

**THE MINUTES OF THE MEETING OF THE  
RESOURCES SCRUTINY COMMITTEE  
HELD ON TUESDAY 11 MARCH 2008**

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

Apologies: Councillors Mrs. J. Maitland, M Nicholls  
and Mrs. V.M. Williams

1. **THE MINUTES OF THE LAST MEETING** held on 19 February 2008, a copy of which had been circulated to each Member, were confirmed.
2. **THE MINUTES OF THE MEETING OF THE EXECUTIVE** held on 26 February 2008, 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 3 March 2008 which fell within the remit of this Committee.

**RESOLVED** that the information given, be noted.

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

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

The Position Statement covered the following three areas:-

(i) **Positive Results from the Unit's Service Plan.**

Attached to the briefing note was an extract from the Unit's Service Plan which described some of the high level actions taking place in the Unit.

D. Temple, Head of Financial Management, explained that the Unit was made up of four sections and employed over eighty 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.

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Within the Revenues Section interim management arrangements put in place as a result of the long-term sickness absence of the Revenues Manager, were working well.

D. Temple continued that all budgets for 2008/2009 had now been completed within the statutory time framework and had been approved by the Council, together with the increase proposals on Council Tax and Council house rents. The Capital Programme for next year had also been approved.

Accountancy and Payments Section had commenced preparations to complete the final accounts for 2007/2008 before the end of June 2008 and reports would be submitted to Council in due course.

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 were in regular contact with the Audit Manager, J. Dafter, most recently to discuss preparations for the Local Government Review.

Further financial monitors would be presented to the Executive in respect of the 2007/2008 General Fund and the HRA budgets, and financial monitors would commence on the recently agreed 2008/2009 budgets. In terms of the Local Government Review this was particularly important to ensure the delivery of the Council's Transitional Plan.

With regard to collection rates for Council Tax and National Non-domestic Rates, together with revenues and benefits, performance for 2007/2008 was broadly on target. The Council Tax collection rate was only slightly below target compared to the same time last year which was pleasing considering the number of mortgage rate increases in the last eighteen months. He added that during last year the highest ever percentage was collected at 96.6%.

He explained that the Internal Audit Section would discontinue its day to day service with East Durham Homes from the 2008/2009 financial year. The current Service Level Agreement with East Durham Homes would lapse on 31 March 2008 and East Durham Homes would be seeking an alternative provider for this function. However, the Council's Internal Audit would still have an important strategic role in overseeing the governance arrangements of East Durham Homes.

Work was ongoing to review the cost and performance of the Revenues Section as part of the Council's Value For Money review programme and this would be reported to a future meeting of the Committee.

All Best Value Performance Indicators and local Performance Indicators were on target for 2007/2008. The overall third quarter BVPIs for 2007/2008 had been produced and reported in detail to the Council's Audit Committee last month.

The Local Government Review Finance Officers Group met on a weekly basis collecting data and preparing a number of briefing papers which when finalised, would be submitted to the Corporate Support Programme Board. An example of this was a major area of work relating to

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Revenues and Benefits which involved Senior Revenues and Benefits Officers from all Districts.

(ii) **Negative Results/Slippage.**

It was pleasing to report that there was no slippage in the Service Plan despite the interim management arrangements introduced in the Revenues Section as reported. However, he anticipated that the Local Government Review workload would increase in the coming months as other Senior Finance Officers became more actively involved. This position would be closely monitored.

(iii) **Any Under/Over Capacity Issues.**

There were no issues to report in the current financial year and the Service Plan had been prepared on the basis of no financial growth. Cashable and non-cashable efficiencies had been advocated and offered up as part of the 2007/2008 budget process. For the coming financial year, efficiencies had been identified in the Service Plan to help meet the Central Government efficiency target on cashable savings.

In discussing the Position Statement, Members asked a number of questions regarding the Local Government Review. In response, D. Temple confirmed that as projects within Local Government Review workstreams were progressing, he anticipated that more senior officers would be involved which could have an impact on capacity. However, as stated in the briefing note, the situation would be closely monitored.

He added that consent to the Council's budgets was required from the Implementation Executive which was expected soon. The Government had issued directives which prescribed what Councils were able to do in terms of the use of their resources in the transitional period.

Following discussion, it was **RESOLVED** that the information given, be noted.