was the first increase since 2003. In regard to the proposed allocation to voluntary sector groups from the Discretionary Grants element, this had been investigated in terms of the legal position and it was felt that in supporting such groups, they would be able to continue to undertake the important work carried out on estates to support tenants and communities. It was important to try to prevent any increase in the homeless figures and to enable people to remain in their homes.
- 119.7 The Chair then moved that the deputation be noted.
- 119.8 **RESOLVED:** That the deputation be noted.

120. MEMBER INVOLVEMENT

- 120.1 The Chair noted that no items had been submitted by Members for consideration at the meeting.

121. GENERAL FUND REVENUE BUDGET & COUNCIL TAX 2014/15

- 121.1 The Chair stated that he wished to thank all the officers involved for their work in preparing the budget report for 2014/15, and noted that there were two amendments which had been circulated and stated that he would ask for these to be moved in turn so that they could then be taken into consideration as part of the general debate on the budget.
- 121.2 Councillor Morgan requested that following consideration of the report, each of the recommendations listed in the report should be taken and voted on separately rather than en block.
- 121.3 The Chair noted that the Committee were in agreement with Councillor Morgan's request and confirmed that he would put each recommendation to the vote in accordance with the committee's wishes.
- 121.4 The Executive Director for Finance & Resources introduced the report which set out the final proposals for the General Fund Revenue Budget and Council Tax for 2014/15. She stated that the committee was asked to recommend the budget to Full Council which would then make the final decision on the revenue budget and council tax on the 27th February. She noted that the core budget proposals were based on a 2% Council Tax increase, but in accordance with the Administration's aims, a 4.75% increase was accounted for within the recommendations and if approved would then trigger a referendum. She also noted that the budget proposals considered at the Committee's December meeting had not accounted for the Government's Financial Settlement which had not been available. However, this information had since been received and included in the budget profile which provided for a balanced budget.
- 121.5 Councillor Littman thanked the officers for their work on the budget and stated that he wished to recommend the budget as proposed to all Members. He noted that the anticipated level of savings for 2015/16 were significant and therefore it was important to set the council tax at an appropriate level to enable future budgets to account for the level of income that it would produce.
- 121.6 Councillor G. Theobald moved an amendment on behalf of the Conservative Group, which sought to remove the proposed 4.75% Council Tax increase and to ask officers to bring forward budget proposals that would provide for a council tax freeze in line with the government's recommendations. He believed that it was not necessary to have a council tax increase and that further savings could be identified to enable this to be achieved.
- 121.7 Councillor A. Norman formally seconded the amendment and also wished to thank the officers involved for their work in providing the budget report that was before the committee and their help with meeting requests for information from the opposition groups. She noted that in the recent consultations on the proposed council tax

increase, it was evident that the public view was opposed to such a high increase and she suggested that there should be market testing of services to ensure value for money was being achieved as outlined by the scrutiny recommendations. She believed that there were opportunities to meet the additional savings that were required to enable a council tax freeze and therefore the amendment should be supported.

- 121.8 Councillor Morgan moved an amendment on behalf of the Labour & Co-operative Group, which sought to maintain a council tax increase of 2%, and stated that he wished to thank the officers involved in the budget process. He stated that an increase of 4.75% would not be affordable for many residents in the city and believed that if a referendum was held, it would be a clear no vote and therefore it would be better to save on the costs and use the funding to support services that were under pressure. He could not support the Conservative amendment as it did not allow for an increase and would mean that the council was ever-reliant on the government to provide additional funding to make up for the loss of revenue from a council tax increase.
- 121.9 Councillor Hamilton formally seconded the amendment and questioned the level of savings identified for Adult Assessment in relation to the 4.75% council tax increase, as it showed cuts of 50% in each of the four areas that would be supported if the 4.75% increase was approved. He queried whether it was appropriate to show an even spread of cuts and whether there was a need to review these in more detail. He was confident that with a 2% council tax increase the council would be able to meet its obligations in relation to social care. He believed that there was a need to increase the council tax rather than freeze it, as the council would lose out each year in real terms because of the level of inflation. He did not believe that a referendum would result in approval for a 4.75% council tax increase and therefore it was more prudent to have a 2% increase and maintain the council's position in relation to future years and inflation.
- 121.10 Councillor Shanks stated that she accepted a 4.75% increase was a difficult one to take forward, however she believed that if it was supported by the council, it would be something that people could be persuaded to agree to.
- 121.11 Councillor Littman referred to the two amendments that had been proposed and stated that he felt it was inappropriate to request officers to rework the budget to enable a council tax freeze and in view of the need to increase council tax to meet the unprecedented cuts in service that were likely, it was only right to put the matter to the residents of the city to decide. The difference in the actual rise between a 2% and 4.75% increase for a Band D property was less than £3.00 and he believed that residents would accept this level of increase.
- 121.12 Councillor G. Theobald stated that a council tax freeze would be supported by a grant of £1.2m from the Government which was written in to the base budget and would therefore continue in future years. He believed the difference between the proposed freeze and a council tax increase was therefore only £800k and such an amount could be found from additional savings across the council. He could not accept the proposed expenditure associated with the running of a referendum and argued that it should be used to maintain current services.

