

COUNCIL

28 September 2011

EXTRACT FROM MINUTES OF THE OVERVIEW AND SCRUTINY COMMITTEE
(26 September 2011)

REPORT OF HEAD OF DEMOCRATIC SERVICES

Contact Officer: Chris Ashcroft Tel No: 01962 848284 cashcroft@winchester.gov.uk

RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

Appendix A to this report sets out a minute extract for the consideration of Council regarding the General Fund Budget 2011/12.

RECOMMENDATION:

That Council considers the matter set out in the minute extract.

Appendix A**EXTRACT FROM MINUTES OF THE OVERVIEW AND SCRUTINY COMMITTEE –
26 September 2011****1. GENERAL FUND BUDGET – REVISED ESTIMATE 2011/12**
([Report CAB2211refers](#))

The Committee noted that, at its meeting held on 14 September 2011, Cabinet had recommended to Council that the Revised Estimate for 2011/12 be approved.

Councillor Wood reported that Cabinet continued to work towards finding the savings necessary to achieve a revised balanced budget in 2011/12. The forecast position was a snapshot in time and would continue to be monitored closely.

The Committee referred to the Report and its appendices and asked a number of detailed questions, the main points of which are summarised below:

- (i) With regard to £119,000 still to be achieved from employee savings, the Chief Executive reminded the Committee that there was an overlap with the savings to be achieved through Organisational Development and all vacancies were subject to review. Regular discussions by Corporate Management Team (CMT) and Cabinet prioritised certain areas of the Council's work over the short and longer term. Flexible Resource Management benefited the organisation by 'backfilling' where immediate pressures of work became apparent.
- (ii) The Chief Executive clarified that savings from changes to the Council's lease car/mileage scheme included a planned reduction to the mileage rates payable. Savings in 2011/12 from local elections were a one-off and due to shared overheads from the local elections and alternative vote referendum having being held at the same time.
- (iii) The Head of Finance advised that the deferral of the 'Homelessness – Winchester Social Lets' allocation had been proposed as a saving in the current year, as the initiative had not yet commenced. As this had been a specific budget line, it was not considered appropriate for it to be used for alternative homelessness initiatives.
- (iv) Councillor Wood advised that the original forecasts for receipts from Car Parking Income had not been achieved and actual income had been lower than predicted. However, although receipts were reduced at this time, there would be a clearer picture by the end of the financial year of the exact position. Councillor Beckett reported that he did not expect trends to continue over the longer term and that the apparent changes to use of the town centre car parks might have been

influenced by the success of park and ride. There were no immediate plans to release some town centre car parks for other uses.

- (v) Councillor Wood advised that an increase in income from the Government's proposals to allow councils to set planning fees locally, could eventually be utilised to offset costs of planning enforcement staffing. In response to further discussion, Councillor Beckett stated that the Council would continue to rigorously follow-up enforcement cases. Additional external resource to assist with this work might be necessary. He also explained that the Government had indicated that the necessary legislation to allow the Council to set local planning fees would soon be forthcoming.
- (vi) The Chief Executive explained that there had been a consultancy requirement during the year, in order to assess the likely impact of the Equalities Act on the organisation. Councillor Wood also pointed out that the consultancy requirement for major planning development was now unlikely to be required during the year. The Corporate Director (Governance) advised that the proposed budget for legal costs was necessary, as it was likely that some work (eg prosecutions) could not be accommodated in-house due to capacity in the legal team being utilised on major projects, such as the re-tendering of the depot services contracts.
- (vii) Councillor Wood reported that, although income from the Guildhall had been lower than expected, various improvements had been proposed to make increases to the trading account over time. He reminded the Committee of the long lead-in time for large functions. The Corporate Director (Governance) clarified that revenue from Café 1871 was now on target, but that the principal shortfall in income to the trading account was from Guildhall external room hire and banqueting events.
- (viii) The Head of Finance explained that the Council's Affordable Homes Bonus was expected to be £495,000 this year with increases in subsequent years. It would be accounted for within the General Fund and would benefit schemes throughout the District.

RECOMMENDED:

THAT THE REVISED ESTIMATE FOR 2011/12 AS SET OUT IN REPORT CAB2211 BE NOTED.
