

Overview and Scrutiny Committee

The Head of Finance and Audit requested that the Committee consider a response to the Cabinet on the Council's draft Medium Term Financial Plan and Budget Strategy for 2012/13.

It was explained that the report was a consultation document and the Committee had an opportunity to be part of that process. Any views from the Committee would be relayed to the Cabinet and to the Council.

Arising thereon:-

Section and Bullet Point (BP)	Comments
Covering Report 1.2 - BP2	In response to a Member' question, it was explained that they had built in an assumption of 2.5% inflation when considering the cost of the Council's contracts and agreed that there was a risk to the Council's financial planning, as inflation was now higher than 2.5%. It was AGREED to request that Officers relay the Committee's concern to the Cabinet.
Covering Report 1.2 - BP5	In response to a Member's question, it was explained that the calculation of the income yield from fees and charges included not just price rises, but also an increase in customers, i.e., total yield, rather than a simple inflationary increase. The Committee AGREED that an increase in customers could not be relied upon, especially if the Council was cutting back on its investment in the services concerned.
Covering Report 2.3 - BP4	The Committee felt that the wording "move to a more efficient method of delivering leisure and cultural services" implied pre-determination. Also it was a sweeping statement that could cover significant changes to the Council's services. In response, Officers explained that there was no pre-determination and there would be a detailed report to the Cabinet. The report would look at efficiency savings and other methods of procurement. However, it was AGREED to change the word "move" to "consider" in later reports.
Covering Report 5.4	In response to a Member's question, it was explained that improvements to the Council's car parks would not be entirely paid for by raised charges. This section of the report related to also making use of Capital Reserves to facilitate capital improvements in the car parks.
Covering Report 7.6	In response to a Member's question, it was explained that Officers felt the items listed were serious risks rather than minor concerns.
Appendix 'A'	In response to a Member's question on the base budget, it was explained that the detail was to be found in the report to the Cabinet, which showed a 'mixed bag' of savings and increased costs.

Section and Bullet Point (BP)	Comments
Appendix 'B'	Budget Risk 5 - The Committee noted that Officers had scored the likelihood of the prolonged downturn in the economy continuing to put pressure on the Council's ability to meet its income target as 2 out of 5. Officers agreed to review this figure.

The Chairman observed that Parish and Town Council Budgets could increase by 25% to 30% from one year to the next and asked if Officers could provide training to those Councils. In response, it was stated that Officers were willing to provide advice and a limited amount of training, but the Parish and Town Councils were independent organisations and the principal councils were not in a position to apply financial constraints upon them.

RESOLVED that the consultation on the draft Medium Term Financial Plan and the Budget Strategy for 2012/13 be noted and the comments agreed above be relayed to the Cabinet.

Record of Voting - for 8, against 0, abstentions 0, absent 2.

Responses from Town and Parish Councils

The following Cotswold Town and Parish Councils responded to the consultation:

- Moreton in Marsh Town Council
- Kempsford Parish Council
- Poole Keynes Parish Meeting
- Somerford Keynes Parish Council

Kempsford Parish Council expressed concern over the Council's third priority "Work with local communities to help themselves". It was requested that "careful consideration" be given to the priority and that a "blanket approach may not fit the diverse mix of communities that make up the District".

Three parish councils/meetings (Kempsford, Poole Keynes and Somerford Keynes) strongly objected to the Council's plans to cut the funding the Cotswold Water Park Joint Committee with effect from 1st April 2013.

Other Responses

(i) Cotswolds Conservation Board

The Board strongly supports the aim and priorities because of the inclusion of priority 2 - "Maintaining and protecting our environment as one of the best places to live work and visit" - as this recognises both the outstanding quality of the District's environment and its importance to the local economy and quality of life.

However, the Board feels this recognition is not adequately reflected in the draft document and suggests the inclusion of a second bullet under this priority's task 1 as follows:-

- Support and work with the Cotswolds Conservation Board to conserve the special character of the AONB and realise its economic and social potential in a sustainable manner.

The Board point out that it is by working through and with the Board that the Council discharges its Section 85 duty under the Countryside and Rights of Way Act 2000.

The Board believes that there is a contradiction between the setting of priority 2 and the budgeting. The cut to the Board's funding totals 31% which broadly reflects the cut in the Council's financial settlement from Central Government. This infers that the Board's work only reflects national priorities with the Council 'passing on' an element of its Central Government grant. Although a national designation, the benefits of the Board's work are realised locally. These benefits are considerable as is demonstrated by the financial leverage, for example approximately a million pounds was secured in mitigation of the Wormington to Sapperton gas pipeline. The AONB is clearly a local as well as a national priority and the Board feels that this should be better reflected in the budget setting. This could be achieved by a cut to the Board's funding that reflects the impact of the cut in Central Government Grant on the Council's overall budget, rather than the cut to the Central Government Budget alone. This formula would also better demonstrate Section 85 compliance which is about local support.

The Board disagrees with the fourth element of question 3, the sale of some of its land and properties unless there are adequate safeguards for the heritage and community values associated with such assets. N.B. it is directly impacted by this.

The Board supports measures d, e & f and is keen to discuss the potential for sharing services and pooling resources with the Council. One possibility is that of the Board offering central environmental, heritage and/or tourism services for local authorities. This might be piloted in the Cotswold District Council and West Oxfordshire District Council areas.

(ii) Website Response

"There are two serious omissions from the plan:

One is to lobby hard for abolition of Gloucester CC and the establishment of unitary authorities based on the existing districts who can then further develop their successful shared services work and include highways and libraries and education.

The second is to look at all activities and stop anything that can be stopped (i.e. isn't a statutory duty) without material impact on the strategic aims of a well presented and orderly market town on the tourist trail."

(iii) Cricklade Town Council

A response was received from Cricklade Town Council (which is located within the boundaries of Wiltshire Council) regarding the proposed withdrawal of funding to the Cotswold Water Park Joint Committee. The Town Council urged Cotswold District Council to reconsider the grant cut from 2013/14.

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