

6. 2013/14 CORPORATE PRIORITIES, BUDGET, COUNCIL TAX AND THE MEDIUM TERM FINANCIAL STRATEGY

The Head of Finance and Property Services presented the report in relation to the implications of the Medium Term Financial Strategy which was last updated in November 2012.

Consultation on a number of financial savings and efficiency options commenced following the June Cabinet report. The results of that consultation were reported back to Members in November.

Following the November meeting, a further consultation on the priorities and budget commenced and closed on 31st January 2013. The new corporate priorities were as follows:

- Regenerate Rossendale
- Responsive Value for Money Services
- Clean Green Rossendale

There were 82 responses to the consultation, with 43% thought the new corporate priorities were reasonable, 20% felt that regeneration was the top priority, with a number of other comments ranging between 5-10%. 8% felt that value for money was a priority. A full analysis of the consultation results would be presented to Full Council in February.

The Head of Finance and Property Services explained to Members that the budget proposals for 2013/14 rely on the use of Council reserves in order to produce a balanced budget. This means that the Council's proposed annual expenditure for 2013/14 was in excess of its annual income resources. There is an annual deficit of c £1m rising to £1.5m over the medium term, and members would have to make some difficult choices and decisions in order to balance annual income and expenditure over the medium term.

The Head of Finance and Property Services highlighted the cost pressures for the Council which would require approval by Members at Full Council.

There was discussion about the Police Community Support Officers (PCSOs), as the 3 year funding agreement ends in March 2013. Members agreed to recommend that this vital service should continue to be funded by the Council.

In relation to savings achieved, these have been identified by Officers over the last couple of years and included looking at staff Terms and Conditions.

There was discussion on the medium term forecast budget requirements vs resources, with estimated costs of running the organisation of £9.8m in 2012/13 reducing to £9.3m for 2013/14. The key assumptions include an annual Council Tax increase of 2%, which if Members take the

Governments latest 2 year grant (equivalent to £55k per annum) in exchange for a 0% council tax increase, the future financial impact of this would be to further reduce resources of £117k in future years.

The last increase in council tax was 2009/10, if there had been a 3% increase for each of the following years, there would be £400,000 more in the Council's budget.

There was also discussion on the Stock Condition Survey undertaken last year, which identified the money needed to be spent on council owned properties including Rawtenstall Market, which actually needs £80,000 spending on its roof, but the Council are actually spending £4,000 patching up the roof.

The Head of Finance and Property Services indicated that the Council had some difficult choices ahead and some hard decisions would need to be made by members to balance the books over the medium term.

On a positive note, the Head of Finance and Property Services informed Members that changes to Local Government financing was in relation to the impact on Discretionary Rate Relief, which the Council had been consulting on. This has released a previously Council funded budget of £36k back into the Council's core resources.

A number of questions were raised by members which the Head of Finance and Property Services and the Leader of the Council responded.

- Would there be any reserves left after 2014/15?
- There was no reference to income generated for areas such as planning and licensing
- Are there negotiations with the union regarding the pay award?
- How much do we get for collecting Business rates and what will the next increase be for Rossendale?

The Leader of the Council indicated that there was solid evidence that savings had been found and the Council had managed to find efficiencies up to now, which was down to the commitments of the workforce.

Resolved:

1. That the Overview and Scrutiny Management Committee recommend the continuation of funding for the PCSOs.
2. That the Overview and Scrutiny Management Committee recommend the continuation of discretionary NNDR relief support to Charities and Community Amateur Sports Clubs.

7. RESPONSE FROM STAR TO THE RECOMMENDATIONS OF THE DOMESTIC VIOLENCE TASK AND FINISH GROUP

The Chair presented the response from STAR to the recommendations of the Domestic Violence Task and Finish Group,. The Chair indicated that STAR have accepted those recommendations that they have control over.

Resolved:

That the information be noted.

8. RESPONSE FROM STAR TO THE RECOMMENDATIONS OF THE YOUNG PEOPLE SERVICES TASK AND FINISH GROUP

The Chair presented the response from Lancashire County Council to the recommendations of the Young People Services Task and Finish Group.

In relation to the Go-4-It website, the Chair of the Task Group, Councillor Robertson indicated that training was provided for those people who wish to upload information about their organisation onto the website.

The Young People's Champion, Councillor Hughes commented that the response was very repetitive.

Resolved:

That the information be noted.

9. UPDATE ON THE WELFARE REFORMS TASK AND FINISH GROUP

Councillor Knowles, Chair of the Welfare Reforms Task and Finish Group provided members with an update on their work to date.

The Task and Finish Group had met twice and had agreed to look at the various changes to the welfare reforms in two phases, looking firstly at the following:

- Council Tax Support Scheme
- Bedroom Tax
- Social Fund

The Group would be looking at what the council were doing to inform the public of the proposed changes and then looking at what the council were doing to change its systems for the recovery of council tax.

There was to be a further two meetings in February with an interim report going to Cabinet in March.

The second phase would look at:

- Benefit Cap
- Implementation of Universal Credit
- Implementation of Pension Credit

There was discussion about Direct Payments which had been piloted in 6 areas of the Country. Early indications from these projects were that 24% of people reported they would need support if Housing Benefit was to be paid directly to them. 50% of customers were unhappy and telling the Department of Works and Pensions that they were not financially able or may struggle paying their own rent.

The Chair responded to a number of questions raised by Members.

Resolved:

The Chair thanked Councillor Knowles for the information.

The meeting commenced at 6.30 and closed at 8.10pm.

Signed
(Chair)

Date