

Cherwell District Council

Budget Planning Committee

Minutes of a meeting of the Budget Planning Committee held at Bodicote House, Bodicote, Banbur, OX15 4AA, on 4 June 2013 at 6.30 pm

Present: Councillor Nicholas Mawer (Chairman)
Councillor Douglas Webb (Vice-Chairman)

Councillor Ken Atack
Councillor Andrew Beere
Councillor Margaret Cullip
Councillor Tim Emptage
Councillor Neil Prestidge
Councillor Lawrie Stratford
Councillor Barry Wood

Apologies for absence: Councillor Maurice Billington
Councillor Russell Hurle
Councillor Mike Kerford-Byrnes

Officers: Karen Curtin, Head of Finance and Procurement
Beth Baines, Strategic Finance Accountant
Dave Parry, Democratic and Elections Officer

1 Appointment of Chairman

Resolved

That Councillor Nicholas Mawer be appointed Chairman of the Budget Planning Committee for the Municipal Year 2013/14.

2 Appointment of Vice-Chairman

Resolved

That Councillor Douglas Webb be appointed Vice-Chairman of Budget Planning Committee for the Municipal Year 2013/14.

3 Declarations of Interest

There were no declarations of interest.

4 **Urgent Business**

There was no urgent business.

5 **Terms of Reference and Draft Work Programme**

The Committee considered a report of the Head of Finance and Procurement which detailed the changes in scrutiny arrangements, outlined the Committees Terms of Reference and suggested a Work Programme.

With respect to the Work Programme, Members expressed concern regarding potential future legislation aimed at drawing local authorities' capital reserves under the central control of the Government. The Committee suggested that the Council should give consideration to investing its capital reserves into programmes and schemes that benefit the community, whilst avoiding future revenue implications. Members agreed that the Work Programme should retain sufficient flexibility to allow for consideration to be given to potential changes, i.e. resulting from the forthcoming Comprehensive Spending Review.

Resolved

(1) That the contents of the report be noted.

6 **2012/13 Outturn and Key Messages for Explanatory Forward**

The Committee considered a report of the Head of Finance and Procurement which summarised the Council's provisional Revenue and Capital outturn position for the financial year 2012/13. The figures were still subject to further validation work to ensure compliance with statutory requirements and proper accounting practices.

Responding to a query regarding the level of slippage, the Head of Finance and Procurement advised that an application to slip a project was only given approval after checks were undertaken, and specific criteria met.

Resolved:

(1) That the contents of the report be noted.

7 **Financial Context - MTFs Latest Position, Capital Resources**

The Committee considered a report of the Head of Finance and Procurement which provided a summary update on the Council's revenue position for 2014/15.

The Head of Finance and Procurement gave a presentation which covered the 2013/14 Revenue and Capital Position and sources of income.

The Committee was advised that there were numerous financial pressures on the council, namely grant reductions, inflation, income reductions, reduction in reliance on interest income and an increased demand for services, particularly housing and benefits.

The Council would receive windfall income through the New Homes Bonus, investment income and business rate growth.

In terms of the 2013/14 Capital Programme, consideration would need to be given to the implications of reducing capital receipts.

The Committee was advised that looking forward key areas for focus for the Council were the further 15% funding cut in 2014/15 and forthcoming Comprehensive Spending Review, the implications of Welfare Reform and Business Rates growth, revenue generation and sweating of assets, delivering transformation and building on joint working with South Northamptonshire Council and others, maintaining focus on front line services and vulnerable groups, updating the Medium Term Financial Strategy and the 2014/15 Budget process which would take place during September 2013 to February 2014.

Acknowledging the challenge ahead, the Committee emphasised the importance of communicating and consulting effectively with the public. Members noted that public consultation on the budget was undertaken every year and the core messages that subsequently came out made it clear what the public valued and, significantly, what was not valued.

The Committee also emphasised the importance of identifying and maximising sources of income.

Resolved

- (1) That the contents of the report and the presentation be noted.

8 Council Tax Reduction Scheme (Yr. 2)

The Committee considered a report of the Head of Finance and Procurement which provided an update on considerations for the second year of the local Council Tax Reduction Scheme.

Regarding implications for Parish Councils, the Head of Finance and Procurement advised the Committee that she had already spoken directly to several Parishes regarding the implications arising from changes to the Council Tax base. In addition, she would be attending the two Parish Council liaison meetings, and undertook to circulate a Briefing Note to all Members, detailing the information/advice given.

The Committee noted that, whilst the Council had adopted a joint approach to the introduction of the Council Tax Reduction Scheme, this had not happened in Northamptonshire. The Head of Finance and Procurement advised Members that some authorities had decided against a joint approach due to differences in profile and exemptions. The Head of Finance and Procurement

agreed to report to a future meeting on the approach taken by authorities in neighbouring areas such as Hertfordshire and Warwickshire.

Resolved

- (1) That the contents of the report be noted.

The meeting ended at 7.54 pm

Chairman:

Date: