

HOUSING AND COMMUNITY SERVICES COMMITTEE (SPECIAL)

6th January 2005

PRESENT:-

Labour Group

Councillor Southern (Chair), Councillor Richards (Vice-Chair) and Councillors Carroll, Isham, Lauro, Taylor and Whyman M.B.E.

Conservative Group

Councillors Harrison, Mrs. Hood, Mrs. Renwick and Shaw.

Independent Member

Councillor Mrs. Walton.

In Attendance

Councillor Atkin (Conservative Group).

MATTER RECOMMENDED TO FINANCE AND MANAGEMENT COMMITTEE

HCS/64. **GENERAL FUND ESTIMATES AND CAPITAL PROGRAMME 2004/05 AND 2005/06**

The Committee was advised that in accordance with accounting regulations, all services were required to show the capital cost of using assets that were used in providing services. These came in the form of internal recharges from the Council's Finance and Management Committee and consisted of three elements depending on the type of asset/expenditure incurred, as follows:-

- An Interest charge of 3.5% or 4.8% (2004/05) and 3.5% or 4.95% (2005/06) on the value of the asset depending on asset type.
- Depreciation on land, buildings, plant and equipment to write down the value of the asset over its useful life.
- A Deferred Charge that represented capital expenditure due to its size but did not reduce an asset for the Council. This was usually in the form of grants (e.g Renovation Grants), contributions and purchase of computer software. These charges, representing the amount of capital investment, were usually written off to the service the year after they were incurred, i.e. they were included in the 2004/05 probable out-turn.

Capital charges could vary from year to year, especially deferred charges as they depended on the level of capital grants and contributions in the year. Members were advised however that these were purely accounting adjustments that were reversed out in the Council's asset management account (Finance and Management Committee). A summary of the Committee's capital charges was circulated.

The Committee was advised that the central and departmental service recharges into this Committee analysed over the main activity heads had been summarised and circulated accordingly. These could also vary between years in individual cost centres, depending on how staff time was broadly allocated across services, or on changes to volumes and activity levels. In addition, these recharges reflected the senior management restructure which effectively eliminated old cost centres relating to economic development and technical services. Again, Members were advised that it was important to note that they were internal recharges from the Finance and Management Committee.

The Committee was advised that due to a change in accounting standards during 2003/04, the Council's actual cash contributions to the pension fund were no longer charged to the Committee's services. The charge now made represented the amount that was required to make good the deficit on the pension fund in the longer term. In most cases this was higher than current payments being made as these still needed to be increased in the future to catch-up the existing shortfall. The difference was known as the FRS 17 adjustment and was determined by the Fund's actuary. This adjustment was effectively showing the true cost of pensions over the longer term. However, this was purely an accounting adjustment. Although this did become a cost in individual services the difference was reversed out in the Council's consolidated account so that a neutral effect remained on the Council Tax. Members were advised that this adjustment was significant in 2004/05 as the original estimates were prepared on the cash basis and not in line with FRS 17. The additional cost to the Committee was circulated within a separate document.

The Committee was advised that the budget for 2005/06 had been compiled initially at November 2004 prices. An allowance for inflation had been added where this was considered unavoidable to cover for price increases from November 2004 to March 2006. This calculated the cash limit estimate for 2005/06 in which budgets should be managed. Members were advised that the assumption built into the estimates were as follows:-

- Employee Costs – 2.95% (as per pay award settlement)
- Employers Pension Contributions – 11% (as per actuary notification)
- Repairs and Maintenance - 3%
- Fuel – 3.5%
- Office Expenses (equipment, stationery, etc.) – cash limited
- Utilities – 3% (taking account of current volume/usage figures)
- Payments/grants to Voluntary Bodies and Parish Councils – 2.5%
- Contracted/Agency Services – 2.5%
- Insurance Premiums – 5%
- All other Supplies and Services – 2.5%
- Grants and Reimbursements – 2.5%
- Fees, Charges, Rents, etc. – at least 2% overall
- Planning and Building Regulation Fees – to be advised

The estimates were also based on approved service levels in 2004/05 continuing, and included any full year effects of previous years growth and capital expenditure. However, any non-recurring items had been removed.

