

Item 3a

SEDGEFIELD BOROUGH COUNCIL

PROSPEROUS AND ATTRACTIVE BOROUGH OVERVIEW AND SCRUTINY COMMITTEE

Council Chamber,
Council Offices,
Spennymoor

Thursday,
24 January 2008

Time: 10.00 a.m.

- Present:** Councillor G.C. Gray (Chairman) and
Councillors Mrs. L. M.G. Cuthbertson, P. Gittins J.P., D.M. Hancock,
Mrs. I. Hewitson, B. Lamb, Mrs. E. Maddison, A. Smith, B. Stephens and
A. Warburton
- Invited to attend:** Councillors V. Crosby, A. Hodgson, Mrs. L. Hovvels
- In Attendance:** Councillors A. Gray, Mrs. J. Gray, Mrs. S. Haigh, J.E. Higgin, B.M. Ord
and T. Ward
- Apologies:** Councillors G.M.R. Howe and J. Robinson J.P

P&A.21/07 DECLARATIONS OF INTEREST

Members had no interests to declare.

P&A.22/07 COUNCILLOR J. WAYMAN J.P.

Members observed a minute's silence as a mark of respect to Councillor J. Wayman J.P. who sadly died on Saturday 19th January 2008.

P&A.23/07 BUDGET FRAMEWORK 2008/2009

Consideration was given to Cabinet's initial budget proposals in respect of the Environment, Planning and Development, Learning and Employment and Social Regeneration 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).

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

Members were reminded that 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 on 29th February 2008.

It was reported that the budget would be the last one to be determined by the Council before local government in County Durham was re-organised. It had been prepared on the basis of business as usual, with growth in service provision restricted to essential areas only and where they would not be to the detriment of the new council's arrangements.

It was explained that the Council had been provisionally notified that it would receive £9,791,348 of external Government support for 2008/09. The grant settlement, which was broadly in line with expectations, showed a year on year cash increase of 1.98% or £190,065, including the base adjustments in accordance with the distribution framework.

The budget framework for 2008/09 reflected the Council's key priorities set out in the Corporate and Transition Plans and took account of financial issues and pressures facing the Council, including pay related costs, fuel price inflation and the drawing to an end of some external funding streams.

The budget had been prepared on an outturn basis, which meant that the contingency sum had been eliminated. Any unforeseen issues during the year would be met from efficiency savings within the relevant Portfolio area to avoid the use of balances.

It was pointed out that several requests to enhance service provision had been excluded from the budget framework as a result of shortage of funds, however, if funding did become available during the year, those items could be allowed to commence on a prioritised and considered basis and subject to Cabinet approval.

Efficiencies been identified during the preparation of 2008/07 budget framework to produce a workable yet affordable budget. Savings amounting to £545,890 had been identified within the Prosperous and Attractive Borough portfolio budgets and had helped to offset the £627,380 unavoidable growth in services.

It was reported that careful planning of the budget meant that the commitment made in the Medium Term Financial Plan to restrict council tax increases to 3.0% could be delivered in 2008/09. The investment in Council services would only add £5.58p per year or 11p per week to the Band D Council Tax. The cost to the Band A taxpayer would be £3.72 per year or 7p per week.

It was pointed out that the Medium Term Financial Plan had allowed for a Capital Programme of £20m in 2008/09, subject to resources being available. The larger elements of the programme were outlined in the Council's Transition Plan and were detailed in the table set out in paragraph 4.3

Members' attention was drawn to the contingency sum of £2.5m which had been provisionally identified to meet other corporate projects such as the funding of planned maintenance of public buildings in accordance with the Asset Management Plan, Local Improvement Programme

funding and the replacement of obsolete ICT equipment. The schemes would be assessed and prioritised when funding became available and Cabinet approval would be sought at a future meeting, subject to the availability of resources.

Details of the Council's overall General Fund Revenue Budget and a full analysis of the budgets in respect of the services within the Prosperous and Attractive Borough Portfolios were attached to the report.

Environment

With regard to the protection of the environment and the standard of ground maintenance, the 2008/09 revenue budget would enable the Council to continue to provide a similar level of service to that being achieved in 2007/08, with an enhanced kerbside recycling service from 1st April 2008. The new enhanced service would deal with a broader range of recyclates, including cardboard and plastics, which would help the Council achieve its statutory recycling targets.

Concern was expressed regarding the amount of income the Council would receive from the re-cycling of waste materials.

It was pointed out that a detailed report regarding the contract for the kerbside recycling service had been submitted to Cabinet in December 2007 for consideration. The cost per tonne of delivering the service from 1st April 2008 was £54.57. The County Council had agreed to pay the recycling credit of £46.07 per tonne of recyclate collected through the contract to participating Borough and District Councils. The net revenue cost for the provision of the service for 2008/09 was therefore £51,000, which was considered good value for money.

