

BUDGET PANEL

21 February 2017

Present: Councillor Asif Khan (Chair)
Councillor M Hofman (Vice-Chair)
Councillors D Barks, N Bell, P Kent, Ahsan Khan, R Laird,
R Martins and G Saffery

Also present: Councillor M Watkin

Officers: Head of Finance (Shared Services)
Committee and Scrutiny Support Officer

27 Apologies for Absence/Committee Membership

No apologies had been received.

28 Disclosure of Interests (if any)

There were no disclosures of interest.

29 Minutes

The minutes of the meeting held on 10 January 2017 were submitted and signed.

30 Finance Digest 2016/17: Quarter 3

The Head of Finance introduced the Finance Digest Period 9 for 2016/17. This showed the expected financial position at the end of the financial year, based on the actual performance at the end of December 2016 (Period 9) and set against the revised budget of £17.307 million for 2016/17 which had been approved by Council on 24 January 2017.

It was reported that the 2016/17 forecast outturn was £17.125 million, giving a favourable variance of £0.182 million. This variance was mainly due to income from Watford Community Housing Trust as well as the result of a rephasing of a number of projects into the next financial year.

In response to a query about savings in the Democracy and Governance budget (of £15,000), the Head of Finance agreed to provide some additional clarification to Budget Panel members.

The Head of Finance advised that a revised budget for the council's 2016/17 capital investment programme had been agreed in January to further the activities of the Property Investment Board. The council's capital investment programme was intended to support core services and had been increased from £13.28 million to £48.704 million. The extra budget would be funded by utilising from the Council's Treasury funds, which currently were attracting low rates of interest elsewhere.

There followed a longer discussion about the activities of the Property Investment Board, which was continued during the presentation by the Regeneration and Property Section Head later in the meeting.

During discussions about the council's income, it was questioned whether any consideration had been given to Watford Borough Council becoming an energy provider. The Head of Finance advised that the council's commercialisation agenda continued and he would raise the question again, but it was important to distinguish between projects which had a social objective and projects which were seeking revenue returns. It was agreed to provide Budget Panel with an overview of the outcome of any discussions which had taken place on this subject.

In a discussion about the reorganisation of the council's accommodation in the Town Hall and the trend to develop public sector hubs bringing together various public services in one place, it was questioned whether rental space might be available for a local GP surgery. The Head of Finance suggested that any proposals of this type should be sent to the council for consideration.

Considering the council's car parking income, it was requested that a further breakdown of the figures be provided in future finance digests to clarify the actual revenue from the car parks and that received from the parking shop's activities.

In addition, members of the Panel requested more information in future digests about aged debt, specifically debt in excess of one year. In the immediate term, it was requested that further details be provided on two significant debtors in the Community & Customer Service (£38,652), and in Regeneration & Development (£169,183).

Looking to future areas of work for Budget Panel, it was agreed that once the government's policy on business rate retention had been announced, Budget Panel should consider the implications for the council's finances.

RESOLVED –

1. that Budget Panel notes the content of the Finance Digest
2. that the actions requested be undertaken.

31 **Exclusion of press and public**

RESOLVED –

that under Section 100A (4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business as it is likely, in the view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during consideration of the item there would be disclosure to them of exempt information as defined in Section 100(1) Schedule 12A of the Act for the reasons stated in the report.

32 **Presentation of Property Investment Activities**

A presentation was received from the Regeneration and Property Section Head, who responded to questions from Budget Panel members.

RESOLVED –

that Budget Panel notes the content of the presentation and receives an update on the property investment activities in the autumn.

Chair

The Meeting started at 7.00 pm
and finished at 8.05 pm