The Committee was advised that it currently had the following schemes in the Council's approved capital investment programme:-

| Scheme | £'000 |
|---|--------------|
| Disabled Facility Grants | 222 |
| Private Sector Improvement and Renewal Grants | 338 |
| Housing Needs Survey | 50 |
| Parks, Recreation and Leisure Facilities | 1,022 |
| Crime and Disorder Initiatives | 43 |
| Community Partnership Scheme | 268 |

In addition, the Council's rolling 5-year programme included provisional spending as summarised below:-

| Scheme | £'000 |
|---|--------------|
| Disabled Facility Grants | 846 |
| Private Sector Improvement and Renewal Grants | 1,904 |
| Housing Needs Survey | 40 |
| Parks, Recreation and Leisure Facilities | 130 |
| Crime and Disorder Initiatives | 300 |
| Community Partnership Scheme | 750 |

It was reported that the Service and Financial Planning Working Group (SFPWG) met on 20th December 2004 to consider the Council's overall financial position and financial strategy, together with initial budget proposals for 2005/06. The Group was also scheduled to meet early in January 2005 to progress proposals. This involved considering proposals for new revenue spending in capital investment. In line with the Council's approved scoring mechanism for considering spending bids a separate panel evaluated various proposals on 21st December 2004. A list of the proposals relevant to this Committee was summarised in a separate document and the evaluated scores for the proposals from the SFPWG was circulated.

To summarise, Members were advised that the net revenue expenditure for the Committee could be summarised as follows:-

| Cash Limit Estimate 2004/05 £'000 | Probable Out-turn 2004/05 £'000 | Cash Limit Estimate 2005/06 £'000 |
|---|---------------------------------------|---|
| 2,234 | 3,353 | 2,478 |

The main charges to the Committee's base budget were summarised as follows:-

| ANALYSIS OF NET EXPENDITURE | £'000 | £'000 |
|---|--------|--------------|
| Cash Limit estimate 2004/05 (as above) | | 2,234 |
| Changes to Internal Allocations | | |
| • Capital Charges | 985 | |
| • Central/Departmental Support | 63 | |
| • Pensions | 45 | |
| | | 1,093 |
| Approved Increases in Net Expenditure | | |
| • Repairs to Melbourne Leisure Centre Car Park | 11 | |
| • Repairs to Etwall Leisure Centre | 14 | |
| | | 25 |
| Other Increases in Net Expenditure | | |
| • Parks and Grounds Maintenance (but being funded from Section 106 monies) | 27 | |
| • Additional wages and reduced income at Etwall Leisure Centre (SDDC share) | 7 | |
| • Other Variations | 13 | |
| | | 47 |
| Decreases in Net Expenditure | | |
| • Reduction in cost of Meals on Wheels Service to SDDC | -9 | |
| • Additional grant and rental income on Homelessness Service | -37 | |
| | | -46 |
| Probable Out-Turn 2004/05 | | 3,353 |
| Changes to Internal Allocations | | |
| • Capital Charges | -1,023 | |
| • Central/Departmental Support | 17 | |
| | | -1006 |
| Increases in Net Expenditure | | |
| • Approved on-going costs of Maurice Lea Park | 29 | |
| • Park and Grounds Maintenance (but being funded from Section 106 monies) | 14 | |
| • Other Variations | 8 | |
| • Non-recurring items | 33 | |
| | | 84 |
| Net Inflation 2005/06 | | 47 |
| Cash Limit Estimate 2005/06 | | 2,478 |

RECOMMENDED TO FINANCE AND MANAGEMENT COMMITTEE:-

- (1) That the estimates of Revenue, Income and Expenditure for 2004/05 and 2005/06 for this Committee's services be considered and referred to the Finance and Management Committee for approval.

- (2) That the proposals for Revenue Service Developments and New Capital Investment for 2005/06 be approved for consideration by the Finance and Management Committee.**
- (3) That the proposed fees and charges in respect of Parks and Recreation Grounds be approved.**
- (4) That the fees and charges in respect of cemeteries be deferred and a further report be submitted to the next Meeting for consideration.**

MATTERS DELEGATED TO COMMITTEE

HCS/65.DRAFT SERVICE PLANS 2005/2008

The Committee gave consideration to the Draft Service Plans for Housing Services, Leisure and Community Development and Environmental Services. These service areas reflected the new organisational structure which became operative in August 2004.

