

STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

RESOURCES OVERVIEW & SCRUTINY PANEL MEETING

Minutes

WEDNESDAY, 24 JULY 2019

PRESENT: Councillor A Hart (Chair)

Councillors G Bentley, E Fallows, M Gledhill, N Hawkins, T Holmes,
B A Hughes, K J Jackson, I Plant, T Riley, P Routledge, D Shaw,
L Swindlehurst and N Yates

IN ATTENDANCE:

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

Councillor Bentley attended as substitute for Councillor Malyon. Councillor Swindlehurst attended as substitute for Councillor Atkins.

2 **MINUTES OF THE PREVIOUS MEETING**

DECIDED – That the Minutes of the Resources Overview & Scrutiny Panel held on 12 June 2019 be **APPROVED** as a correct record and signed by the Chair.

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

There were no urgent items.

4 **DECLARATION OF INTERESTS:**

During agenda item 8 (Business Rates Reliefs) Councillor Routledge declared an “other” interest, in that he worked for Morrisons Supermarket and his wife worked at JCB.

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

Question to Councillor Wain from Councillor Yates:

Q. Can the arrangements for managing and enforcing parking restrictions in Biddulph be given in writing to Resources Scrutiny in order to consider their effectiveness and potential areas for improvements?

Response in Councillor Wain’s absence:

Staffs County Council are the highways agency in this case and are responsible for on street parking enforcement in Biddulph. This will include taxi-ranks. We are aware that Stoke on Trent City Council provide enforcement services to the

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highways authority, but SMDC have no control over this agreement, or are not aware of the content of this agreement.

With regards to enforcement of off-street car parking, Stoke On Trent City Council provide SMDC with notice processing and enforcement services under an SLA from 01 April 2015 until 31st March 2020. Under this agreement the allocated hours to Biddulph are 180 hours a year. As there is only one long stay pay and display car park in Biddulph (Wharf Road), this is deemed adequate. We would not be aware of how many officers work in Biddulph at anyone period of time as their routines will involve providing enforcement service on the council's other car parks in Leek and Cheadle also. If the car parks officers fall short of their hours in any one particular area by more than 10%, SMDC will be notified with the reason. SOTCC are required under the SLA to use their best endeavours to provide the hours as stated above.

By way of a supplementary question, Councillor Yates asked whether the hours given to Biddulph could be randomised?

Andrew Stokes confirmed that this request would be fed back to the Internal Parking Board.

As a second supplementary question, Councillor Yates asked what the mechanism was for reporting offending 'parkers' to the relevant authorities, as photographic evidence was available?

In response, Andrew advised that enquiries would be made with Staffs County Council to establish how this should be done.

6 FOURTH QUARTER 2018/19 FINANCIAL, PROCUREMENT & PERFORMANCE REVIEW

Councillor Ralphs was unable to attend due to illness, so Claire Hazeldene – Finance, Income & Procurement Manager – presented the report to members.

The report showed the Council's position for the period ended 31 March 2019 and further detailed analysis was given in Appendix A (Finance), B (Procurement) and C (Performance). The position was summarised as follows:-

Subject	Headline	Reference
Finance	<p>The headlines for the Fourth Quarter were:</p> <p><i>Performance against Budget</i></p> <ul style="list-style-type: none">• At the Quarter Four stage the General Fund provisional outturn for 2018/19 was an underspend of £777,487. <p><i>Efficiency Programme</i></p> <ul style="list-style-type: none">• The overall efficiency target for 2018/19 was £830,000. There was a shortfall of £422,973 against target which had been offset in the year by the overall General Fund underspend without the need to use the Council's earmarked efficiency programme reserve. The Efficiency Programme was reprofiled when setting the Budget & MTFP in February.	Appendix A

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	<p><i>Capital Programme</i></p> <ul style="list-style-type: none"> The revised Capital Programme budget for 2018/19 was set at £3.59 million as part of the MTFP presented in February 2019. The provisional outturn was £2.23 million which represented an underspend of £1.36 million. Of this £0.77 million related to reprofiling of spend on vehicle and plant acquisitions and £0.34 million to an underspend against the provision for Disabled Facility Grants. <p><i>Treasury Management</i></p> <ul style="list-style-type: none"> Cash investments held at 31 March 2019 totalled £7.6 million. The Ascent loan and debenture stood at £19 million; Council borrowing at 31 March 2019 totalled £11 million (related to the Ascent loan); The Council's net interest receipts were £59,851 above budget. <p><i>Revenue Collection</i></p> <ul style="list-style-type: none"> 98.66% of Council Tax was collected by 31 March 2019 (98% target exceeded), compared to 98.60% for the same period last year; 99.13% of Business Rates was collected by 31 March 2019 (98.1% target exceeded) compared with 98.54% for the same period last year; At the end of Quarter Four debt that was over 60 days old was £70,434 which compared with £110,423 at 31 March 2018 (5% reduction target exceeded). 	
Procurement	<p>The headlines for the Fourth Quarter were:</p> <ul style="list-style-type: none"> 15 procurement activities were completed; The procurement forward plan included 61 procurement activities for completion in 2019/20 (either SMDC only or joint); At 31 March 2019, 64% of procurement activity undertaken was on the forward plan and the Council paid 92% of its invoices within 30 days during the year. 	Appendix B
Performance	<p>The headlines for the Fourth Quarter were;</p> <ul style="list-style-type: none"> 79% of the key performance indicators met target (performance had improved from last year in respect of 45% of the indicators); Of the 25 Priority Actions within the Corporate Plan, six were complete, two were still to commence, three were rated amber, one rated red the remainder being classified green; The Council received 98 complaints, 184 comments and 82 compliments in the 	Appendix C

