

FINANCE SCRUTINY COMMITTEE

The Finance Scrutiny Committee met on Friday 25th January 2002. The Leader and Deputy leader of the Council attended the meeting to respond to questions from the Committee.

The Committee was asked to consider and comment on the second review of the Capital Programme for 2001/02 and the following areas of the capital programme of 2002/03 to 2004/05:-

- Services not covered by other scrutiny committees;
- Central Departments;
- General Issues in relation to the Capital Programme

Single Capital Pot (SCP)

The Committee was advised that the majority of the resources in the SCP were in respect of Transportation. The County Council had received the lowest allocation of the discretionary element of the SCP for 2002/03 of all the English Counties. Representations had been made and a meeting is to take place with the Government Office for the East Midlands (GOEM) to discuss this and to receive feedback as to why the assessment score of service delivery in relation to Transportation by the County Council was 'below average'. The meeting with GOEM is due to take place in March 2002 and the outcome of those discussions will be reported to the Cabinet and to Scrutiny.

Overall Resources for 2002/03

The Committee was advised that efforts were continuing to recruit design staff to overcome previous problems of slippage in the capital programme on transportation and that a degree of success had been achieved.

On the issue of borrowing, the Committee was advised that the amounts in the Annual Capital Guidelines and Supplementary Credit Approval showed the level of resources the Council was permitted to borrow. The Committee was further advised that the current interest rates for loans from the Public Work Loan Board (PWLB) were the lowest for many years (between 4% & 5%) and that these loans were at fixed rates for the duration of the loan period. The County Council would need to make provision in the revenue budget for repayment of these loans though it should be noted that the SSA reflects the financing costs of the credit approvals given by the Government.

The Committee welcomed the development of a list of reserve schemes which could be brought forward in case of slippage in the main programme and noted that the effect of inclusion within that list was to enable planning and design work to be carried out in advance during the current year, subject to the availability of staff time and resources.

Programmes supported from Discretionary Resources – (in respect of services not covered by other committees)

Government and Corporate ICT

The Committee noted the concerns expressed that the expected capital grant allocation of £200,000 in 2002/03 was insufficient to enable the necessary progress to be made towards the target of delivery of 100% of those services capable of electronic delivery by 2005. It was noted that partnership funding was expected to be available from the DTLR "Local Government On Line" programme and that the County Council, Leicester City Council together with District Councils were exploring this source of funding. The Committee proposed that a report on the e-government agenda and the Council's IEG Statement should be submitted to the Scrutiny Commission in due course.

Access for Disabled People

The Committee was advised that adequate resources have been made available and that the necessary works will be substantially completed to meet the current requirements of the Disability Discrimination Act.

Decision of the Committee

The Committee noted the information provided and commended the proposed capital programmes for 2002/03 and subsequent years to the County Council.