

# Item 4d

## SEDGEFIELD BOROUGH COUNCIL OVERVIEW & SCRUTINY COMMITTEE 3

Council Chamber,  
Council offices,  
Spennymor

Thursday,  
25 January 2007

Time: 10.00 a.m.

**Present:** Councillor V. Crosby (Chairman) and

Councillors D.R. Brown, Mrs. B.A. Clare, G.C. Gray, Mrs. J. Gray,  
M.T.B. Jones, A. Smith and Mrs. C. Sproat

**In Attendance:** Councillors Mrs. K. Conroy, Mrs. B. Graham, B. Meek, G. Morgan,  
K. Noble and R.A. Patchett

**Apologies:** Councillors B.F. Avery J.P, K. Henderson and Mrs. L. Smith

### **OSC(3)22/06 DECLARATIONS OF INTEREST**

Councillor V. Crosby declared an interest in the part of the item relating to the Social Regeneration budget – personal and prejudicial – Member of Advice and Information Service and CAVOS.

Councillor Mrs. B.A. Clare declared a personal and prejudicial interest in the Social Regeneration Budget part of the item – member of the Advice and Information Service.

### **OSC(3)23/06 BUDGET FRAMEWORK 2007/2008**

Consideration was given to the Cabinet's initial budget proposals in respect of the Environment, Planning and Development, Learning and Employment and Social Regeneration and Partnership portfolios. Members gave detailed consideration to a report setting out the basis of the proposals and, in particular, the proposed changes in service provision for each portfolio. (For copy see file of Minutes).

Cabinet Members with responsibility for portfolios under consideration had been invited to attend the meeting in order to respond to questions from the Committee.

The Cabinet had agreed its initial budget on 11<sup>th</sup> January, 2007 (Minute No : CAB.132/06 refers) and as part of the budget setting procedure Overview and Scrutiny Committee had been asked to consider the proposals with a view to making recommendations to Cabinet before it made its final budget proposals to Council.

The Committee noted detailed budgets had been prepared based on inflation and price increases as outlined in the report.

It was explained that the Council had been provisionally notified that it would receive £9,601,288 of external Government support for 2007/08.

The grant settlement which was broadly in line with expectations showed a year-on-year increase of 5.1% or £468,000, including the base adjustments, in accordance with the distribution framework.

It was pointed out that no indicative grant figures had been provided for 2008/09. During the coming Summer the Government would be announcing the results of its Comprehensive Spending Review for the three year period 2008/09 to 2010/11 which was expected to be a particularly difficult period for local government with much tougher efficiency targets being imposed.

The budget framework for 2007/08 reflected the Council's key priorities set out in the Corporate Plan and took account of financial issues and pressures including the significant increase in the pay costs to be incurred by the Council and fuel price inflation.

Its was reported that there would be little scope for further additional growth in spending in later years. Furthermore, all areas of Council spending were expected to continue to contribute to the achievement of efficiency gains. Over the next two years efficiency savings in the order of £750,000 must be achieved to maintain spending levels and keep Council Tax increase low as the use of the Budget Support Fund was withdrawn.

It was explained that careful planning of the budget meant that the commitment made in the Medium Term Financial Plan, to restrict Council Tax increases to 2.9%, could be delivered in 2007/08. The substantial additional investment in Council services would add £5.24 per year or 10p. per week to Band D Council Tax. The cost to the Band A taxpayer would be £3.50 per year or 7p. per week.

It was pointed out that in the light of the level of resources available to the Council, it would be possible in 2007/08 to launch the biggest Capital Spending Programme ever proposed by the Council since its inception in 1974 amounting to a minimum of £20m which would increase further as schemes attracted external grant funding.

### **Environment**

Members noted the overall position in relation to the Capital and Revenue proposals for the Environment portfolio.

The 2007/8 revenue budget for the Environment would enable the Council to continue to provide a similar level of service in relation to the protection of the Environment and the standards of ground maintenance with some enhancements.

Members were reminded that Overview and Scrutiny Committee 3 had recently produced a report on future recycling service options which was currently being examined. The outcome of the review would be used to determine the Council's approach to the waste collection strategy.

It was noted that Cabinet had recently confirmed that the existing contract with JWS Landscapes was terminated with the work being taken back in-

house with Street Scene Services. This would allow the Council to review its current arrangements to provide a more neighbourhood focused service. Consultations with Town and Parish Councils and other potential partners would continue in order to develop and agree where joint working could be introduced, thereby increasing efficiency and improving value for money.

Cabinet had also endorsed the principle of delivering Street Scene services at neighbourhood level and required a further report detailing the re-engineering required to enable neighbourhood delivery pilot to be introduced by April, 2008.

The Capital Programme Budget of £20,000, which had been set for the Environment portfolio, would provide for replacement litter and dog fouling bins.

### **Planning and Development**

During 2007/8 the Planning Service would be enhanced to provide a more customer focused service and to maximise fee generation and Planning Delivery Grant as a consequence of improvements in planning performance.

