

Leader's Report to Labour Group

17 June 1996

David Sutton

(1) Local Government Review. Jo's report covers our discussions with our County colleagues on localisation and transition, our early thoughts on the Local Government Review Sub-Committee and our proposed special Group meeting. There has also been a meeting of the district leaders, and its minutes are attached to this report. Because of the the great importance of six-district co-operation, I went a long way out of my way to be friendly to the representatives of Wokingham - and, although it doesn't now look as though the six districts can agree a joint letter to Gummer before the order is laid, I believe that good working relations with the new Wokingham regime can be established. I would like to report verbally on the general approach which I am taking in the meetings of district leaders, especially in matters to do with likely lead authorities and joint arrangements.

(2) The Babtie contract. Some months ago we asked Martin Salter to negotiate on our behalf with the County Council in the run-up to the renewal of the County's contract with Babtie. Our principal objective was to obtain a "get-out" clause from the contract for successor Unitary Authorities; in other words a recognition of the right of the Unitary Authorities to re-negotiate the contract they inherit. Such a clause ("Clause 13") is now in the draft contract to be concluded at the end of this month, and our appreciation of it in writing will, I trust, have been approved by the Urgency Committee before this Group meeting. I won't go into more detail about Clause 13 here, but will bring a few copies to the meeting for any legal eagles to take away.

(3) Our PPCs. As I stressed at Chairs' Group, it is very important that we as Councillors give the maximum help to our PPCs. It is going to be difficult to motivate Party members at large for the Parliamentary campaign, and each new statement from Jack Straw makes it more so. This makes our role all the more important, and I have suggested that Chairs should strive to ensure that they are in touch with the PPCs to discuss issues and opportunities at least fortnightly, and ideally weekly. But ward issues can make good stories too, and the key thing is to be sure that we are constantly thinking of opportunities for the PPCs, especially now that Martin is less often amongst us.

(4) Capital Challenge. Attached is a report from Liz Terry which proposes that two outline bids should be submitted to the Government Office for the South East (GOSE): for the Norcot Estate and for South Reading. This proposal is supported by Chairs Group, and some background can be gathered from the Chairs Group minutes. Peter Craggs of GOSE has since visited the two sites, and has agreed to give us feedback on these two outline bids and their chances of success. The bids are now being prepared in the light of information obtained from the Capital Challenge seminars held by GOSE on 12 June. The bids need to be sent to GOSE later this month, and I would suggest that they be scrutinised by John Dowson, Phil Starr and myself before submission. There will then be a report to our Group meeting in July letting us know GOSE's response, and suggesting a process for submitting a full bid or bids by the September deadline. I think we all recognise that we will have to be pragmatic about how we approach this choice, and that GOSE's advice about likelihood of success will be the key factor.

(5) Other Financial Matters. Dave Peasley's reports cover the closing of the accounts for 1995-96; the Housing Revenue Account and the next rent increase; progress on the collection funds for the Poll Tax and the Council Tax; and progress towards setting a legal budget for 1997-98 and bridging the budget gap. With regard to the budget gap, I believe that we are going to reap the benefits of identifying the problem early and getting to grips with it early. I recommend that we agree the maximum capitalisation (which has now risen to £883,000) - in spite of the facts that this will once again damage our capital programme and that we do not even have the capital in hand as yet. Let me say (before they do!) that the Budget Scrutiny Group not only had a very good and constructive meeting, but they had a very good and constructive meeting before Chairs' Group - at 7.30 a.m. We salute you.