

## **SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL**

Minutes of a meeting of the Finance Portfolio Holder's meeting held on  
Tuesday, 20 January 2009 at 10.30 a.m.

Portfolio Holders :	Councillor AG Orgee
Scrutiny and Overview Committee monitors:	Councillors R Hall
Opposition spokesmen	Councillor RT Summerfield
Officers in attendance for all or part of the meeting:	Rob Bridge (Corporate Manager, Finance and Support Services) Lee Phanco (Head of Revenues) Sally Smart (Principal Accountant Financial & Systems)

### **25. APOLOGIES**

Apologies for absence were received from Councillor RB Martlew.

### **26. DECLARATIONS OF INTEREST**

Councillor AG Orgee declared a personal interest as a County Councillor.

Councillor RT Summerfield declared a personal interest as his Mother in Law is a Council tenant.

### **27. MINUTES OF THE PREVIOUS MEETING AND MATTERS ARISING**

The minutes of the meeting of 20 November 2008 were agreed as a correct record.

#### **Matters Arising**

18. Draft Finance and Support Services Service Plan – Legal Services

The Corporate Manager, Finance and Support Services agreed to progress the following actions:

- The Principal Solicitor agreed to circulate a note to all Members introducing the staff in the legal team, which would include those with S106 responsibilities.
- The Principal Solicitor agreed to arrange a Code of Conduct training session for Parish Councils in the New Year.

*Note: this action has been completed since the meeting.*

### **28. FINANCIAL POSITION REPORT**

The Corporate Manager, Finance and Support Services, introduced this item, and apologised for the lateness of the report.

The following key points were identified:

- Pressures on planning income due to the economic downturn,
- The six-month invoice for the concessionary bus fare scheme had been received and, as a result, an underspend against the budget was expected.

The Corporate Manager, Finance and Support Services, advised the Portfolio Holder of a number of changes to the report made since its presentation to SMT:

- Expenditure against planning policy and the LDF was expected to slip into 2009-10
- The savings made due to the increases use of BACS payments count as efficiency savings
- Some slippage in the ICT capital programme in 2009-10

### Comments

The Portfolio Holder thanked officers for their work in the negotiation of the budget allocation for the bus pass scheme. The Corporate Manager, Finance and Support Services, confirmed that the flow-through effects of the budget change had been factored into the MTFs.

The Portfolio Holder observed that the year had been more turbulent than usual with the attendant implications for budget setting.

The report was **NOTED**.

## 29. QUARTER 3 REVENUE PERFORMANCE REPORT

The Head of Revenues presented the Revenue Services Quarterly Performance Report for the third quarter and highlighted the following key points:

- Council Tax collection rates were ahead of last year, although a reduction was expected in the final quarter of the year.
- Caution was expressed over collection of Non Domestic Rates, as nationally collection rates were lower than last year and the District was expected to reflect this trend.
- The council needed to be proactive in the collection of rents to prevent the build up of arrears.
- The number of benefit claims had increased as expected, however the figures did not fully reflect the increase as a number of the claimants were not entitled to benefit.
- The number of benefit fraud referrals had increased to over 200 (from 120). The reasons for this increase were put down to:
  - Active publicity from the DWP in the form of television adverts
  - Staff awareness
  - A willingness of the public to report suspects.
- Regular press releases and details of surveillance techniques were issued to the press.

### Questions and Comments

It was asked if the recruitment of an additional member of staff in the benefits section could be self-funding. The Portfolio Holder was advised that it would be a difficult business case to prepare due to the complexity of the subsidy situation, although a case could be made when a full years data was available.

The Head of Revenues confirmed that RIPA surveillance powers were used sparingly and in proportion to the seriousness of the case. The Portfolio Holder was advised that a fully documented audit trail was maintained in all cases where the powers were used. He said that the press interest had come as 'a wake-up call'. The Portfolio Holder was further advised that the Council had received positive reports from the Surveillance Commissioner.