- 121.13 The Chair questioned how the outcome of a referendum could be second guessed at this point in time and noted that the recent Argus poll only accounted for 1.9% of the electorate, and that the council's consultation exercise had shown 56% in favour of a council tax rise. There was a crisis in the social care funding which could not be ignored and the Revenue Support Grant was decreasing year on year. There was also a need to keep up with inflation and the previous council tax freezes had meant that the council was £4m worse off as a result.
- 121.14 Councillor Morgan queried whether the estimated cost of £886k for the referendum was correct.
- 121.15 The Chair stated that if all the costs associated with the running of a referendum were added up then it was a correct figure, however he referred to appendix 17 of the report and noted the difference shown for a yes and a no vote.
- 121.16 The Chair then put the Conservative Group's amendment to the vote which was lost.
- 121.17 The Chair then put the Labour & Co-operative Group's amendment to the vote which was lost.
- 121.18 The Chair then put each of the recommendations as listed in the report to the vote, which resulted in the following:
- (i) Recommendation 2.1.1 was carried;
 - (ii) Recommendation 2.1.2 was lost;
 - (iii) Recommendation 2.1.3 was carried;
 - (iv) Recommendation 2.2 was carried;
 - (v) Recommendation 2.3 was carried;
 - (vi) Recommendation 2.4 was carried.
- 121.19 **RESOLVED TO RECOMMEND:**
- (1) That the core elements of the 2014/15 General Fund Revenue Budget proposals contained in the body of this report which have been based on a threshold council tax increase, subject to recommendation (4) below, be approved, including:
- The 2014/15 budget allocations to services as set out in appendix 1.
 - The council's net General Fund budget requirement for 2014/15 of £225.3m.
 - The budget savings package as set out in appendix 4.
 - The contingency budget of £4.37m as set out in table 8.
 - The reserves allocations as set out in paragraph 3.39 and table 6.
 - The borrowing limit for the year commencing 1 April 2014 of £380m.

- The annual Minimum Revenue Provision statement as set out in appendix 10.
 - The Prudential Indicators as set out in appendix 11 to this report.
 - The proposed responses to the scrutiny recommendations as set out in appendix 16.
- (2) That the Equalities Impact Assessments set out in Appendix 13 to the report be noted;
 - (3) That the revised Medium Term Financial Strategy and resource projections for 2014/15 to 2019/20 as set out in appendix 8 to the report be noted;
 - (4) That it be noted that supplementary information needed to set the overall council tax will be provided for the budget setting Council as listed in paragraph 4.4 of the report; and
 - (5) That for the purposes of enacting the Business Rates discount and relief changes announced in the government's Autumn Statement 2013, delegated authority be granted to the Executive Director of Finance & Resources to design and administer the scheme in accordance with government guidelines as set out in paragraph 3.17 of the report.

Note: The special circumstances for non-compliance with Access to Information Procedure Rule 5 and Section 100B(4) of the Local Government Act 1972 were that information on the 2013/14 financial position was still being finalised and officers were awaiting critical information about the council tax threshold (the threshold above which an increase in council tax requires confirmation from a local referendum) and the final Local Government Grant Settlement for 2014/15 from the Department for Communities and Local Government (CLG).

122. HOUSING REVENUE ACCOUNT BUDGET 2014/15

- 122.1 The Executive Director for Finance & Resources introduced the report, which outlined the proposed Housing Revenue Account budget for 2014/15, as required by the Local Government and Housing Act 1989. She noted that the report had been considered by the Housing Committee at its meeting on the 15th January which had recommended that the budget as set out be recommended to the Council for approval.
- 122.2 Councillor Randall moved an amendment to the recommendations which proposed that the motor scooter storage fee be reduced from £4.00 to £3.00 per week and noted that it would then be reviewed after a six month period.
- 122.3 Councillor Littman formally seconded the amendment.
- 122.4 Councillor Randall stated that there was a need for a strong Housing Revenue Account in order to protect the council's stock and noted that there was a high level of satisfaction amongst tenants for the services provided by Housing Management. However, there was a need to look at aspects of the various charges that were made

and to take these into consideration as part of the review of charges and rents. He noted that housing rents in the private sector and through Housing Associations were much higher than those charged by the council and therefore there was a need to continue to support council tenants and to look to help those on the waiting lists. He recommended the proposed budget as amended to the committee and to the council.