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	Fourth Quarter. Repeat complaints and response times both on track.	
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Members raised queries / observations as follows (*responses in brackets*):-

- With the advent of the Climate Emergency Working Group there was likely to be a budget required for it. (*It was important to flag this up in the Medium Term Financial Plan. The group could also generate some savings.*)
- Under 'Procurement Activity Completed' – more detail required regarding payment to Adullam Homes Housing for the Single Persons Housing Project (*Will email more information through.*)
- With the Business Rates Pool bearing fruit, how long will it run for? (*1 year minimum, but potential changes to the Business Rates Retention System mean that this was a volatile situation.*)
- There hadn't been a change in the amount paid to 'Towns in bloom' (Biddulph & Cheadle), was there an opportunity to increase? (*This could be looked at.*)
- Was there any move towards electrification of the fleet and solar panel installation? (*This was discussed in a meeting with AES, with trials of electric vehicles ongoing elsewhere.*)

DECIDED – 1. That the Panel **NOTE** the Fourth Quarter 2018/19 financial, procurement and performance position detailed in Appendices A, B and C and summarised in the report.

2. That the Panel **RECOMMEND TO CABINET FOR APPROVAL**:

- The allocation of the surplus on the General Fund Revenue Account to reserves as explained in Appendix A, and
- The proposals to carry forward unspent capital budget as set out in Appendix A.

7 BUSINESS RATES RELIEFS

In response to discussion at the previous meeting of the Panel, Claire Hazeldene outlined details of Business Rate Reliefs granted by the Council in advance of a review of the policy later in the year.

The Moorlands had a high proportion of small businesses. The features of the local businesses make up were as follows:-

- There were 3,830 businesses in the Staffordshire Moorlands;
- 92.3% employed less than 10 people compared to only 85% in Stoke-on-Trent;
- Business start-up rates were low with net business growth of 0.4% compared to 3% in Stoke-on-Trent;
- But the business survival rate was high - 92.3% of businesses set up in 2016 were still trading.

In contrast, the 10 highest Business Rates payers in the district paid 42.2% of the total Business Rates payable as shown below:-

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Business Name	Rateable Value	Percentage of Total Rates Collectable
Alton Towers Resort	8,380,000	20.45%
Aggregate Industries UK Ltd (Cauldon)	1,670,000	4.08%
JCB Compact Products Ltd	1,560,000	3.81%
Sainsburys Supermarkets Ltd (Leek)	1,310,000	3.21%
WM Morrison Supermarkets PLC (Leek)	1,150,000	2.81%
Sainsburys Supermarkets Ltd (Biddulph)	1,020,000	2.49%
Ornua Foods UK Ltd	760,000	1.85%
Tarmac Ltd (Cheadle)	525,000	1.28%
Western Mortgage Services Ltd (Britannia House)	467,500	1.14%
WM Morrison Supermarkets PLC (Cheadle)	445,000	1.09%
		42.20%

The Local Government Finance Act 1988 provided for 2 forms of relief:-

- Mandatory Relief – under Sections 43 and 45; and
- Discretionary Relief – under Sections 44, 47 and 49.

57% of businesses (1597) received Small Business Rate Relief.³

Member queries raised included (*responses in brackets*):-

- Any specific relief available for child care / nursery providers? (*Only if eligible under the Small Business Rate Relief scheme.*)
- Were discretionary decisions made with any member involvement? (*No, this was a fully delegated process.*)
- Was the figure of 42.2% paid by the top 10 businesses typical? (*High Peak Borough Council have a similar situation. We speak to the Valuation Office Agency to try to get an accurate prediction on income with regard to re-valuations, large value appeals etc. The situation was very volatile. Provision was made in the Financial Statements for variances.*)

DECIDED – That the type and level of Business Rate Relief currently granted be **NOTED**.

8 WORK PROGRAMME

Following a number of suggestions at the last meeting of the Panel a number of items had been added to the Work Programme. These would be allocated to specific meetings in due course.

The meeting closed at 11.00 am

_____ Chairman _____ Date