

THE DISTRICT COUNCIL OF CHESTER-LE-STREET

Report of the meeting of Executive held in the Council Chamber, Civic Centre, Newcastle Road, Chester-le-Street, Co Durham, DH3 3UT on Monday, 18 February 2008 at 3.00 pm.

PRESENT:

Councillor L Ebbatson (Leader of the Council)

Councillor S A Henig, (Portfolio Holder for Resources and Value for Money)

Councillor S Barr, (Portfolio Holder for Community Engagement and Partnership Working)

Councillor C J Jukes, (Portfolio Holder for Regeneration and Strategic Planning)

Councillor M Potts, (Portfolio Holder for Health and Well-being)

Councillor S C L Westrip, (Portfolio Holder for Neighbourhood Services)

Officers: R Templeman (Chief Executive), I Forster (Director of Corporate Services), T Galloway (Director of Development Services), C Potter (Head of Legal and Democratic Services), I Herberon (Head of Corporate Finance), J Henderson (Acting Head of Resources Directorate), S High (Leisure Services Manager) and D Allinson (Democratic Services Assistant)

140. APOLOGIES FOR ABSENCE

There were no apologies for absence.

141. PUBLIC SPEAKING

There were no questions or representatives received from members of the public.

142. TO RECEIVE DECLARATIONS OF INTEREST

Councillor S A Henig and C J Jukes declared personal interests in relation to Item 4, Appendix A(i) 2008/2009 General Fund Revenue Budget and Council Tax proposals, in respect of fees and charges for Selby Cottage Nursery. Councillor S Barr declared a personal interest in Item 4 section 10.1 General Fund Revenue Budget and Council Tax proposals, in respect of savings proposals for Pelton Fell Hall. It was also noted that Councillor C Jukes was Chairman of the Partnership Board.

143. 2008/2009 GENERAL FUND REVENUE BUDGET AND COUNCIL TAX PROPOSALS

Consideration was given to a report from the Head of Corporate Finance, which summarised the 2008/2009 General Fund Budget proposals.

An addendum to the report, containing outcomes of the meetings with the Overview and Scrutiny Panels and Business Ratepayers was circulated at the meeting.

The Chief Executive referred to the savings proposed, proposed fees and charges and the potential of using the Concessionary Fares net surplus in reducing the Council Tax for 2008/2009.

He referred to the papers, which had been circulated detailing the comments of the Overview and Scrutiny Panel and the outcome of the meeting with the Business Ratepayers, and outlined in detail the issues they had raised for the Executive to consider.

The Executive Members expressed concern that some of the fees and charges proposed for leisure were exceeding current inflation and sought clarification on the affect of the funding available if the inflationary increase were to be capped which was explained by the Head of Corporate Finance.

Savings Proposed

The Leader referred to Section 10 of the report on 2008/09 Savings and advised that Members should consider these proposals taking into account the comments made by the Overview and Scrutiny Panels and the Business Ratepayers.

Modern Apprentice Programmes - The Leader expressed concerns in relation to removing funding for the modern apprentice in Leisure Services. The Acting Leisure Services Manager confirmed that this was a vacant position in the central administration team, which remained vacant.

In relation to the proposed reduction in savings to reduce the apprentice programme in Environmental Services the Director of Development Services advised that this proposal was due to the apprenticeship coming to an end and that he would confirm this with the Officer and report back to Members. The Chief Executive advised that Cestria Housing Association were looking to develop their own Grounds Maintenance service by working jointly with the Environmental Services Manager.

Pelton Fell Hall - Executive Members were in agreement with the recommendation of the Leisure and Neighbourhood OSP to delete the savings proposed in relation to Pelton Fell Hall as it was felt that it was too early to consider this proposal.

Play Areas Maintenance - Councillor Westrip queried the savings proposed for the play areas maintenance reduction. The Leisure Services Manager advised that the proposal was to reduce the play area revenue budget however this would not affect the inspections or any health and safety based maintenance.

Environmental Services Deletion of sickness cover - Councillor M Potts referred to the proposal to delete the sickness cover and queried whether this would impact on the staff. It was noted that the service would not be affected, as there was capacity within the team to move from a different service.

The Leader requested that this be monitored.

Environmental Health Pest Control - Members were in agreement to support the Leisure and Neighbourhood OSP recommendation that the Pest Control new rodent fees be deleted from the savings.

Environmental Health Agency Fees – That it be agreed that the Environmental Health Agency Fees be deleted from the proposed savings.