- 122.5 Councillor Lepper referred to the proposed amendment and noted that new service charges were proposed for tenants and queried whether it was appropriate to seek to add more charges in this way. She was unsure that the £3.00 charge for motor scooter storage was still too high and queried whether if a reduction was made after six months, there would be a rebate to those tenants. There were a number of elderly tenants who did not qualify for housing benefit but would now be faced with an additional cost.
- 122.6 Councillor Randall stated that there was a need to provide storage areas for mobility scooters to prevent health & safety issues and that it was intended to undertake a review of the charge after six months, at which time a change could be made if it was necessary.
- 122.7 Councillor Peltzer Dunn challenged the need to introduce charges for lifts and public way lighting as he considered that it was a Landlords responsibility to provide same and that a tenant's rental took into consideration such services. Whilst being against the introduction of a charge for housing mobility scooters he did welcome the Chairman's announcement of reducing the proposed charge from £4 to £3 per week.
- 122.8 The Chair stated that it was difficult to define an acceptable wattage of electricity; however in making a service charge, tenants were aware of what they were paying for. He noted that an amendment had been proposed and put it to the vote which was carried. He then put the recommendations as amended to the vote which were carried.
- 122.9 **RESOLVED TO RECOMMEND**
- (1) That the budget for 2014/15 as shown in Appendix 1 to the report according to the final year of rent convergence to be confirmed by the government in its rent restructuring guidance for 2014/15 be approved;
 - (2) That individual rent increases and decreases in line with rent restructuring principles as determined by the Government and detailed in paragraphs 3.12 to 3.16 in the report and according to the final year of rent convergence to be confirmed by government in its rent restructuring guidance for 2014/15 be approved;
 - (3) That the changes to fees and charges as detailed in Appendix 2 to the report, subject to the mobility scooter storage charge being set at £3.00 per week rather than £4.00 be approved;

- (4) That the new service charges outlined in Appendix 2 to the report, subject to the revision in (3) above, including the phased implementation of the new Intensive Housing Management charge be approved; and
- (5) That the Equalities Impact Assessment shown in appendix 3 to the report be noted.

123. CAPITAL RESOURCES AND CAPITAL INVESTMENT PROGRAMME 2014/15

- 123.1 The Executive Director for Finance & Resources introduced the report, concerning the level of available capital resources in 2014/15 to enable the Committee to propose a Capital Investment Programme for 2014/15 to the Council. The Capital Investment Programme was set out in the context of the Medium Term Financial Strategy which was included in the General Fund Revenue Budget report. The Executive Director noted that the planned investment over the forthcoming two years was reliant on capital receipts being achieved in 2014/15 and that longer-term projects were also identified in the report.
- 123.2 The Chair welcomed the report and stated that the investment was a positive approach and also noted that additional funding had been made available for schools from the government.
- 123.3 Councillor A. Norman welcomed the increased in funding for the Local Transport Plan but questioned the additional resources identified for Human Resources, which appeared to continue to require further investment and asked for clarification on the allocation.
- 123.4 The Executive Director for Finance & Resources stated that the funding had been re-profiled following the need to address the Cabinet Office's security requirements for IT, which had put other projects on hold, and the Human Resources improvements was one such project that had been carried into 2014/15.
- 123.5 Councillor Peltzer Dunn noted that the Chair had previously mentioned the Council's achievement in bringing its entire council housing stock up to the Decent Homes Standard. However, he drew the committee's attention to paragraph 3.26 of the report and queried why additional investment was required from the Decent Homes Standard.
- 123.6 The Chair stated that there was a need to maintain that standard and the investment would be used to ensure that homes remained at the Decent Homes Standard level.
- 123.7 Councillor Morgan welcomed the report and wished to thank the officers involved for their work, but wished to point out that in supporting the recommendations, the Labour & Co-operative Group was not indicating its support for the i360 mentioned in paragraphs 3.12 and 3.13 of the report.
- 123.8 The Chair noted the comments and put the recommendations to the vote.

