

MINUTES OF THE SCRUTINY FINANCE
REVIEW GROUP

THURSDAY 30TH OCTOBER 2014 AT 6.00 PM

PRESENT: Councillor Titmuss (Chair), Councillors Franks, Malcolm and Skepelhorn.

LBC SUPPORT OFFICERS / ADVISORS:

Dave Kempson - Head of Finance
Matt Hussey - Democracy and Scrutiny Officer
Jayne Robinson - LEx Programme Director

LUTON LAW CENTRE:

Rumi Chowdhury - Manager, Luton Rights

Action

38. APOLOGIES FOR ABSENCE (REF: 1)

Apologies for absence from the meeting were received on behalf of Councillors Burnett.

39. CHAIR'S UPDATE (REF: 6)

No matters to report.

40 LUTON RIGHTS – FINANCIAL UPDATE (REF: 7)

Rumi Chowdhury, Director, Luton Citizens Advice Bureau (CAB) and two colleagues were present to give a presentation regarding a financial update and an introduction of the work carried out by Luton Rights.

Member requested additional information and suggested that the item be deferred to the next meeting.

Resolved: That the Financial Update report of Luton Rights (Ref: 7) be deferred to the next meeting.

41. LONDON LUTON AIRPORT LIMITED (REF: 7)

The Airport Client Manager informed Members that there was very little to report on the outcomes in relation to tax issues on donations made by London Luton Airport Limited (LLAL). Price Waterhouse Coopers were currently in discussion with the Inspector to float ideas to mitigate tax issues.

He went on to say that the initial opinion from Counsel was of benefit to LLAL, the main thrust of which was that the guaranteed funding clause was not made to benefit Local Authorities, but organisations. If that argument failed the Council would have to fund costs but would be reduced by the income from other sources. He added that it was hoped that if Trusts derived funds from other sources greater than the amount the Council was obliged to make, it would be classed as a free and unfettered gift.

The Airport Client Manager reported that it was hoped that the Council would settle on a figure less than that set aside. However, the Council was prepared for the worse case scenario

Resolved: That the London Luton Airport Limited Report (Ref: 7) be noted.

42. FINANCE UPDATE (REF: 8)

The Head of Finance informed Members that the Budget Monitoring for Quarter 1 report had shown a predicted underspend of £4.2, however, Period 5 had shown that this underspend had gone down to £3.5m.

He added that Quarter 2 figures were currently being put together and would be submitted to a future meeting. Initial findings had identified one or two issues that had occurred such as the national limit on the amount that Councils could claim on costs for taking people to court for Council Tax Arrears.

Resolved: That the Finance Update of the Head of Finance (Ref: 8) be noted.

43. WORK PROGRAMME AND DATES OF FUTURE MEETINGS (REF: 10)

The Democracy and Scrutiny Officer presented the FRG draft work programme and dates of meetings for 2014-15 and advised the programme would be appropriately amended and updated to include future items, as and when decided by the Committee.

He advised the most up-to-date Executive Forward Plan was also presented for Members consideration and suggestions on any items they wished to scrutinise ahead of Executive decision.

The Chair suggested that a report be added to the Work Programme regarding London Luton Airport Limited.

Resolved: (i) That the FRG work programme and dates of meetings for 2014-15 be noted and approved;

(ii) That London Luton Airport Limited be added to the Work Programme for the October 2014 meeting.

(iii) Dates of meetings for 2014-15:

- 20th November 2014
- 11th December 2014
- 28th January 2015
- 12th March 2015
- 28th April 2015

44. LOCAL GOVERNMENT ACT 1972, PART VA (REF: 10)

Resolved: That, under Section 100A(4) of the Local Government Act 1972, the public be excluded from the remainder of the meeting as it is likely that if members of the public were present during consideration of the item Ref: 9 (excluding the appended draft strategy document), there would be disclosure to them of exempt information falling within Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 as amended.

45. TRANSFORMATION PROGRAMME UPDATES (REF: 11)

The Luton Excellence (LEx) Programme Director updated FRG on the Transformation Programme.

She went on to respond to Members' questions/ comments.

Resolved: That the Report of the Luton Excellence Programme Director on the Transformation Programme (Ref: 11) be noted.

(Note: The meeting ended at 7.00 p.m.)

Date of next meeting: 20th November 2014