

CAERPHILLY COUNTY BOROUGH COUNCIL

NNDR CONSULTATION MEETING

MINUTES OF THE MEETING HELD AT THE COUNCIL OFFICES, TREDOMEN
ON WEDNESDAY, 31ST JANUARY 2001 AT 3.30 P.M.

PRESENT:

Councillor K.P. Viney - Chairman
Councillor C.P. Mann - Cabinet Member

Together with:

S. Rosser (Deputy Chief Executive), A. Isaacs (Head of Corporate Finance), S.M. Kauczok (Committee Services Officer)

Representing Bargoed Chamber of Trade

Messrs. Butler, P. Collins and I. Hill

APOLOGIES

An apology for absence was received from Councillor R. Cook.

LOCAL GOVERNMENT FINANCE ACT 1992 – SECTION 65

The meeting was convened in accordance with the provisions of the above regulations to meet representatives of non-domestic ratepayers.

The Chairman welcomed representatives of Bargoed Chamber of Trade and explained the purpose of the meeting. He then invited the Head of Corporate Finance to highlight the key issues within the Revenue Budget Strategy for 2001/2002.

It was noted that the provisional RSG settlement for 2001/02 had been announced on 12 December 2000 and that consideration of the budget strategy had commenced. Special meetings of the scrutiny committees had been held and the views expressed by Members at those meetings would be reported to Cabinet and then to Council for consideration. Attention was drawn to the summary of growth bids at Appendix 1 and the key issues from the settlement i.e:-

- A general uplift in spending assumptions of 5.7%.
- Increase in Aggregate External Finance (AEF) of 8% (but some of this is related to an increase in specific grants and only 6.2% supports the “normal” budget).
- Average council tax increase of 3%
- No hypothecation/earmarking
- A “performance incentive grant” for those who sign up to Policy Agreements
- £3.87 m transitional (“damping”) grant.

Questions were posed by the Chamber of Trade (COT) in relation to the following:-

- *The Best Value framework.*

The Best Value Service Review process was explained i.e. the need to challenge and compare services against other local authorities and the private sector. Services were subject to internal and external audit to ensure the 'soft option' had not been taken.

- *Bargoed's share of the Revenue budget.*

It was explained that it was sometimes difficult to show a breakdown of revenue expenditure into geographical locations. Some areas were easier to determine eg Commercial Improvement Grants, Transport Grant – revenue expenditure was more difficult to detect. There were specific 'pots' which are bid for relating to specific schemes i.e. challenge bid type funding.

Mr Isaacs would provide the representatives of the COT with copies of the 2000/01 Budget Book when it became available in April.

- *The Council's cash reserves. How would the shortfall be covered?*

Whilst the general uplift in spending assumptions of 5.7% was to be welcomed this would be far from adequate if the Council was to significantly improve services.

It could be seen from paragraph 3.11 of the report that the proposed strategy did not balance, primarily due to the high corporate increases contained within finance miscellaneous. Use of balances could be considered but end of year balances were not expected to be sufficient to make a major contribution to the budget strategy. The only way of bringing it into balance would be to identify alternative corporate funding/savings eg.

- Contribution from balances
- Utilise performance grant
- Assume single status savings
- Other cuts/savings

It was reported that Directors and Heads of Departments were continually examining ways of making savings.

The meeting closed at 4.10 pm

The Chairman thanked the representatives of the Chamber of Trade for their attendance and contribution to the meeting.
