

STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

RESOURCES OVERVIEW & SCRUTINY PANEL MEETING

Minutes

WEDNESDAY, 22 SEPTEMBER 2021

PRESENT: Councillor G Heath (Chair)

Councillors C J S Atkins, M Gledhill, T Hall, A Hart, N Hawkins,
T Holmes, B A Hughes, K J Jackson, L A Malyon, S E Ralphs MBE,
T Riley, P Roberts, P Routledge, P Wilkinson and N Yates

IN ATTENDANCE: S Hampton Member & Community Services Officer
P Trafford Member & Community Services Officer
T Cooper Head of Organisational Development and
Transformation
K Pointon Head of Finance
J Betts Interim Executive Director Finance and
Revenues & Benefits
L Vernon Head of Democratic Services

APOLOGIES: Councillors J Davies, S Ellis & D Shaw

10 **NOTIFICATION OF SUBSTITUTE MEMBERS, IF ANY**

Councillor Roberts attended as substitute for Councillor Ellis.

11 **MINUTES OF THE PREVIOUS MEETING**

Councillor Hawkins noted that she had not submitted her apologies. She was unable to attend the meeting due to an urgent personal matter.

RESOLVED – That the minutes of the meeting of the Resources Overview & Scrutiny Panel held on 28 July 2021 be **APPROVED** as a correct record and signed by the Chair.

12 **URGENT ITEMS OF BUSINESS, IF ANY (24 HOURS NOTICE TO BE PROVIDED TO THE CHAIRMAN)**

There were no urgent items.

13 **DECLARATION OF INTERESTS:**

Councillor Wilkinson declared that he had received a Covid Business Support Grant.

14 **QUESTIONS TO PORTFOLIO HOLDERS, IF ANY**

There were no questions.

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15 **1ST QUARTER FINANCIAL, PROCUREMENT & PERFORMANCE REVIEW 2021/22**

The report informed members of the Council's overall performance, procurement and financial position for the period ending 30 June 2021 (First Quarter 2021/22).

The position was summarised as follows:-

Subject	Headline	Reference
Finance	<p>The Finance headlines for the First Quarter were:</p> <p><i>Performance against Budget</i></p> <ul style="list-style-type: none"> At the First Quarter stage the General Fund projected outturn for 2021/22 was an underspend of £1,434,010. <p><i>Efficiency Programme</i></p> <ul style="list-style-type: none"> At Quarter One £568,000 in savings had been taken against the 2021/22 general fund efficiency target of £830,430. It was anticipated that there would be a £177,000 shortfall in the year. <p><i>Capital Programme</i></p> <ul style="list-style-type: none"> The revised Capital Programme budget for 2021/22 was £4.83 million including the carry forward of capital underspends from 2020/21. The projected outturn for the year at Quarter One was £4.83 million; to budget. <p><i>Treasury Management</i></p> <ul style="list-style-type: none"> Cash investments held at 30 June 2021 totalled £19 million. The Ascent loan and debenture currently stood at £19 million; Council borrowing at 30 June 2021 totalled £13 million (relating to the Ascent loan); The Council's net interest income receipts for the year was forecast to be to budget at the Quarter One stage. <p><i>Revenue Collection</i></p> <ul style="list-style-type: none"> 29.34% of Council Tax was collected by 30 June 2021 compared to 28.76% for the same period last year (29.38% in 2019/20); 32.33% of Business Rates was collected by 30 June 2021 compared to 22.30% for the same period last year (28.62% in 2019/20); At the end of the First Quarter debt that was over 60 days old was £65,050 which compared with £97,390 at 30 June 2020. 	Appendix A
Procurement	<p>The Procurement headlines for the First Quarter were:</p> <ul style="list-style-type: none"> 10 procurement activities were completed; The Procurement forward plan included 40 procurement activities for completion in 2021/22 (either SMDC only or joint); At 30 June 2021, 43% of procurement activity undertaken was on the forward plan and the Council paid 95% of its invoices within 30 days during the year. 	Appendix B
Performance	The Performance headlines for the First	Appendix

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	Quarter were: <ul style="list-style-type: none">• 66% of the key performance indicators on track (40% were better than the previous year);• The Council received 14 complaints, 40 comments and 14 compliments;• Priority actions – 15 green, 1 completed, 1 red rated, remainder yet to commence.	C
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The Leader confirmed that the position was tight but manageable, with 1 significant underspend and 3 significant overspends:

Underspend – Leisure Services (£142,550)

Overspend – Property (£76,000), Revenues (£132,350) and Corporate Finance (£129,330).

Member queries were as follows (*responses in brackets*):

- The report referred to changes to Ascent. Was there any further information available? (*Work was ongoing relating to changes in circumstances within Your Housing Group and it was appropriate to look forward. Covid had impacted upon the situation. The Panel would be updated on the situation at the appropriate time*);
- The Chair corrected an item under 'Influencing Actions' relating to the Rural Mobility Fund. The new bus service was to commence on 2 October 2021, not 2 September as quoted. Staffs County Council had done well to correct an initial problem with the new Manchester bus service;
- Could an update be given on the Biddulph Wharf Road Masterplan? (*A report was to be presented at a subsequent Resources Panel*).

RESOLVED – That the First Quarter 2021/22 financial, procurement and performance position as detailed in Appendices A, B and C and summarised in the report be **NOTED**.

16 MEDIUM TERM FINANCIAL PLAN UPDATE

The report updated members on the Medium Term Financial Plan (MTFP) in preparation for considering the budget (and associated Council Tax level) in February 2022.

The purpose of the refresh of the MTFP was threefold:-

1. To update the MTFP produced in February 2021 for known or likely changes;
2. To highlight service and policy issues likely to impact on budget considerations later in the year;
3. To provide contextual information so that other issues that may impact on short and longer term budgetary issues are identified and discussed.

The overall conclusion was that the MTFP remained fundamentally robust and the following actions were needed prior to it being agreed alongside the 2022/23 budget in February 2022:-

1. Forecasts to be rolled forward to include 2025/26;
2. Inflation provision reviewed alongside economic data to establish whether structural inflation is higher than previously forecast;
3. Any service budget demands to be built in;

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4. The outcomes of any Government reviews (on Council Tax, Business Rates and New Homes Bonus) are considered;
5. Any changes to the Capital Programme (including any identified capital / revenue implications of major projects) are reflected;
6. Decisions on any outstanding savings proposal and Fees and Charges are also reflected.

Members expressed concern about recent news of substantial increases to energy costs. The Leader confirmed that any such increases would be dealt with as and when they occurred.

RESOLVED – That the Panel **NOTED** the proposed updates to the MTFP set in February 2022, including further proposed actions.

17 **LOCAL COUNCIL TAX REDUCTION SCHEME REVIEW AND FOCUS ON UNIVERSAL CREDIT IMPLICATIONS**

The Council was obliged to annually consider whether to revise its Council Tax Reduction Scheme (CTRS), leave it as was or replace it with a completely new scheme. The report proposed to retain the existing scheme for 2022/23. However, the introduction of Universal Credit (UC) meant that the current scheme was proving increasingly difficult to administer and more difficult for recipients of the discount to understand and manage. The proposal was to explore options to provide greater certainty in the light of UC. Any decisions on design and subsequent implementation would occur by 2023/24 at the earliest, to allow for extensive consultation.

Members expressed concern regarding an imminent reduction in UC which, when viewed alongside the upcoming increase in energy costs, was likely to place a number of residents in dire financial straits.

John Betts – Interim Executive Director of Finance, Revenues & Benefits – confirmed that extreme caution was needed when designing the proposed bandings. A number of scenarios would be ‘modelled’ before any specific proposals were brought before the Panel.

RESOLVED – That the Panel recommend that Cabinet:-

- **APPROVE** the proposal to retain the existing CTRS for 2022/23;
- **APPROVE** the proposal for further research to be undertaken into alternative designs for a CTRS that better deals with the impact of UC, subject to a further report and consultation.

18 **OVERVIEW AND SCRUTINY ANNUAL REPORT 2020-21**

Linden Vernon – Head of Democratic Services – presented the report to members, giving a summary of the work undertaken by the Council’s Overview & Scrutiny Panels during 2020/21.

Member discussion centred mainly on the ‘virtual’ nature of meetings held since the Covid pandemic started and the fact that the default position for meetings other than those where decisions were made was still ‘virtual’. Points made were as follows:-

- Virtual increases attendance but decreases participation;

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- Members of the public had expressed objections regarding the lack of accessibility of members and officers;
- The continuance of virtual meetings cast a shadow on the Council's reputation in terms of open and transparent dealings;
- The Scrutiny Workshop to be held on 29 September 2021 was to be virtual;
- Face-to-face meetings were preferable but should be the individual's choice;
- Staff members should not be compelled to attend the offices;
- Hybrid was the ideal arrangement, though current legislation prevented hybrid attendees from voting;

A Group Leaders' Meeting was due to take place on Friday 24 September 2021 where the matter of virtual meetings would be discussed.

A request was made for reports and presentations to be available to members in advance of meetings whenever possible.

RESOLVED – That the report be **NOTED**.

19 **WORK PROGRAMME**

Members requested that the following items be added to the Work Programme:-

- The use of external collection agencies;
- 'Welcome back fund'.

A request was made for items in the 'To be confirmed' category to be progressed. It was perceived that some items were left to drift.

RESOLVED – That the 2021/22 Work Programme be **AGREED**, subject to the addition of the above for a future meeting.

20 **EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED:

That, pursuant to Section 100A(2) and (4) of the Local Government Act, 1972, the public be excluded from the meeting in view of the nature of the business to be transacted or the nature of the proceedings whereby it is likely that confidential information as defined in Section 100A (3) of the Act would be disclosed to the public in breach of the obligation of confidence or exempt information as defined in Section 100 I (1) of Part 1 of Schedule 12A of the Act would be disclosed to the public by virtue of the Paragraphs indicated.

21 **EXEMPT MINUTES OF THE PREVIOUS MEETING**

The exempt minutes of the meeting held on 28 July 2021 were **APPROVED**.

The meeting closed at 11.40 am

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_____ Chairman _____ Date