

**THE MINUTES OF THE MEETING OF THE
RESOURCES SCRUTINY COMMITTEE
HELD ON TUESDAY, 30TH OCTOBER, 2007**

Present: Councillor A. Burnip (Chair)
Councillors Mrs M. Baird, A. Collinson, J. Haggan,
D. Maddison, Mrs. J. Maitland, R. Taylor and
Mrs V.M. Williams

Apologies: Councillors M. Nicholls and Mrs. J. Maslin

1. **THE MINUTES OF THE LASTING MEETING** held on 9th October, 2007, a copy of which had been circulated to each Member, were confirmed subject to Councillor D Maddison's name being added to the list of apologies.
2. **THE MINUTES OF THE MEETING OF THE EXECUTIVE** held on 16th October, 2007, a copy of which had been circulated to each Member, were submitted.

RESOLVED that the information contained within the Minutes, be noted.

3. **PUBLIC QUESTION AND ANSWER SESSION**

There were no members of the public present.

4. **FEEDBACK FROM SCRUTINY MANAGEMENT BOARD**

The Chair advised that there were no issues considered at the Scrutiny Management Board meeting held on 22nd October, 2007 which fell within the remit of this Committee.

5. **SERVICE UNIT PERFORMANCE REPORTING - FINANCE**

Consideration was given to the briefing note prepared by the Head of Financial Management, a copy of which had been circulated to each Member.

Members were advised that the position statement for the Financial Management unit covered the following three areas: -

(I) **Positive Results from the Units Service Plan**

Attached as Appendix 1 to the report was the Financial Management unit's Service Plan for the financial year 2008/2009 which would continue to be revised and updated throughout that financial year.

Members were advised that the unit was made up of four sections and employed over 80 members of staff. The sections within the unit were Accountancy and Payments, Internal Audit, Revenues and Benefits and each section had an operational manager to oversee the day-to-day activities. The detailed activities of the Benefits, Revenues and Internal Audit sections were reported to the Community Services Scrutiny Committee and Audit Committee.

Resources Scrutiny Committee - 30th October, 2007

It was explained that the Council's Medium Term Financial Plan, which covered a three-year period, had been further developed to include the Housing Revenue Account (HRA) implications. This work had been carried out in conjunction with East Durham Homes (EDH) and had been finalised in readiness for the 2008/2009 budget start in September 2007. The HRA implications would be included in the Council's HRA business plan which would also include all the Housing Policy and Asset Management implications as major elements of that plan. The HRA would also be updated to reflect the Council's decision to approve additional finance for EDH. The other main work of this section was formulating the Council's budgets, preparing the final accounts and paying bills

The Accountancy and Payments section had commenced the 2008/2009 budget process which would culminate in proposals to Members in due course.

The Revenues section continued to make preparations regarding the proposed extension of the present local Concessionary Bus Fare scheme to a national scheme from 1st April, 2008. The Central Government administration grant towards the implementation costs of the scheme had been received and work was ongoing.

All sections continued to liaise closely with the Audit Commission on all related financial matters, particularly grant claims, final accounts and internal control mechanisms. The Director of Finance and Corporate Services and Head of Financial Management met with the Council's external Auditor to discuss topical financial issues on a regular basis.

Financial monitors would be presented to the Executive bi-monthly during 2007/2008 in respect of the 2007/2008 General Fund and HRA budgets. Early monitors for this year indicated a stable financial position but prudent financial management was still required by all budget holders.

Collection rates for Council Tax and Business Rates, together with Revenues and Benefits performance for 2007/2008 were at or above target. This year Council Tax collected was the highest percentage in one year at 96.9%. It was anticipated that eventually 99% would be collected as very little was written off. The Council Tax collection rate was 0.2% higher compared to the same period last year.

A report to the Council's Community Services Scrutiny Committee on the performance of the Revenues and Benefits sections for 2007/2008 together with other performance in the Unit was presented in August.

Internal Audit work performance for 2007/2008 was reported to the Audit Committee in July. Their work programme for this year was on target for full completion and there had been positive outcomes from the results of their own Local Performance Indicators.

The Value for Money report, which was presented to the Resources Scrutiny Committee, identified the Revenues section as being an area for further detailed analysis. In general the unit was a high performing unit at relatively low cost and the Head of Financial Management would be examining details of the section's costs and performance.

The Revenues and Benefits sections continued to work closely with the Customer Contact Centre to identify which elements of Revenues and Benefits

Resources Scrutiny Committee - 30th October, 2007

could be dealt with at the first point of contact. The roll out of the Customer Relationship Management software (CRM) would clarify the position.

In general terms, within the unit, all Best Value Performance Indicators and Local Performance Indicators were above or on target for 2007/2008 and all sections within the Unit were performing well.

