

Minutes



Listening Learning Leading

OF A MEETING OF THE

Scrutiny Committee

HELD AT 6.00PM ON 20 DECEMBER 2011

AT COUNCIL OFFICES, CROWMARSH GIFFORD

Present:

Mr D Turner (Chairman)

Mrs A Badcock, Ms J Bland, Mrs C Collett, Mr S Connel, Mr J Cotton, Ms K Crabbe, Mr W Hall (as substitute for Mrs P Dawe), Mr P Harrison, Mr T Joslin, Mrs M Turner (as substitute for Mr S Harrod)

Apologies:

Mrs P Dawe, Mr S Harrod and Mrs E Hodgkin submitted their apologies.

Officers:

Mr S Bishop, Mrs J Bolton, Mr S Hewings, Mr W Jacobs, Ms C Kingston, Mr M Prosser, Mrs J Thompson

Also present:

Mr B Service, Cabinet member for leisure and grants
Mr D Dodds, Cabinet member for finance, waste and parks
Mr R Bell, district councillor

20. Minutes, 15 November 2011

RESOLVED: to approve the minutes of the meeting held on 15 November 2011 as a correct record and agree that the Chairman sign these as such.

21. Review of Community Investment Fund grant policy and procedures

The committee considered the report of the Head of Corporate Strategy setting out proposed amendments and additions to the community investment fund grant policy and procedures.

Mr B Service, Cabinet member, Ms C Kingston, Head of Corporate Strategy, and Mrs J Bolton, Grants Team Leader, introduced the report and gave a short presentation.

Mr R Bell, local councillor, spoke to the committee. He said that when the CIF grant scheme started in 1998 decisions were made by full council, and later 12 councillors plus full Cabinet. Now only 13 councillors were involved and a further reduction was proposed. Given the geographical variation across the district a larger number of councillors should be involved to allow for an adequate breadth of knowledge and experience from across the district. This year showed the wisdom of moving the award dates to September in an election year to allow councillors to gain more experience in procedures. Councillors needed to be aware of the commitment and time needed and make themselves available. The cost savings proposed were minimal.

The Cabinet member and officer answered questions from the committee as follows:

1. Reducing the numbers on the committee saved a few hundred pounds on printing and around £1000 on transport costs for site visits.
2. A smaller committee increased the risk of meetings being inquorate if one or more members could not attend. This risk increased with a requirement to attend all meetings. A larger committee did not eliminate this risk.
3. All councillors could speak to the CIF panel about applications from their wards, and often took up the invitation to do so.
4. Currently the scoring criteria did not include clear guidance on scoring projects where there were sufficient reserves and fund-raising capacity to fund the project without a CIF grant. The panel should be able to consider affordability and financing as part of the awarding criteria. Decisions about excluding or awarding lower scores to projects which could proceed without a CIF grant should be made by the panel, not officers, as part of the overall decision on awards.
5. The existing CIF panel members had recommended the reduction in membership. This gave a small cost saving and reduced the administration.
6. The council needed grant-awarding criteria which ensured that there was a reasonable return on a £100,000 investment in community facilities. Requiring a long lease was one way of achieving this and was required by Sport England (7 years) and the lottery (20 years). A charge was put on each property to ensure that monies were recovered if the sites were sold.
7. The length of lease, funding gap, fundraising potential, and on-going viability of the project should be considered separately.

The committee discussed the report and recommendations and made comments and recommendations to officers and to Cabinet.

Councillors commented:

1. The guidance should clarify 'sufficient reserves' and 'funds' to ensure this does not give the impression that parish councils (who could raise the money via the precept) and those organisations with reserves earmarked for other projects are excluded.
2. Clarify 'has not received council funding' to make clear this referred only to CIF grant funding.
3. The council should not inadvertently give a message that it will not help well-run organisations.
4. There could be a pre-selection meeting to eliminate applications which have adequate funding before the formal round of visits and presentations starts.
5. The panel should be encouraged to consider finances in more detail but applications should not be excluded on purely financial grounds.