Housing Services

The Head of Housing advised that the Audit Commission was expected in June 2005. The Service had received a previous poor rating for one area of its service which had subsequently been rescored as one star. Officers had visited an authority at Cannock recently which was in a similar position and it was felt that the Audit Commission would already have a view but Officers felt that the Service was improving. He stated that this was a vitally important process and asked for Members support. He agreed to keep Members' updated on the process. Councillor Whyman acknowledged the effort of the staff within the Housing Service for the improvements made and asked that Members be involved at an early stage of the process. The Head of Housing advised that a Member Working Group had been established and would meet several times. He acknowledged the importance of customer care and the effective liaison between Environmental Health and the Housing Departments in the process. He stated that regular reports would be submitted on anti-social behaviour, probably on a quarterly basis.

Community and Leisure Development

Councillor Shaw asked whether Officers had considered utilizing the Armed Forces during the summer months to work with young people and was advised by the Head of Leisure and Community Development that this had not been done but the Armed Forces did attend the Festival of Leisure every year. Councillor Lauro congratulated Officers involved with this service and commented on its solid progress. He commented on the effective partnership working and successful bids for external funding. He also suggested that Officers should revisit the market site issue. The Director of Community Services advised that the market site would be an issue addressed as part of the Town Centre Review.

Environmental Services

The Chair introduced Peter McEvoy the Council's newly appointed Environmental Services Manager. The Service Plan for the Environmental Services Division was received.

RESOLVED:-

- (1) That the Draft Service Plans for Housing Services, Community and Leisure Development and Environmental Services be approved as a basis for service delivery over the period April 2005 to March 2008.***
- (2) That the Chief Executive, in consultation with the Chair of the Committee, be authorised to agree the final versions of these plans when the new Corporate Plan and the 2005/06 budget have been approved.***
- (3) That Members views be taken forward on those matters to be addressed through the budget process.***

HCS/66. HOUSING SERVICES ANTI-SOCIAL BEHAVIOUR POLICY

The Chair introduced Suzanne Redfern the Council's newly appointed Tenant Participation Officer. The Committee was advised that increasingly, instances of anti-social behaviour were becoming more common and the community as a whole was becoming less happy to allow this to pass unchallenged. The Government had recognised this issue and introduced increased powers in the Housing Act 1996 to encourage local authorities to deal with this behaviour. These increased powers had limited success, since they were restricted to local authorities and there was very little support available in relation to implementing these new powers. It was therefore recognised that anti-social behaviour needed to be tackled as a stand-alone issue and the Anti-Social Behaviour Act 2003 was formulated.

The Committee was advised that the Anti-Social Behaviour Act 2003 received Royal Assent on 20th November 2003 and had been implemented on a phased basis. Section 12 of the Act introduced the new Section 218(a) to the Housing Act 1996 which placed a new requirement on all social landlords to prepare and publish statements and summaries as their policies and procedures in relation to anti-social behaviour.

The Committee was advised that a key part of tackling anti-social behaviour was to ensure that tenants knew exactly what Housing Services would do when it occurred. Although every effort was made currently to keep complainants abreast of steps taken some tenants might feel that they did not know what options were available to them and to Housing Services as their landlord. The introduction of a new policy and procedures would ensure that this type of information was readily available to tenants and would also ensure that Housing staff were able to deal with complaints in a fair and consistent manner. The proposed Anti-Social Behaviour Policy for Housing Services was circulated. It set out Housing Services' principles, objectives and its general approach to anti-social behaviour as well as stating clearly what standards of behaviour were acceptable and options available to deal with such behaviour. This policy also ensured that the relevant partner

agencies/departments would be included as appropriate to ensure that anti-social behaviour was tackled effectively, in a timely manner and with a consistent approach.

RESOLVED:-

That the Housing Services Anti-Social Behaviour Policy be approved as submitted.

HCS/67. **LOCAL GOVERNMENT ACT 1972 (AS AMENDED BY THE LOCAL GOVERNMENT [ACCESS TO INFORMATION] ACT 1985)**

RESOLVED:-

That, in accordance with Section 100(A)(4) of the Local Government Act 1972 (as amended), the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraphs of Part 1 of the Schedule 12A of the Act indicated in brackets after each item.

WOOD FUEL HEATING CONTRACT – ROSLISTON FORESTRY CENTRE (Paragraph 9)

The Committee agreed to progress this matter and to suspend the Council's Financial Regulations and Procedure Rules in order to award the contract to the organisation outlined in the report.

SHELTERED HOUSING – STRATEGIC VISION (Paragraph 9)

The Committee agreed a course of action with regard to the Strategic Vision for the Sheltered Housing Service.

R. W. SOUTHERN

CHAIR