The Head of Revenues confirmed that the report did not show the number of tenants that had been in rent arrears and had subsequently cleared the debt.

It was confirmed that 3 of the 5 eviction cases were abandoned properties. Abandoned properties tended to be shown as eviction cases as it was easier for the Council to repossess the property for rent arrears than for a breach of the tenancy agreement.

The Head of Revenues advised the Portfolio Holder that over 70% of Council Tax collection was by the use of direct debits and that the percentage was increasing. Additionally a choice of direct debit dates was offered (8<sup>th</sup> or 23<sup>rd</sup>) and the opportunity to pay by 12, rather than 10, monthly instalments was being considered for 2009-10 should the economic climate dictate.

The Portfolio Holder **NOTED** the report and commented that it painted a positive picture despite the current economic situation.

### 30. REVENUE AND CAPITAL ESTIMATES

The Principal Accountant, Financial and Systems, presented a report detailing the Revenue and Capital Estimates for the Financial Portfolio.

The following key points were identified:

- When compared to the original 2008-09 estimates, Corporate Management showed an increase of £5,970 in the revised estimates and £71,350 in the 2009-10 estimates.
- Fee earning income from the Land Charges service had declined dramatically as a result of the current economic situation. The Corporate Manager, Finance and Support Services, advised the Portfolio Holder that a paper on the Land Charge Service would be presented at the February or March portfolio meeting when there would be the opportunity to review the charging structure in the light of new government guidance.
- It was confirmed that the amount of £2,000, shown as an increase in expenditure to fund the asset revaluation of General Fund assets was for the Cambourne building and car park.
- It was expected that the £50,000 provision for the overflow car park would be fully spent, whilst there would be slippage against the £10,000 provision for the improvement to the telephone system at the Waterbeach depot.
- The Portfolio Holder was advised that the use of resources ranking should be treated with caution as a few pennies could make a large difference to the league position of the Council. The Corporate Manager, Finance and Support Services, further advised the Portfolio Holder that it would be necessary to drill down into the results to determine the reasons for the placement. The Portfolio Holder was further advised that the results would be available in the public domain.

### Questions and Comments

It was asked if the increase in expenditure reflected structural changes in staffing which could have increased staffing numbers. The Corporate Manager, Finance and Support Services, advised the Portfolio Holder that bids agreed by Cabinet in December had been included.

Cllr RT Summerfield asked in which cases an allowance for inflation had been made. The Corporate Manager, Finance and Support Services, advised that where an allowance had been made it would be detailed in the contract, for example an increase of 2.5% had been made for computer equipment due to a contractual agreement.

The Corporate Manager, Finance and Support Services advised the Portfolio Holder that an estimate had been made on the interest on balances for the next three years, and that a future report would be made to Cabinet and Council. The Corporate Manager, Finance and Support Services, further advised the Portfolio Holder that a range of investments were held to mitigate risk whilst attempting to maximise returns. It was confirmed that any shortfalls in interest had been addressed through the Medium Term Financial Strategy and that reserves were healthy.

The Portfolio Holder for Finance **ENDORSED** the Revenue Estimates and Capital programme shown at Appendices A and C and recommended them for consideration by Cabinet.

### 31. FORWARD PLAN

The following items were agreed for the Forward Plan:

February

- Financial Position update
- Land Fees Charges
- Revenues Quarterly update

March

- Financial Services Plan
- Capital Strategy and Asset Management Plan
- Treasury Management

The Portfolio Holder requested that a templated Forward Plan be prepared for future meetings.

**Action: Guy Moody**

### 32. DATE OF NEXT MEETING(S)

The dates and times of the next meetings were agreed as:

- 10am, Tuesday 17 February 2009
- 10am, Thursday 19 March 2009
- 3pm, Tuesday 21 April 2009

All venues to be advised.

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**The Meeting ended at 12.05 p.m.**

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