

MINUTES OF A MEETING OF THE
EXECUTIVE HELD IN THE COUNCIL
CHAMBER, WALLFIELDS, HERTFORD ON
TUESDAY 5 FEBRUARY 2013, AT 7.00 PM

PRESENT: Councillor A Jackson (Chairman/Leader)
Councillors M Alexander, M Carver,
L Haysey, P Phillips and M Tindale.

ALSO PRESENT:

Councillors D Andrews, W Ashley,
E Buckmaster, G McAndrew, M McMullen,
P Moore, M Newman, T Page, M Pope,
J Ranger, C Rowley, P Ruffles and
N Symonds.

OFFICERS IN ATTENDANCE:

Simon Drinkwater	- Director of Neighbourhood Services
Martin Ibrahim	- Democratic Services Team Leader
George A Robertson	- Chief Executive and Director of Customer and Community Services
Adele Taylor	- Director of Finance and Support Services

575 **TREASURY MANAGEMENT STATEMENT AND ANNUAL
INVESTMENT STRATEGY**

**The Executive Member for Finance submitted a report
setting out the 2013/14 Treasury Management Strategy
Statement and Minimum Revenue Provision Policy**

Statement together with the proposed Prudential Indicators. He highlighted the main changes in the Council's investment decisions over the previous year, namely the liquidation of the Scottish Widows (SWIP) funds and their reinvestment internally.

The Executive noted that the Audit Committee, at its meeting held on 23 January 2013, had received the report.

The Executive commended the proposals as now detailed.

RECOMMENDED – that (A) the 2013/14 Treasury Management Strategy Statement and Annual Investment Strategy and Prudential Indicators for East Herts Council be approved; and

(B) the Policy on Minimum Revenue Provision (MRP) be approved.

576 **CAPITAL PROGRAMME 2012/13 (REVISED) - 2015/16**

The Executive Member for Finance submitted a report setting out proposals for the Council's Capital Programme for 2012/13 (Revised) – 2015/16. The joint meeting of Scrutiny Committees, at their meeting held on 15 January 2013, had supported the proposals.

In referring to the proposed new schemes, the Executive Member highlighted the provisional IT investment item and advised that this would be subject to the submission of a business case later in the year.

The Executive commended the proposals as now detailed.

RECOMMENDED – that (A) the comments of the Joint Scrutiny Committees of 15 January 2013, be received; and

(B) the new Capital Programme for the period

2012/13 (revised) to 2015/16 as now submitted, be approved.

577 **FEES AND CHARGES 2013/14**

The Executive Member for Finance submitted a report setting out proposed fees and charges for 2013/14. The joint meeting of Scrutiny Committees, at their meeting held on 15 January 2013, had supported the proposals now detailed. The Executive Member advised Members that parking charges would be the subject of a separate report at the next Executive meeting.

Councillor N Symonds referred to the proposed 3% increase in bed and breakfast charges and the hardship this would cause to clients. The Executive Member undertook to discuss this further with Officers, and if necessary, revise the proposal at the next Council meeting.

The Executive commended the proposals as now detailed.

RECOMMENDED – that (A) the comments of the Joint Scrutiny Committees of 15 January 2013, be received; and

(B) the increases in fees and charges as detailed in Essential Reference Paper ‘B’ of the report submitted, be approved.

578 **SERVICE ESTIMATES - REVENUE BUDGET PROBABLE 2012/13 - ESTIMATE 2013/14**

The Executive Member for Finance submitted a report on the service estimates. The joint meeting of Scrutiny Committees, at their meeting held on 15 January 2013, had supported the proposals and also commented that the use of capital salaries should be reviewed in light of the changing balance between capital and revenue budgets. The Executive Member commented that

discussions with Officers on this matter were ongoing and that further opportunities would be reviewed.

The Executive Member advised of an error in the capital financing figures quoted in paragraph 2.14 of the report submitted, in that they were millions and not thousands.

In response to comments by the Executive Member for Health, Housing and Community Support on the valuable work of volunteers, the Executive Member for Finance proposed an amendment to the 2013/14 estimate for budget code CCC8 – Revenue Contributions & Grants to Voluntary Bodies, by increasing the amount from £10,040 to £20,000.

