



## Resources Overview & Scrutiny Panel - 5 February 2020

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

There were no urgent items.

### 34 DECLARATION OF INTERESTS:

There were no declarations of interest made.

### 35 QUESTIONS TO PORTFOLIO HOLDERS, IF ANY

#### **Question from Councillor Atkins:**

**Q1.** What plans does the SMDC have to bring the two properties behind Moorlands House back into use?

#### **Response – Councillor Ralphs, Leader of the Council**

*“4 Stockwell Villas was the subject of a Cabinet Delegated Decision Ref. 2018/07 – Adaptation of SMDC Property for Temporary Accommodation. Decision dated 21 September 2018. The property is going to be used as temporary accommodation for homeless families. There had been some delays in obtaining appropriate fuel / energy supplies but this has now been resolved this week, allowing other works to be completed with a view to this unit being available before the end of the financial year.*

*3 Stockwell Villas was the subject of a Cabinet Delegated decision Ref. 2019/08E (EXEMPT) – Lease of 3 Stockwell Villas to Moorlands Radio. Decision dated 1 November 2019. The Lease commenced on 3 February 2020 and it was anticipated that Moorlands Radio would be moving from their current location at the Fire Station back to Stockwell Villas as soon as they could. They would be undertaking some minor refurbishment works to the building which would be overseen by officers from the Assets Service. The Lease was for 5 years and would include one car parking space on the Moorlands House Car Park.”*

**Supplementary 1** – How long had the premises been empty and what loss of Council Tax did this equate to?

*This information was being calculated and would be reported back to the next meeting of the Panel. One of the houses had been used to house homeless people as and when required.*

**Supplementary 2** – Bearing in mind a later agenda item (Council Tax Discounts Policy) had 3 Stockwell Villas been empty ever since Moorlands Radio vacated it?

*Any enquiries received were dealt with promptly and fully but without success. Moorlands Radio were previously considered good tenants and were therefore welcomed back.*

## Resources Overview & Scrutiny Panel - 5 February 2020

36

### 3RD QUARTER FINANCIAL, PROCUREMENT & PERFORMANCE REVIEW 2019/20

The report informed members of the Council's overall financial, procurement and performance position for the period ending 31 December 2019 ("Third Quarter 2019/20").

The position was summarised as follows:-

Subject	Headline	Reference
Finance	<p>Headlines for the third quarter were:</p> <p><i>Performance against Budget</i></p> <ul style="list-style-type: none"> <li>• At the third quarter stage the General Fund projected outturn for 2019/20 was an underspend of £143,480.</li> </ul> <p><i>Efficiency Programme</i></p> <ul style="list-style-type: none"> <li>• The 2019/20 general fund efficiency target of £842,000 had been exceeded with £860,250 of savings achieved to date.</li> </ul> <p><i>Capital Programme</i></p> <ul style="list-style-type: none"> <li>• The revised Capital Programme budget for 2019/20 was £5.8 million including the carry forward of capital underspends from 2018/19. The projected outturn for the year was £3.3 million – majority of the variance due to re-profiling asset management projects and fleet purchases.</li> </ul> <p><i>Treasury Management</i></p> <ul style="list-style-type: none"> <li>• Cash investments held at 31st December 2019 totalled £13.8 million. The Ascent loan and debenture currently stood at £19 million;</li> <li>• Council borrowing at 31st December 2019 totalled £10 million (related to the Ascent loan);</li> <li>• The Council's net interest income receipts were projected to be £64,310 above budget.</li> </ul> <p><i>Revenue Collection</i></p> <ul style="list-style-type: none"> <li>• 83.92% of Council Tax was collected by 31st December 2019 compared to 84.33% for the same period last year;</li> <li>• 80.45% of Business Rates was collected by 31st December 2019 compared with 80.92% for the same period last year.</li> </ul> <p><i>Variances in payment plans were contributing to the above year-on-year difference</i></p> <ul style="list-style-type: none"> <li>• At the end of the third quarter debt that was over 60 days old was £70,430 which compared with £133,450 at 31st December 2018.</li> </ul>	Appendix A
Procurement	<p>Headlines for the third quarter were:</p> <ul style="list-style-type: none"> <li>• 9 procurement activities were completed;</li> <li>• The Procurement forward plan included 44 procurement activities for completion in 2019/20 (either SMDC only or joint);</li> <li>• At 31st December 2019, 63% of procurement activity undertaken was on the forward plan and the Council paid 97% of its invoices within 30 days during the year;</li> <li>• The Council's procurement rules had been updated to reflect the updated EU procurement thresholds.</li> </ul>	Appendix B

## Resources Overview & Scrutiny Panel - 5 February 2020

Performance	The headlines for the third quarter were: <ul style="list-style-type: none"><li>• 73% of the key performance indicators were on target;</li><li>• The Council received 52 complaints and 46 compliments in the Third Quarter. Repeat complaints and response times both on track.</li></ul>	Appendix C
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Members raised queries as follows (*responses in brackets*):-

- