

OVERVIEW & SCRUTINY PANEL

Minutes of the meeting held on 26 November 2015 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

Present: Councillor David Saunders (Chairman); Councillors: G Coleman-Cooke, Bambridge, Campbell, Connor, Curran, Dennis, Dexter, Dixon, Elenor, Falcon, Jaye-Jones, Parsons and Potts

In Attendance: Councillors: Ashbee, M Saunders and Townend

26. APOLOGIES FOR ABSENCE

There were no apologies received at the meeting.

27. DECLARATIONS OF INTEREST

There were no declarations of interest.

28. PROPOSED BUDGET STRATEGY 2016-17

Councillor Townend introduced the item. He said that the financial context in which Council had to produce the assumptions for the proposed council budget for 2016/17 were extremely challenging. There were also substantial one off costs that Council had to meet from the earmarked reserves. One Member asked whether Cabinet would come up with changes to their current budget proposals in view of the announcements made by the Chancellor during his presentation of the Comprehensive Spending Review Statement. Tim Willis, Director of Corporate Resources said that there wasn't anything significant arising from the government announcement that would require the need for Council to make changes to the proposed budget for 2016/17, but the detailed financial settlement for Thanet would not be known for several weeks.

In response to questions, Tim Willis said that digitalisation will achieve efficiency savings but would also be designed to improve customer experience. He said that the proposed budget strategy for 2016/17 represented headlines of the main detailed budget proposals, to be considered by Cabinet in January 2016 before going to Council in early February 2016. Council would continue to monitor and review the efficiency savings of the shared services arrangements (EK Services, EK Housing and EKHR). Matt Sanham said that the introduction of the living wage would over time impact on the lowest pay bands of the Council, but the financial impact would be minimal as a result of inflation and, if necessary, the rationalisation of pay bands.

Tim Willis said that the report under review did not make provisions for meeting the costs of maintenance of the buildings currently run by Your Leisure. Madeline Homer, CEx added that currently an asset management review was underway and the outcome would be shared with Members and any liabilities identified through this review would be considered within the context of the overall asset base.

Nicola Walker, Interim Head of Financial Services confirmed that the majority of bad debts came from previous Council tenants and were therefore historical. These were being managed by EK Housing. In addition a sum of £50K had been set aside to assist with the impact of Welfare Reform/Universal Credit to support initiatives that prevent tenants falling into arrears. The current bad debt levels compared favourably with what the other local Councils were experiencing.

Nicola Walker also said that any surplus from housing rent would be reinvested in existing housing stock to ensure the integrity of the buildings and Council had previously done so. Councils had to operate within a strict regulatory environment when setting housing rents and rent levels were set by government.

Nicola Walker acknowledged that the Government's 1% rent reduction for social housing would have a negative impact on the Council's ability to deliver social housing. She said that the Council would now have to revise its thirty year business plan downwards and there would be a potential loss of income of about £4.5 million over four years.

Madeline Homer advised the meeting that Council had made some advance payments as compensation for the Dreamland CPO and negotiations were still on-going.

Madeline Homer said that officers would be taking into consideration the comments made by the Panel as they finalise reports to Council.

The report was noted.

29. PROPOSED COUNCIL FEES AND CHARGES FOR 2016/17

Councillor Townend, Cabinet Member for Financial Services and Estates introduced the item. He said that the report under review set out the proposed Council fees and charges for 2016/17. These proposals were proportionate to the scale of the overall budget challenges and were mindful of alternatives which would involve cuts in services. The proposed increases had also been considered with regard to the interim results from the budget public consultation that had been received to date.

One Member queried the proposed removal of free parking in the Leopold Street car park on Saturdays. They also observed that income from the Dreamland car park had not been included in the report. This was explained as the Dreamland car park income is ring-fenced to the Dreamland project. They pointed out that free car parking in Leopold Street had been a success and suggested that Council should consider continuing with the free parking provision for Leopold Street on Saturdays. It was pointed out that this would cost in the region of £12000 per annum in lost income. Another Member suggested that parking charges should be pegged at a maximum of five pounds.

A third Member suggested that Cabinet could have opted to offer free parking on Saturdays at St Peters Road car park that had 100 parking spaces instead of Vere Road which only had 50 spaces. They further suggested that Council could monitor the performance of the proposed free parking in Vere Road car park during the year, if Council adopted the proposals in the report. In response to a query on calibration of parking meter machines and publishing the new fee charges, Matt Sanham, Corporate Finance Manager said that the costs for the calibration of fee parking machines had been budgeted for and that the 2016/17 car parking charges would be published on the Council website once agreed by Full Council.

Councillor Campbell proposed, Councillor Connor seconded and Members agreed to recommend that Cabinet reviews the proposal to remove free car parking facility for Leopold Street car park on Saturdays.

Councillor Elenor proposed and Councillor Dixon seconded that Council considered setting a maximum car parking fee of five pounds across the district. When put to vote the motion was lost.

Meeting concluded: 7.58 pm