123.9 RESOLVED TO RECOMMEND

- (1) The Capital Investment Programme for 2014/15 in Appendix 1 to the report be approved;
- (2) That the estimated capital resources in future years as detailed in Appendix 1 to the report be noted;
- (3) That the allocation of £0.25m resources in 2014/15 for the Strategic Investment Fund for the purposes set out in paragraph 3.15 of the report be approved;
- (4) That the allocation of £2.0m for the ICT fund be approved;
- (5) That the allocation of £1.0m for the Asset Management Fund be approved; and
- (6) That the proposed use of council borrowing as set out in paragraph 3.31 and appendix 3 to the report be approved.

124. HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME 2014-2017

- 124.1 The Executive Director for Environment, Development & Housing introduced the report, which sought approval for the 2014/15 Capital Programme and detailed proposals for the provisional capital programme for the following two years, 2015/16 and 2016/17 for the Housing Revenue Account (HRA). He noted that the Housing Committee had considered the report and recommended its approval to the Policy & Resources Committee. He also noted that an Estates Regeneration Board, which included councillors and tenants, had been established and was working well.
- 124.2 Councillor Randall stated that he wished to place on record his thanks to the officers involved in producing the report and the previous HRA report, and welcomed the proposed investment in Sheltered Housing. He noted that consultations were being held with residents of Evelyn Court in Portslade, with regard to how improvements could be made to provide self-contained units, but he was very aware of the strength of feeling of community those residents had.
- 124.3 Councillor Hamilton welcomed the report and stated that the residents of Evelyn Court were very happy with their accommodation and whilst they acknowledged their communal facilities were out-dated, they were happy to retain the building and their sense of community rather than be moved and see the building redeveloped. He hoped that in the discussions with the residents a solution to enable improvements would be found that enabled those residents to retain their homes.
- 124.4 The Chair noted the comments and put the recommendation to the vote.
- 124.5 **RESOLVED:** That the HRA Capital Programme budget of £28.876 million and financing for 2014/15 as set out in paragraph 4.1 of the report be approved.

125. TARGETED BUDGET MANAGEMENT (TBM 9)

- 125.1 The Executive Director for Finance & Resources introduced the report, which set out the forecast outturn position as at Month 9 on the council's revenue and capital budgets for the financial year 2013/14. She noted that there was a slight reduction in the forecast overspend which stood at £0,753m and had been factored into the 2014 /15 Budget proposals and linked to the savings decisions and service pressures.
- 125.2 The Chair stated that he wished to thank everyone involved in improving the overall budgetary position and hoped that it would continue to see a reduction in the forecast overspend.
- 125.3 Councillor Littman noted that there were significant underspends in Children's Services and that there had been better results in parking income which had contributed to the reduction. However, there were also areas that needed further work for example the Community Care Budget which was overspending, and the Travellers Budget which had been affected by difficulties at Horsdean and with unauthorised encampments.
- 125.4 Councillor A. Norman acknowledged the work undertaken by officers to reduce the forecast overspend and asked for clarification in respect of the savings shown on page 100 relating to commissioning and contracts, the level of income from on-street parking on page 102, and the low take up for early years places for 2 year-olds and empty properties.
- 125.5 The Executive Director for Adult Social Care stated that she would provide a full response in writing as she did not have the information available, but noted that part of the savings in the social care budget were attributed to a vacant post.
- 125.6 The Executive Director for Environment, Development & Housing stated that he would provide a written response as a review was being undertaken in respect of the parking income and ideas were being explored with local businesses in relation to how take up for empty properties could be increased.
- 125.7 The Executive Director for Children's Services stated that the expected take up for early years places had not been as high and work was being undertaken to see how this could be improved and he would provide further detail in writing for Councillor Norman.
- 125.8 Councillor Morgan expressed his concern in relation to the under-achievement of off-street car parks and noted that he had previously raised problems with the under-use of these car parks and failure of equipment which enabled people to park for free.
- 125.9 The Chair noted the comments and that the Environment, Transport & Sustainability had reviewed the fees and charges for parking which remained frozen. However, he agreed that officers needed to look at the problem of barriers in off-street car parks not working properly. He then put the recommendations to the vote.

