

EAST AYRSHIRE COUNCIL

COUNCIL MEETING - 8 MARCH 2001

**LOCAL GOVERNMENT COMMITTEE:
INQUIRY INTO LOCAL GOVERNMENT FINANCE**

ESTABLISHMENT OF ELECTED MEMBER TASK GROUPS

Report by Chief Executive

1. PURPOSE OF REPORT

- 1.1 To seek the appointment of an Elected Member representative on to one of the Task Groups established as part of the Inquiry into Local Government Finance.

2. BACKGROUND

- 2.1 The CoSLA Leaders' meeting of 26 January has considered and approved CoSLA's evidence to the Local Government Committee's Inquiry into Local Government Finance. Following consideration of the evidence, the Leaders' Meeting agreed to establish a number of Task Groups to take forward the necessary further policy development work on the various issues surrounding the Inquiry into Local Government Finance.

3. REMITS OF ELECTED MEMBER TASK GROUPS

- 3.1 It is proposed to set up three Elected Member Task Groups which will have remits covering LGF settlement, local taxation and capital issues. The Leaders' Group, whilst recognising that each Group at its first meeting will want to give a more detailed consideration to its remit and Terms of Reference, has provided a summary of the likely areas of work each Group may want to consider. This information is detailed under the annexation to this report.
- 3.2 It is intended that each Group will provide progress reports on a regular basis to Leaders' Meetings.

4. MEMBERSHIP OF ELECTED MEMBER TASK GROUP

- 4.1 Each Member Council is invited to have an Elected Member representative on one of the Task Groups. The composition of each Group will be established on a balanced basis taking account of, for example, geographic and political factors.

5. FINANCIAL IMPLICATIONS

5.1 Other than appropriate expenses under the approved Members' Allowances and Expenses Scheme no additional expenditure is anticipated.

6. POLICY/LEGAL IMPLICATIONS - None arising from this report.

7. RECOMMENDATIONS

7.1 The Council is invited to nominate an Elected Member representative to be appointed on to one of the Task Groups.

David Montgomery
Chief Executive

2 March 2001

BW/FM

LIST OF BACKGROUND PAPERS

1. Letter dated 28 February 2001 from Director of Finance, CoSLA to all Chief Executives.

Any person wishing to inspect the background papers relative to this report should contact David Montgomery, Chief Executive on 01563 576002. Any person wishing further information on this report should contact David Montgomery, Chief Executive on 01563 576002.

ANNEXATION

LOCAL GOVERNMENT FINANCE INQUIRY ELECTED MEMBER TASK GROUPS

LGF SETTLEMENT

- Develop and promote the establishment of a Joint Planning Framework consultation machinery which will agree joint priorities, performance outcomes and the necessary level of resources to enable delivery.
- Consider possible changes which would deliver a more appropriate balance between central and local funding.
- Promote the elimination of hypothecation, ring-fencing through specific grants and challenge funding.
- Promote a simplified and transparent formula for distributing revenue grant which nevertheless takes into account the various factors which impact on Councils' spending need.
- Promote an independent assessment of the level of resources necessary to recognise and tackle deprivation and poverty within individual Councils, with more flexibility in the use of resources made available.

LOCAL TAXATION

- Develop and promote a case for revision/refinement of Council Tax bandings.
- Promote the setting of a Council Tax revaluation timescale.
- Consider a change to existing arrangements for Council Tax discounts on second homes.
- Consider possible supplementary/alternative local taxes.
- Develop a case to challenge public expenditure definitions and LASFE controls.
- Business Rates
 - Promote effective consultation arrangements between Councils and local business sector representatives.
 - Develop and promote a case for the return of business rates to local control.

CAPITAL

- Develop and promote a case for the abolition of Section 94 consents - for both general services and housing.
- Consider the prudential safeguards which are to be developed by an officer group.
- Develop a case to challenge public expenditure definitions.

AGENDA