

Minutes

OF A MEETING OF THE

Scrutiny Committee

HELD AT 6.30 PM ON THURSDAY 9 FEBRUARY 2017

MEETING ROOM 1, 135 MILTON PARK

Present:

Richard Pullen (Chairman)

Paul Harrison, Elaine Hornsby, Sue Lawson, Toby Newman, David Turner, John Walsh, Ian White and Pat Dawe (as substitute for Jeannette Matelot)

Apologies:

Jeannette Matelot tendered apologies.

Officers:

David Hill, William Jacobs and Ron Schrieber

Also present:

Councillors Elizabeth Gillespie and Jane Murphy; Simon Hewings (Capita accountancy)

35 Minutes

The minutes of the meeting held on 29 November 2016 were agreed as an accurate record and were signed by the Chairman.

36 Declarations of interest

None.

37 Urgent business and chair's announcements

None.

38 Statements, petitions and questions from the public relating to matters affecting the Scrutiny Committee

None.



Listening Learning Leading

39 Budget 2017/18

The committee considered the head of finance's report. This brought together all relevant information to allow Cabinet to recommend to Council a revenue budget for 2017/18 and a capital programme for 2017/18 to 2021/22. The Medium Term Financial Plan was included, which provided details of the forward budget model for the next five years. The report also recommended the prudential indicators to be set by the Council in accordance with 'the Prudential Code', introduced as part of the Local Government Act 2003.

Councillor Jane Murphy, the Cabinet member for finance, introduced the report. Also present to answer questions were David Hill, chief executive, William Jacobs, head of finance and Simon Hewings, chief accountant (Capita).

The Cabinet member for finance reported that there had been a number of challenges that had delayed the budget setting process, particularly around understanding the impact of changes to the calculation of new homes bonus, and around the new operating environment within the council. The report included growth proposals to deliver the corporate plan priorities. There were some savings proposals too.

The medium term financial plan included an increase in council tax of £5 in 2017/18 for Band D properties. However, due to the late confirmation of figures such as the new homes bonus and a re-assessment of the capital programme, the council's financial position was better than expected. As a result, the Cabinet had recommended to Council that there be no increase in council tax in 2017/18, the first year of the medium term financial plan.

This recommendation changed some of the figures quoted in the report and appendices. Accordingly the committee also received an addendum report and three revised appendices. It was noted that there was an error in line 58 of the revised Appendix F1 medium term financial plan to 2021/22 as the council tax increase 2017/18 from previous year, was now 0% and not 4.5%.

In response to questions and issues raised by the committee, it was reported that:

- Whilst potential risks such as the impact of Brexit and local government reorganisation were not set out in the budget report, the former had been included in the treasury management strategy. Proposals for the latter were too recent to have been included but would be assessed.
- The appointment of a new chief executive had resulted in more robust challenges to the budget setting environment as previous assumptions were questioned.
- The 5 Councils' Partnership contracts ran for nine years with the cost to South Oxfordshire varying from year to year.
- Appendix A1 set out the overall variations between the 2016/17 and 2017/18 budget with more specific information in the other appendices. Whilst it would be possible to produce a budget book providing further detail, this could not be done until after the budget had been set.

The Cabinet member for finance apologised for the late circulation of the budget report. Whilst there were particular issues such as the late confirmation of the new

homes bonus, she accepted that details of the proposed growth bids could have been circulated earlier.

Some members expressed concern about the proposed reduction in funding to Thames Valley Police. However, other proposals such as the provision of planning officer and community engagement officer support to the neighbourhood planning role, were welcomed.

RESOLVED

To agree that cabinet recommend to council that it:

- (a) sets the revenue budget for 2017/18, as set out in the revised appendix A.1 circulated separately;
- (b) agrees that the capital schemes listed in paragraph 33 to the report remain in the capital programme;
- (c) approves the capital programme for 2017/18 to 2021/22, as set out in appendix D.1 to the report, together with the capital growth bids, set out in appendix D.2 of the report;
- (d) set the council's prudential limits, as listed in appendix E to the report;
- (e) approves the medium term financial plan to 2021/22, as set out in the revised appendix F, circulated separately;
- (f) allocates £1,000,000 to fund the Communities Capital and Revenue Grant Scheme.

40 Work schedule and dates for all South and Vale scrutiny meetings

The committee was advised that the corporate development plan had been scheduled for the next meeting on 4 April.

A draft work programme for the 2017/18 municipal year would be submitted to the next cycle of scrutiny meetings in March/April and members were invited to send any suggested items to democratic services.

The meeting closed at 7.10 pm

Chairman

Date