The Executive supported the proposals now detailed.

RECOMMENDED – that (A) the comments of the Joint Scrutiny Committees of 15 January 2013 be received;

(B) the probable Revenue Estimates for 2011/12 and the draft Revenue Estimates for 2012/13, as now submitted, be approved, subject to the amendment of budget code CCC8, as now detailed; and

(C) further consideration be given to reviewing the use of capital salaries in light of the changing balance between capital and revenue budgets.

579 **CONSOLIDATED BUDGET REPORT AND 2013/14 –
2016/17 MEDIUM TERM FINANCIAL STRATEGY**

The Executive Member for Finance submitted a report recommending the revenue budget for 2013/14. The joint meeting of Scrutiny Committees, at their meeting held on 15 January 2013, had supported the proposals now detailed.

The Executive Member referred to further changes that

had been made to the Medium Term Financial Plan (MTFP) since the joint meeting of Scrutiny Committees. These were detailed at paragraph 2.11 of the report now submitted. He detailed amendments to the budget summary at paragraph 2.21 of the report relating to Efficiency savings and the Planning contingency. He also reminded the Executive that the figures would need further amending to take account of the proposal on Grants to Voluntary Bodies agreed earlier (Minute 578 refers).

In respect of earmarked Reserves, the Executive Member made three specific proposals:

- the projected £165k underspend on staff turnover be earmarked to the Cost of Change reserve;
- any underspend on the New Homes Bonus (NHB) Priority spend be earmarked into a new and separate NHB reserve; and
- the projected £300k underspend on Recycling be earmarked into a new and separate Recycling reserve for potential capital and/or revenue spend on improvements to the service in 2013/14.

In response to a question by Councillor T Page on the use of reserves to meet the funding gap on council tax support, the Leader reminded Members of the need to be mindful that the Council's policy on this impacted on Hertfordshire County Council's funding as well. The Executive Member for Finance added that the Council had sought to spread the burden as widely as possible.

The Executive supported the proposals as now detailed.

RECOMMENDED - that (A) the comments and proposals of the joint meeting of Scrutiny Committees of 15 January 2013, be received;

(B) the probable outturn for 2012/13 be approved

and it be agreed that any variation at outturn showing an improved position against the under spending now reported, be put to the cost of change reserve;

(C) additional earmarked reserves, as now detailed, be approved;

(D) the revenue budget for 2013/14, as now detailed, be approved;

(E) the Medium Term Financial Plan to 2016/17, as now submitted, be approved; and

(F) there to be no increase in council tax for 2013/14 and 2014/15.

580 MINUTES

RESOLVED – that the Minutes of the Executive meeting held on 8 January 2013, be approved and signed by the Leader as a correct record.

581 ISSUES ARISING FROM SCRUTINY

The Executive received a report detailing those issues referred to it by the Scrutiny Committees. Issues relating to specific reports for the Executive were considered and detailed at the relevant report of the Executive Member.

RESOLVED – that the report be received.

582 MONTHLY CORPORATE HEALTHCHECK - DECEMBER 2012

The Leader of the Council submitted an exception report on finance and performance monitoring for December 2012.

RESOLVED – that (A) the budgetary variances set out in paragraph 2.1 of the report be noted;

(B) £5000 in respect of a “web front page template” to be funded from an underspend in the external customer services security budget, as detailed at paragraph 2.5 of the report submitted, be approved;

(C) £34,750 of the Local Strategic Capital Grants budget be re-profiled from 2013/14 into 2012/13, as detailed at paragraph 2.23 of the report submitted;

(D) £45,020 of the Footbridge over the River Stort capital budget be re-profiled from 2012/13 into 2013/14, as detailed at paragraph 2.24 of the report submitted; and

(E) £15,480 of the North Drive-reconstruct road and drainage capital budget be re-profiled from 2012/13 into 2013/14; as detailed at paragraph 2.25 of the report submitted.

The meeting closed at 7.48 pm

Chairman
Date