An extra £20,000 was being provided towards the cost of the Review of the Council's Local Development Plan. The Council continued to receive Planning Delivery Grant from the Government to assist in delivering an enhanced Planning Service, aimed at achieving the stretched performance targets, in respect of planning applications and appeals.

With regard to the capital budget, £120,000 had been set for the Planning and Development portfolio, providing for two Countryside Management Schemes in Whitworth/Byers Green and Byerley Park, Newton Aycliffe. In addition a number of Conservation Schemes were planned in Cornforth Shildon Spennymoor and Bishop Middleham.

### **Learning and Employment**

The budget proposals allowed for a reconfigured approach to Economic Development, giving additional support to entrepreneurship in disadvantaged communities, in line with the recent Overview and Scrutiny Review of Worklessness and subsequent re-focus of the budget and grants scheme approved through the Council.

The budget proposals for the portfolio enabled the Council to provide a similar level of service to that being achieved during the current year in relation to economic development and industrial promotion.

The focus for 2007/08 would be on working with neighbouring authorities to develop a marketing strategy for industrial sites.

A review of the Council's relationship with SASDA had been undertaken. In 2007/8 SASDA would continue to receive the £10,000 to run the business forum on the Council's behalf whilst other budgets had been re-

allocated to enhance services provided at the Shildon Business Centre and new economic development initiatives.

The Council also continued to provide a training scheme for unemployed youths and adults to improve their basic skills and to enable them to find entry to employment. The scheme, funded mainly from training contracts from the Learning and Skills Council and Job Centre Plus, was self-financing. The Council would also continue its close relationship with Bishop Auckland Technical College, to develop a strategic alliance, with the aim of providing enhanced training facilities locally.

A Capital Programme Budget for the portfolio of £200,000 had been set providing for the continuation of the Aycliffe Industrial Estate Improvement Programme, Employment Site Investment and the Green Lane Industrial Estate Improvements.

### **Major Regeneration Initiatives**

It was noted that the Council had already resolved to make 100% of capital receipts from the sale of housing land available to meet the regeneration and affordable housing initiatives. The total capital receipts available during 2007/08 amounted to £20.966m, which included £10.466m estimated to be unused from the current year.

The programme teams for delivering both the Major Regeneration Initiatives and the Strategic Housing Investment Programme [SHIP] had now been recruited and resources of around £6.240m should be made available to support spending on major regeneration projects with a further £0.989M being used in the affordable housing definition to help the Council achieve the Decent homes standard.

In addition to work on the Council's own Housing stock, the SHIP Masterplan in respect of three areas of pre-1919 housing had been approved. Work had started on a range of initiatives to regenerate those areas.

### **Social Regeneration 2007/8**

**NB : In accordance with Section 81 of the Local Government Act 2000 Councillors V. Crosby and Mrs. B.A. Clare declared an interest in this element of the budget and left the meeting for the duration of the discussion and voting thereon.**

The Social Regeneration Revenue Budget would enable the Council to provide an enhanced level of service without the need for additional resources including ongoing support for the Advice and Information Service, CAVOS and reconfigured Local Strategic Partnership.

The Accountable Body function in respect of Sure Start activities would transfer to Durham County Council with effect from 1<sup>st</sup> April, 2007.

The costs of providing the Housing Benefit Service had again been limited to the level of Government funding in 2007/08

As the Government was expected to again reduce the level of funding, efficiency measures, such as home working which was currently being piloted in the section, would need to be introduced in order to maintain the current level of performance. Provision had also been made to allow for an increased level of discretionary hardship payments to Housing Benefit Claimants in appropriate circumstances.

Funding previously available from the Single Regeneration Budget and Community Empowerment Fund ended this year and it would be necessary to maximise the potential funds available from those funding streams pooled through the Local Area Agreement, in order that the Council could continue its involvement in cross cutting initiatives such as employability and the economic regeneration of the Borough.

The Council continued to provide a Concessionary Travel Scheme, as part of the County-wide scheme, with inflation of 7% adding approximately £90,000 to the bill for 2007/08.

A total capital programme budget of £400,000 had been set for the Social Regeneration Portfolio, providing for a number of projects including Neighbourhood Retail Improvements, Undergrounding of Overhead Services in Dean Bank, a Public Art Project and Environmental Improvements in Aycliffe, Trimdon and Fishburn.

In response to a query raised in relation to the Review of Recycling Services, it was explained that, no provision had been made in the 2007/8 budget. A decision had not yet been taken in relation to future services. Provision would be made in the 2008/9 budget, following that decision.

**RECOMMENDED:** *That the budget proposals in relation to Environment, Planning and Development, Social Regeneration and Learning and Employment portfolios for 2007/8 be supported.*

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**ACCESS TO INFORMATION**

Any person wishing to exercise the right of inspection, etc., in relation to these Minutes and associated papers should contact Liz North 01388 816166 ext 4237  
email:enorth@sedgefield.gov.uk

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