125.10 RESOLVED:

- (1) That the total forecast outturn position for the General Fund, which is an overspend of £0.939m be noted. This consists of £0.753m on council controlled budgets and £0.186m on the council's share of the NHS managed Section 75 services;
- (2) That the forecast outturn for the Housing Revenue Account (HRA), which is an underspend of £0.309m be noted;
- (3) That the forecast outturn position for the Dedicated Schools Grant which is an underspend of £1.014m be noted;
- (4) That the forecast outturn position on the capital programme be noted; and
- (5) That the following changes to the capital programme be approved:
 - (i) The variations and reprofiles in Appendix 3 and the new schemes as set out in Appendix 4 to the report.

126. PROCUREMENT OF CORPORATE BANKING SERVICES

126.1 The Executive Director for Finance & Resources introduced the report, which sought approval for the procurement of a contract for the provision of corporate banking services for the Council following the withdrawal of the current provider from the local authority sector. She stated that discussions with other local authorities had been held in regard to the possibility of shared services and procurement expertise and it was felt that the market was competitive. She also noted that the contract specification had been included with the report so that Members were aware of the complex requirements of a local authority which would need to be met by the new provider.

126.2 The Chair noted the depth and breadth of the environmental and ethical specifications within the contract which highlighted the complexity of the contract for the council and a provider. He then put the recommendations to the vote.

126.3 RESOLVED:

- (1) That the procurement of the corporate banking services contract, following the timeline and evaluation criteria set out in the report with a contract term of 5 years from 1 April 2015 to 31 March 2020 with an option to extend for a further 2 year period to 2022 be approved; and
- (2) That the Executive Director Finance & Resources be granted delegated authority to:
 - (i) award the contract for 5 years following the recommendations of the evaluation panel and the results of the tendering process; and
 - (ii) extend the contract for 2 years subject to satisfactory performance of the provider in respect of the initial 5 year period.

127. ICT STRATEGY AND RESOURCING UPDATE

- 127.1 The Executive Director for Finance & Resources introduced the report, which provided an update on the progress in delivering the ICT Strategy 2011-2016 and the ICT Capital Investment Plan as requested by the Committee at its meeting in December. She stated that there had been a great deal of work undertaken to ensure that the Council met the Cabinet Office's security requirements and investment in the council's infrastructure was required to improve services.
- 127.2 The Chair stated that he had written to the Minister responsible on behalf of the South East 7 Group of Authorities and had since received a response which did not address any of the points raised. He was therefore intending to write again to see if a further response would be forthcoming. However, he did wish to acknowledge the amount of work that had been undertaken by ICT staff to meet the ever-changing security requirements placed on local authorities by the Cabinet Office.
- 127.3 Councillor Morgan stated that he had recently met with colleagues from other local authorities which were in the process of introducing IT systems that prompted people registering for benefits on-line to other benefits that were available to them and also detailed the work being undertaken by contractors in wards which Members could use to keep informed. He hoped that as part of the on-going ICT strategy such examples would be looked at and built into the service provision.
- 127.4 Councillor G. Theobald welcomed the report and thanked the officers for the work that had been undertaken. He stated that there had been an under-investment in IT and a clear strategy was needed to improve the provision across the authority and for Members.
- 127.5 The Executive Director for Finance & Resources stated that it was possible to have an on-line benefits assessment but as yet it would not link to other benefits that might be available. However, it was something that had been recognised and was part of the digital customer experience programme that it was hoped to roll out across the organisation in due course as part of the improvements to the infrastructure.
- 127.6 The Chair noted that a number of authorities were still running Office 2003 and would need to look at how they updated their IT provision. He also noted that a number of authorities were only just realising the implications of the new secure working arrangements required by the Cabinet Office and that others had yet to comply because they were later in the timetable set by the Cabinet Office. It did mean that the council had to identify the resources required and invest in its IT structure. He then put the recommendations to the vote.
- 127.7 **RESOLVED:**
- (1) That progress in delivering the ICT Strategy 2011-2016 be noted; and
 - (2) That the resourcing consequences of that strategy be considered as part of the Council's budget setting processes.

128. ITEMS REFERRED FOR COUNCIL

128.1 The Chair noted that no items other than those which had to be referred to the Council were referred to the Budget Council or next ordinary council meeting.

Part Two Summary

129. PART TWO MINUTES - EXEMPT CATEGORIES 3 AND 5

129.1 The part two minutes of the last meeting held on the 16th January 2014 were approved as a correct record and signed by the Chair.

130. PART TWO PROCEEDINGS

130.1 **RESOLVED:** That the part two proceedings of the last meeting held on the 16th January 2014 remain exempt from disclosure to the press and public.

The meeting concluded at 6.10pm

Signed

Chair

Dated this

day of

2014