(ii) Negative Results/Slippage in the Unit's Service Plan

Members were advised that following the long-term sick leave absence of the Revenues Manager, the Head of Financial Management had reviewed the implementation of some interim management arrangements previously introduced to cover the situation. These arrangements were working well and at this stage it was not anticipated that any slippage in performance would occur.

(iii) Any Under/Over Capacity Issues in the Unit

Members were advised that there were no issues in this financial year and the Service Plan had been prepared on the basis of nil budget growth with no capacity issues. In addition, cashable and non-cashable efficiencies had been advocated and offered up as part of the 2007/2008 budget process.

Work had been completed on the unit's Service Plan for 2008/2009 which had been finalised prior to the commencement of that year's budget process. At this point in time, that plan did not include any areas of budget growth, but did include for identifying further potential areas of efficiency in the unit to free up the proposed required 3% overall cashable savings.

Councillor P Ward, Executive Member for Resources congratulated the Financial Management unit on the work undertaken and the high levels of performance.

Councillor Mrs. J. Maitland referred to the introduction of the national Concessionary Bus Fares scheme to be introduced on 1st April, 2008 and asked if the Authority would receive adequate funding to cover the costs associated with the implementation of the scheme. D. Temple advised that the level of government funding was as yet unknown. A consultation paper, which outlined four options for the distribution of the grant had been received and was currently being considered.

Councillor A. Collinson made reference to statements in the Service Plan related to political issues, the Scrutiny Committees being time consuming and the national benefits system. D. Temple advised that all sections within the Financial Management unit needed an awareness of what was happening politically both locally and nationally. With regard to the Scrutiny Committees, it was pointed out that since the re-alignment of the Committees this statement was historical and no longer applicable. With regard to the national benefits system it was explained that it was difficult to dovetail into the national scheme.

Councillor Mrs. J. Maitland made reference to budget growth. D. Temple advised that all services were capable of growth but this did not necessarily result in an increase in expenditure to deliver the service. A growth in service could mean changing the way a unit worked to provide efficiencies.

The Chair made reference to the proposed local government reorganisation and creation of a new unitary Council. D Temple reported that the Financial Management unit hoped to achieve everything it had set out to do by the demise of the Council on

Resources Scrutiny Committee - 30th October, 2007

31 March 2009. No slippage was anticipated but if there was any it would be minimal.

The Chair asked if the authority had achieved its targets to deliver the Gershon efficiencies. D Temple advised that the authority had over achieved and the Government had confirmed that any savings over the required 3% would be carried forward to the next financial year.

RESOLVED that the information given, be noted.

6. **ADDITIONAL URGENT ITEM OF BUSINESS**

In accordance with the Local Government Act, 1972, as amended by the Local Government (Access to Information) Act 1985, Section 100B(4)(b) the Chair, following consultation with the Proper Officer, agreed that following item of business, not shown on the Agenda, be considered as a matter of urgency.

7. **BUS SHELTERS (AOB)**

The Scrutiny Support Manager reported that at a meeting of the Community Services Scrutiny Committee held on 9 October 2007 Members were advised that in the current financial year an additional £50,000 had been allocated to the bus shelter maintenance budget to bring all shelters in the District up to an acceptable standard.

At the meeting it was explained that the following bus shelters had been ordered and would be in place within the next two to three weeks: -

Dixon Estate, Shotton Colliery;
Yoden Way, Horden;
Front Street, Wingate (three shelters).

The following shelters were awaiting order, and would be installed prior to Christmas: -

Maritime Crescent, Grant Houses;
Station Road, Easington Colliery;
Horden Hall/Webb Square, Horden;
Edenhill Road, Peterlee.

Major roof repairs and replacements had been issued and the bus shelters in Stockton Road East, Hawthorn and Front Street, Hutton Henry would be repaired within the next three weeks.

The following bus shelters would be repaired by the end of March 2008: -

Station Road, Shotton near Salters Lane junction;
Pemberton Arms, Haswell Moor;
Gregson Terrace, Shotton Hetton;
Cold Hesledon near the Industrial Estate;
Dene View, High Hesleden;
Castle Eden (five shelters).

It was explained that a District-wide trial of a new perforated steel panel had been carried out on a number of shelters that had historically suffered from a high level of vandalism.

Resources Scrutiny Committee - 30th October, 2007

The Scrutiny Support Manager advised that a briefing note in relation to the bus shelters would be circulated to all Members of the Resources Scrutiny Committee.

RESOLVED that the information given, be noted and the Scrutiny Support Manager provide Members of the Resources Scrutiny Committee with a briefing note in relation to the bus shelters.

JT/PH com/resources/071003
31st October, 2007