KENT COUNTY COUNCIL

INFORMAL MEMBER GROUP ON BUDGETARY ISSUES

MINUTES of a meeting of the Informal Member Group on Budgetary Issues held in the on Wednesday, 14 March 2012.

PRESENT: Mrs T Dean (Chairman) and Mr G Cowan

ALSO PRESENT: Ms S J Carey

IN ATTENDANCE: Mr A Wood (Corporate Director of Finance and Procurement), Mrs A Taylor (Research Officer to Cabinet Scrutiny Committee) and Mr A Webb (Research Officer to the Cabinet Scrutiny Committee)

UNRESTRICTED ITEMS

68. Notes of Previous Meeting on 18 January 2012 (attached for approval)
(Item 1)

RESOLVED: that the notes of the Informal Member Group on Budgetary Issues held on Wednesday 18 January 2012 be agreed as a correct record.

69. Revenue and Capital Budgets, Key Activity and Risk Monitoring 2011-12 (Cabinet report attached)
(Item 2)

(1) There had been a significant increase to revenue underspend since the 25 January Cabinet report, this was mainly due to:

- the reporting of the roll forward of £4m Big Society Fund monies
- the £3.2m Social Care Reform Grant contingency which was not required to fund prevention initiatives, due to these being funded by Health
- £1.3m underspend in Adult Social Care due to falling demand
- Schools agreeing to pay their share of the Carbon Reduction Commitment Levy (£1.1m)

(2) Demand in Specialist Children's Services continued to increase. There had also been a meeting with the United Kingdom Border Agency (UKBA) regarding All Rights Exhausted individuals, including the subject of Human Rights Assessments. Discussions between legal teams were ongoing.

(3) In response to a query about the £200k planned underspend in the ELS portfolio on Building Maintenance, Mr Wood undertook to speak to Bruce MacQuarrie for more details.

(4) Regarding the returns from the disposal of property as a result of the move to Gateways, Mr Wood undertook to provide this information.

(5) In response to a query about staff vacancy savings in Childrens Centres, Mr Wood explained that not as many staff were required as set out in the Government's

‘gold plated’ standard for staffing the centres. Similarly, the savings from management actions around non-essential expenditure were due to very generous funding when the centres were set up, and they were possible without impact on the service

RESOLVED: that, subject to the above information being provided, Members note the Revenue and Capital Budgets, Key Activity and Risk Monitoring 2011-12 Cabinet Report.

70. Council Tax Benefit 2013/14
(Item 3)

(1) A 10% reduction in Council Tax Benefit was required by Government, and the responsibility for making the saving had been passed to Local Government.

(2) Since KCC received 80% of Council Tax, it had more to lose than other recipients, and could not absorb the 10% reduction. It would therefore be necessary to work closely with Districts, who would be formulating proposals for consultation.

(3) There was a risk that, if schemes differed greatly between Districts, it would create ‘boundary hoppers’ who might move to take advantage of more generous benefits/discounts.

(4) The legislation required Councils to protect people of pensionable age from any changes, and this group comprised around 40% of KCC’s demography. This meant that the 10% reduction would have to be achieved from the remaining 60% of recipients. Mr Wood would circulate a breakdown of people of pensionable age by district.

RESOLVED: that Members note the information provided in respect of Council Tax Benefit 2013/14.