Community Development - The Leader expressed concerns in relation to the proposed saving for community development as she felt this could impact the delivery of the new Neighbourhood key priority.

Councillor Barr advised of the partnership working that was ongoing with the community facilities review group and suggested that this be supported through investment.

The Acting Head of Regeneration explained the proposed saving in community development was an area that the team did not feel would be used and could be supported in other areas, however this proposal was recommended prior to the new priority being agreed.

The Leader felt that the community development budget needed to be strengthened not reduced and therefore suggested that there was a need to re-look at the community budget as a whole. It was therefore recommended that the savings proposed for community development be deleted.

Head of Corporate Services Residents Survey - Members referred to the savings proposed under communications and public relations by having no residents survey. A new, joint survey would be carried out with the new authority.

ICT Internet Connection - The Executive were in agreement with the concerns expressed by the Partnership and Efficiency OSP in relation to the affect on the users to reduce the speed of the internet connection. The Head of Corporate Finance explained that this issue had now been resolved through negotiations with the internet service provider so that the 4Mb would remain and a £2,700 saving achieved.

Fees and Charges Proposals

Leisure Fees and Charges Proposals - Councillor Henig referred to the proposed fees and charges for Leisure Services and advised of his concern on the percentages that were higher than inflation and that demand may fall if prices increased.

The Acting Head of Leisure Services explained that he had looked at the sensitivity of the market and felt that the proposed increases would not affect the levels of usage and proceeded to give examples of the market testing he had undertaken.

Members discussed the rate of inflation and the impact this would have on the increases in costs of fees and charges. After much deliberation and discussion the Executive agreed that the proposed increase in fees and charges for Leisure Services be capped at 5% on any one individual fee.

Refuse Collection Charges - The Head of Corporate Finance confirmed that the fees and charges at the Leisure and Scrutiny Panel had been debated at length and they were minded to support the proposals. Concerns were expressed by the Executive in relation to the possibility that increasing prices impacted on flytipping. The Leader referred to the comments of the business ratepayers and suggested the possibility of increasing the trade waste charges and reducing domestic ratepayers. The Director of Development Services suggested discussing the viability of this proposal with the Operations Manager.

Councillor Henig queried whether the green waste would still remain free of charge as this had not been included in the proposals. The Leader requested that the position regarding the free collection of green waste be clarified.

After much deliberation it was agreed not to support the increase in civic amenity collections for the removal of six items from £5 to £10.

Car Parks - The Leader spoke in relation to focusing on the Town Centre to achieve the priority around people and place and suggested that the proposed fees and charges for car parks not be increased.

Public Conveniences - It was also suggested that the proposed increase in the toilet charge not be increased. Councillor Barr referred to the review undertaken by the Scrutiny Panel to look at the toilet provision in the Town Centre, which he felt, may need some investment. It was noted that the Town Centre Manager was currently looking into this scheme. The Chief Executive suggested that Members may wish to make some indicative provision within the capital programme priorities for this scheme.

Civic Centre Room Bookings -The Executive were in agreement with the Partnership and Efficiency OSP to propose that the Customer Relationship Manager use his discretion and consider a rise above 3% to be marked up to a round figure for Civic Centre Room Hire.

The Leader requested that Officers look at all the fees and charges that this Authority is responsible for and advise of the average increase.

Other Resources

The Chief Executive referred Members to the key single priority which had been developed for implementation during 2008/09 around 'People and Places' and acknowledged the capacity that was needed within the organisation to deal with the Local Government Review process.

He made Members aware of the budgetary provision for both the Venture Fund (£107k) and the Planning Delivery Grant (£132k) and updated them on the latest position regarding the financial implications associated with the Housing Transfer.

The Chief Executive and Head of Corporate Finance were able to confirm that the cost neutral position previously identified to Council in year 1 was achievable and that the implications were that the Council were able to recoup the initial set up cost leading to the Housing Transfer.

The Chief Executive suggested that these budgets be used to redirect resources to address the priorities for delivering the single objective and asked Officers to prepare outline budgets for the Council Meeting which drew down from those budget areas.

He proceeded to outline the financial implications of the Executive's proposed priority areas which included Investment in the Town Centre, Partnerships for Futures, Strengthening Partnerships and Neighbourhoods.

The following budgets were identified in order to support this budget re-prioritisation:-

- Venture Fund - £107k revenue
- Planning Delivery Grant - £132k revenue
- Cost neutral repayment of LSVT set up costs and reduction in provision budget for the environmental warranty costs - £600k (£150k revenue and £450k capital)
- Potential return on investment of the VAT shelter - £80k revenue
(These budgets amount to £469k revenue and £450k capital)

He also proposed that Members support the idea of keeping a contingency fund in reserve to support Local Government Review initially between £150,000 – £200,000.