6. A panel of five was too small. The aim should be to have 12 members, with a minimum of five, to give enough breadth across the district and to give an unbiased panel.
7. Panel members needed to take the commitment seriously and be diligent.
8. There was discussion about whether members should automatically be excluded from the process because they have to miss one of the meetings or should be able to judge for themselves if they can continue to take decisions.
9. There was debate about whether panel members should be able to vote on applications in their own ward if they so wish, or be excluded to avoid any suggestion of bias or unfair influence on the decision.
10. Officers should not make recommendations but should explain how scores could be arrived at.

RESOLVED:

To recommend Cabinet and officers to amend the procedures and policy as follows:

Applications will only be considered if:

1. The organisation has not received a capital grant award in the previous two years
2. The organisation either owns or has a lease on the land or property for a minimum of ten years.

Decision process

1. The number of councillors on the CIF Panel should be 12 and the panel should be politically balanced.
2. CIF panel members must attend all meetings to be eligible to vote regarding any application.
3. The CIF panel will receive a detailed evaluation report and presentation from officers.
4. CIF panel members will not be able to vote on applications within their own ward.
5. The CIF panel is able to recommend that an award is not given if an organisation has sufficient reserves (even if the score would normally be high enough to attract a grant), but the panel should consider whether the reserves are committed, and guidance should state that organisations should not be discouraged from applying if they have strong reasons for doing so.

22. Budget monitoring: September 2011

The committee considered the report of the Head of Finance providing an update on the council's net revenue and capital expenditure against budget.

Mr D Dodds, Cabinet member, Mr W Jacobs, Head of Finance, and Mr S Hewings, Chief Accountant, answered questions about the report as follows:

- The explanatory text showed only variances above £50,000.
- There were generally very good reasons for underspends. Budgets were set in good faith at the start of the year but successful in-year saving initiatives or income increases contributed to a net reduction in spending.
- The award of the next Fit for the Future contract had been delayed.

- The budget was set on the assumption that all staff posts were filled although in practice there were always vacancies. Savings from vacant posts were used in the following year.
- Heads of service were asked for accurate predictions of capital expenditure but these have always proved over-optimistic.

Councillors asked for information about:

- The impact of staff vacancies and increased planning application numbers on planning services.
- The income from charges for pre-application advice.
- A breakdown of the costs and available finances for the Didcot station forecourt re-redevelopment.

The committee noted the report.

23. Budget 2012 to 2016¹

The committee considered the report of the Head of Finance setting out the budget target for 2012/13, the base budget, government funding for 2012/13, and the issues to be considered in setting a revenue and capital budget.

Mr D Dodds, Cabinet member, Mr S Bishop, Strategic Director, Mr W Jacobs, Head of Finance, and Mr S Hewings, Chief Accountant, answered questions about the report as follows:

- The budget here shows officers' forecasts and sets out officers' suggestions for growth bids and savings. The figure shown for the 2012/13 government grant is that announced as the second year of a two-year settlement. The main government grant from 2013/14 onwards and the effects of several significant changes in local government funding are not yet known.
- Budget variances identified as part of the 2011/12 budget monitoring exercise have been included in this draft of the budget where appropriate.
- The 3 per cent return on investment income is an assumption provided by the council's investment advisory service based on its economic forecast.
- New homes bonus is not ring fenced income and so can be used to fund any of the council's functions. The council is keeping this income in an earmarked reserve until it agrees a policy for its use.
- Increased income from the garden waste collection (brown bins) was predicted to be low because most suitable properties had taken up the service; it did not yet fully recover its costs and therefore was not heavily promoted; and a large increase in take-up, exceeding the capacity of the current rounds, could require purchase of another vehicle.
- The intention is that all garden waste service customers would have to pay by direct debit next year. The Cabinet member would consider options for those customers who could not make payments by direct debit. The problems with outstanding debts for the service were nearly resolved and provision made for writing-off any irrecoverable debts.

The committee noted the report.

¹ Mrs C Collett left the meeting at the start of this item.

24. Work Programme

The committee noted that the agenda for the February meeting should include items on:

- 2012/13 budget
- Waste contract performance review
- Report on the impact of pre-application charges on planning services
- Update on the actions resulting from the review of the 2011 district and parish council elections.

The meeting closed at 8.10pm.

Chairman

Date