

CABINET MEMBER FOR RESOURCES DECISION MEETING

RECORD OF DECISIONS taken by the Cabinet Member for Resources, Councillor Hugh Mason, at his decision meeting held on Thursday 26 January 2012 at 8.45am in Conference Room A, Civic Offices, Portsmouth.

Opposition Spokespersons Councillor Donna Jones (Conservative) and David Horne (Labour) were also present.

Officers present were Louise Wilders, Customer, Community and Democratic Services and Sue Page, Finance Manager.

Councillor Hugh Mason welcomed Opposition Spokespersons and officers to the meeting.

1 Apologies for Absence (AI 1)

There were no apologies for absence.

2 Declaration of Members' Interests (AI 2)

There were no prejudicial declarations of interest.

3 Twinning Matters (AI 3)

Mr Smith-Parkyn reported that there was one grant application from the Duisburg Committee that had been forwarded through the Twinning Advisory Group to Resources portfolio for decision. The application was for £750 to help set up a joint youth Theatre project.

DECISION that the Cabinet Member for Resources formally agreed to Duisburg Committee being granted £750 to pay towards the Crossroutes 51° Joint Youth Theatre Project.

4 Monitoring of the Third Quarter 2011/12 Revenue Cash Limits and Capital Programme

(TAKE IN REPORT)

The Finance Manager said that the wording of the report at 5.4 needed to be amended as it could be interpreted that the View was being subsidised by rents which is not the case. Revised wording as circulated was agreed.

The Finance Manager outlined the report and said that the provisional forecast outturn for the Portfolio compared to the cash limit indicates a net underspend of £194,700. This sum includes a forecast net overspend of £27,200 on Housing Benefits and a forecast under-recovery of income of £28,500 from Land Charges. The Finance Manager said that variances within these budget headings are deemed to be 'windfall' which means that they are largely outside of the control of budget managers. Savings on

windfall budgets accrue to the corporate centre. Overspendings on windfall budgets that cannot be absorbed within the Portfolio budget are funded corporately. The portfolio is currently forecasting a net underspend of £194,700 including the overspends within these windfall areas.

The Finance Manager outlined the main areas of variance as listed in 5.2 of the report.

A discussion took place concerning the persistent overspend by Legal Services. The forecast figure had increased and Finance was working with Legal Services to help bring the overspend down. The overspend could partly be explained by the need to fund a child care solicitor because of the increased caseload. In addition it seems that some expenditure should have been charged to capital not revenue. It was confirmed that the monthly position was that the service was running over budget.

Councillor Donna Jones said that the situation in Legal Services is of major concern to her and needs to be addressed. The service is consistently overspending indicating that there are some fundamental issues. She accepted that there were mitigating factors such as long term sickness and the fact that restructuring had been taking place. However, she said that every effort should be made to improve the service quickly. She said that a possible revenue stream could be to offer legal capacity to third parties but that she felt there was not enough capacity in the service to pursue this at present.

The portfolio holder for Resources said that lawyers provided a specialist service and some parts of the service were under heavy pressure. He said he thought the real issue was how far demands on legal services could have been predicted and how much of the current work could not have been predicted. If a large amount of the work could not be predicted, then a larger contingency fund was required.

Councillor Jones said she felt that the workload was predictable but that insufficient budget had been allocated.

The Finance Manager said that there seemed to be a difference of opinion about the child care case needs and that the case load of the lawyers working in this field is currently felt to be in excess of a manageable volume.

She went on to advise that a meeting had been arranged to discuss budget matters relating to Legal Services with herself, the City Solicitor and the Head of Legal Services, Licensing and Registrars. The Cabinet Member for Resources asked for the outcome of that meeting to be emailed to him and to the opposition spokespersons for Resources Portfolio.

With regard to The View Cafe in the Civic Offices, Ms Page explained that this has not met its break even target in its first 8 months of operation. The Head of Customer, Community and Democratic Services, Ms Wilders, said that there were a number of reasons for this. Some of the set up costs had been corporately provided but the remainder had to be paid from income. Also there had been expenses incurred in order to TUPE staff across so the staff situation would improve. These were one-off costs. Southsea Library cafe was breaking even and it was expected that experience gained in what hours to open to maximise profit would yield good results. Ms Wilders said that she was not willing to compromise the core business of the service and that she was very comfortable that the View would support itself from 2013. There were still things to improve – for example more hot food needed to be offered in the View. There were a number of fluctuations - such as variations in wholesale prices and the weather- which made managing the View challenging.

The Cabinet Member for Resources expressed concern that the Landlord's Maintenance Budget was forecasting an underspend of £200,000 as he did not want the allocation to be reduced in future years if it was not used this year. Ms Page confirmed that money not used for reactive maintenance to city council owned properties would not be used elsewhere by AMS. She also said this forecast could fluctuate by the end of the financial year if weather conditions deteriorate as has happened in previous years. The Cabinet Member for Resources said it should be made clear that this money was essential every year for maintenance works.

Councillor Horne asked in relation to 7.7 of the report relating to selling power to the national grid, whether this would still be feasible following the government's change of policy? It was confirmed that the higher Feed in Tariff (FIT) rate was being received for the Southsea Library installation but that the rate receivable for the Central Library will be dependent on the completion date of the installation and the outcome date of the decision concerning the Government's change of policy on FIT rates.

DECISION that the Cabinet Member for Resources noted the content of this report.

5 Date of Next Meeting

The date of the next meeting is scheduled for 22 March 2012

It was suggested that instead of the Twinning Advisory Group meeting immediately before Resources portfolio, it could meet the day before and that Resources portfolio could start at 9am in future. This was agreed.

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Councillor Hugh Mason
Cabinet Member for Resources