Specific reference was made to the waste generated from the kitchens of schools etc. and commercial premises and whether the scheme could be extended to cover such premises. It was reported that discussions would be taking place with the contractor to assess the viability of extending the service.

With regard to the budgets for Street Cleansing and Grounds Maintenance clarification was sought regarding the agency costs. It was reported that agency costs of £28,000 for street cleansing related to the spraying of weed killer on roads and footpaths and the sum of £47,200 for grounds maintenance related to the cost of hedge maintenance. Both services were on behalf of the Durham County Council.

Members complimented the work of the Council's Countryside Management Team and the Civic Pride Teams/Street Cleansing Section.

Planning & Development

During 2008/09 the Planning Service would be enhanced to provide a more customer focused service. Consequently fee generation and Housing Planning Delivery Grant would be maximised as a result of improvements in planning performance.

It was noted that funds allocated during 2007/08 towards the cost of the

review of the Council's Local Development Plan had been redirected to provide new elements of the overall plan, to ensure it was sufficiently robust and evidence based to pass through the public examination process.

Social Regeneration and Partnership

The 2008/09 revenue budget would enable the Council to continue to provide a similar level of service to that being achieved during 2007/08, including the ongoing support to the Advice & Information Service, CAVOS and the Local Strategic Partnership.

It was noted that the level of grant support from the Department of Works and Pensions for the provision of the Housing Benefits Service, had for the second year running seen a real cut, thereby creating a risk that the level of performance could be adversely affected. Innovative ways of carrying out the service continue to be considered and efficiency measures, such as home working which was currently being piloted in the section, would need to be extended to maintain the existing level of performance. Preparations had commenced to introduce the new Local Housing Allowance Scheme from 1st April 2008 for tenants of private landlords.

It was explained that from 1st April 2008, the existing Concessionary Travel Scheme would be extended to allow older and disabled people to access off peak local travel anywhere in England. The Government had set aside a total £218m to fund the changes to the scheme. The money was being distributed as a specific grant and Sedgfield Borough had been awarded a £207,000.

Members were reminded that the existing scheme within County Durham, had operated for many years and provided users with half fare and now free travel, both within the County and adjoining areas, which actually exceeded the statutory minimum, outlined in the latest changes. Discussions were underway with the bus companies on the introduction of the new scheme, particularly around maintaining the existing benefits for those in the County Durham scheme. An estimate of the financial impact was incorporated into the report.

It was noted that the Neighbourhood Renewals Fund, which ended in 2007/08, was being replaced with the Working Neighbourhoods Fund. It was pointed out that the exact purposes for which the new funding could be used, was still being considered. The sum of £2,099,339 had been allocated to Sedgfield Borough Council for 2008/09. The additional allocations for 2009/10 and 2010/11 would be paid to the new Unitary Authority.

In addition, it would be still be necessary to maximise the potential funds available from the funding streams pooled through the Local Area Agreement, to allow the Council to continue its involvement in cross cutting initiatives such as employability and the economic regeneration of the Borough.

Learning & Employment

The budget proposals for the Learning and Employment Portfolio should enable the Council to provide a similar level of service to that being achieved during 2007/08, especially in relation to economic development and industrial promotion.

The Council would continue to provide a training service for unemployed youths & adults to improve their skills to enable to help them to employment. The service, funded mainly from training contracts from the Learning and Skill Council and Job Centre Plus, was self-financing. The Council would also continue its close relationship with Bishop Auckland College to develop a merged service with the aim of providing significantly enhanced training facilities locally as identified in the Transition Plan.

A question was raised on whether the Council had sufficient resources to improve the economic wellbeing of the Borough.

It was reported that the Council's had to make the best use of its resources and officers ensured that they did not duplicate the work undertaken by other agencies such as ONE NorthEast with regard to economic development.

Specific reference was made to LEGI funding, which was targeted at the promotion and development of enterprise in economically deprived communities. It was noted that the Borough would also receive £7m of Working Neighbourhoods Funding over the next 3 years to improve employability.

It was reported that although there had been a number of job losses in the Borough, the employment rate was increasing, and officers were working strategically to ensure that residents of Sedgfield Borough were appropriately skilled and trained to take up any jobs that were available.

It was pointed out that the second largest industrial estate in the region was located in Borough at Newton Aycliffe.

Following specific issues being considered the Cabinet Member then left the meeting to allow the Committee to deliberate and consider its recommendations.

RECOMMENDED: *That the budget proposals in relation to Environment, Planning and Development, Social Regeneration and Partnership and Learning and Employment portfolios for 2008/09 be supported.*

ACCESS TO INFORMATION

Any person wishing to exercise the right of inspection, etc., in relation to these Minutes and associated papers should contact Gillian Garrigan 01388 816166 ext 4240 email: ggarrigan@sedgfield.gov.uk

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