

BUDGET WORKING GROUP

Meeting date: Monday 12th September 2005

Members Present: Councillor Craft
Councillor Kirkman
Councillor Lovelock
Councillor Gerald Taylor

Officers Present: John Blair
Sam Pulford
Rebecca Chadwick

6. Apologies

None received.

7. Notes from Last Meeting

Subject to the amendment of the date of next meeting, these were accepted.

8. Budget Update

Mr Blair spoke to the Group on the present position. He added that 2006/07 Budget preparation work would now include revenue estimates and that in addition to consultation with parishes at Local Area Assemblies (LAAs), more formal consultation would be undertaken especially with Town Councils. Mr Blair, following a query from a member, confirmed that parishes had been informed at LAAs on their precepts' impact on capping and this would be reinforced with further communication. An updated version of the Potential Influences on Draft Base Budget considered at Council on 8th September 2005 was circulated and discussed.

Conclusion:

The working group supported the approach undertaken with the updated Potential Influences on Draft Base Budget.

9. Value for Money

A draft Cabinet Briefing Paper on Value for Money Trend Analysis was circulated for information, as this could be used to analyse service plans. The assessment process for this aspect of CPA examined the cost of service per head alongside service outcomes and comparison with other authorities. The assessment process and concomitant issues were discussed. One of the major issues was that South Kesteven was a "low spender" on services and because of the authority's low Council tax subject to Government capping, innovation was required to increase income for investment in services. It was noted, however, that high spending authorities did not necessarily achieve higher CPA ratings. One member was concerned that customer satisfaction was not included in the value for money assessment.

The expenditure overview for each service as presented in the report was discussed. Members were particularly interested in issues concerning leisure services becoming a trust.

A new pro-forma for service plans was circulated and senior managers were required to complete these by the end of the month. This was noted.

Conclusion:

To include this item on the agenda for the next meeting.

10. Financial Ledger – Member Perspective

Councillor Craft spoke to the group on his attendance at the recent financial ledger software demonstrations. He considered the preferred software to be brilliant and he was disappointed at the lack of member and officer attendance at the event. The new software would provide increased flexibility, especially for reporting financial information. Mr Blair added that the new software would also provide for e-procurement; the new software was part of a new approach to purchasing and finance, not just a replica of the current system. It was acknowledged that although the new system would enhance the service without an increase in staff and that staff time may be saved, the earlier date for close down of accounts in 2006 would still be a challenge.

Conclusion:

To encourage member involvement in the implementation of the new software and to consider providing limited access to the new system for those members with special responsibility.

11. Explanation of Capital Financing Costs

Mr Blair spoke briefly on this issue, stipulating that it had largely been covered in his report to Council on the Medium Term Financial Strategy. The key issue arising was that Government seemed to be expecting increased borrowing in the public sector.

12. Capital Programme

It had been suggested at the previous meeting of the group that a separate working group be established to consider the Capital Programme. Mr Blair suggested that it may be effective to form another working group comprising two members from this group, the Leader, the Portfolio Holder and the Property Performance Management Group.

Conclusion:

Councillors Lovelock and Kirkman to join the Leader, the Portfolio Holder and the Property Performance Management Group on the Capital Programme Working Group.

13. Leisure Centres 2004/2005 Variance Report

Miss Pulford spoke on the report appended to the agenda, which detailed the budget variances for each budget head for the authority's leisure centres and the sports stadium.

This had been requested at the last meeting. She gave further information for each major variance. One member asked why income at Bourne leisure centre from the education authority was far lower than at other centres. Miss Pulford agreed to forward a written response to the member.

Conclusion:

Financial officers to provide clarification on leisure centre income to the member concerned and copy the response to the Chairman and Vice-Chairman of the Resources DSP.

14. Development Control Service Plan

As requested at the last meeting, Miss Pulford circulated a copy of the Development Control Services Plan. This had yet to be reformatted to the new pro-forma but the information contained within should satisfy members' queries. Miss Pulford also clarified the position with the Planning Delivery Grant, as queried at the last meeting.

15. Date of Next Meeting

Resources DSP on Thursday 29th September 2005 2.00p.m. to invite Budget Working Group members. A pre-meeting briefing to be held at 1.30p.m.

Capital Programme and Service Plan Summaries to be the substantive items on the agenda.