The Chief Executive advised that he would like to look at a delivery plan whereby Officers across the Council would be responsible for delivering under the four sub priorities. He advised that consideration would also need to be given on how Members would like to be supported by and involved in the process of dealing with the delivery of those projects.

The Leader spoke in response to the proposals put forward by the Chief Executive and advised of the need to look at arrangements for the Executive and Scrutiny and review constitutional changes.

RESOLVED:

- “(i) That the final finance settlement for 2008/09 be noted.
- (ii) That it be noted that the Executive considered the proposed fees and charges and recommends to Council those fees and charges, subject to the modifications discussed..
- (iii) That it be noted that the Executive considered the comments and recommendations of the Overview and Scrutiny Panels.
- (iv) That it be noted that the Executive considered the comments of the non-domestic ratepayers.
- (v) That the Executive agreed to recommend a net general fund revenue budget for approval by Council.
- (vi) That the Executive agreed to recommend a Band D Council Tax for approval by Council for 2008/09 of 2.9%.
- (vii) That the Executive agreed that the Chief Executive and Corporate Management Team develop proposals to re-direct funds available from existing resources in the Council Budget from the Venture Fund, Planning Delivery Grant and the set up costs in Housing.
- (viii) That this funding be used to address the needs of the new priority and a contingency fund for Local Government Review.”

144. 2008/2009 GENERAL FUND CAPITAL PROGRAMME

Consideration was given to a report from the Head of Corporate Finance to advise the Executive of the General Fund Capital Programme proposals for 2008/09 and ask that they consider the schemes recommended for inclusion in the 2008/09 programme.

The Head of Corporate Finance referred to the table on 5.1 in the report and explained that there were no unallocated capital receipts to be carried forward from 2007/08 and that all resources were fully committed to fund the 2007/08 prioritised capital programme. From the originally approved capital programme of 2007/08 approximately £326k remained unreleased to support schemes which still required funding.

He advised that in light of the Local Government Review, Managers were asked to revise the proposed schemes, which were listed in Appendix 1 of the report.

The Leader advised that she felt there was a need to think about the existing schemes through to the next year and how we prioritise them and link that process to the redirection of resources to achieve our priority. The Chief Executive advised of the flexibility that was available within the Capital Programme Working Group to consider bringing forward schemes or put back schemes depending upon the resources available.

He suggested that there might be a need to consider public toilet provision as an area of prioritisation in terms of Town Centre investment, which came out of the Business Ratepayers discussion and also the Regeneration and Housing OSP review.

Councillor Westrip referred to a possible cut off point and delivery of those schemes. The Chief Executive explained the legality of approval that may be required to comply with the law on future policy commitments and delivery arrangements.

The Leader spoke in relation to having more flexibility on prioritising the Capital Programme and bringing in the re-direction of resources.

The Chief Executive advised that the Capital Programme Working Group went through a priority process and that health and safety would be a top priority. He advised that Officers had been asked to prioritise the list having regard to the new corporate objective which need to be linked to the current position in terms of existing resources that we are likely to achieve through land sales and capital receipts.

Councillor Henig queried giving priority to things that are match funded, which brought in extra resources. The Leader suggested there was a need to swiftly review the criteria used by the Capital Programme Working Group.

The Chief Executive suggested that Officers come up with a revised list which recognises in principle prioritisation of projects in the light of the new corporate priority.

He advised that in addition to that there would be a need to ensure that the Capital Programme could not be increased without going through the agreement procedure.

RESOLVED:

- “(i) That the Executive considered the schemes identified in the Appendix for inclusion in the 2008/09 capital programme and that it be agreed that further work needs to be done and ensure that Health and Safety is prioritised in the first instance and then expect schemes to be prioritised having regard to the new priority of people and place.
- (ii) That the Executive agrees that the Capital Working Group continues to review criteria by which they prioritise; to monitor progress on asset sales; and to release funding for prioritised schemes once funding is in place.
- (iii) That the Executive agrees to receive quarterly progress reports on funding and consider the use of borrowing under the Prudential Code to fund the 2008/09 capital programme.

- (iv) That Executive recommends that if it were decided that further additional capital resources were required to address either the Council's priority or further capital requirements throughout the course of the year that it be agreed to consider the use of prudential borrowing and that agreement of the Implementation Executive or the new County Council be sought."

The meeting terminated at 5.05 pm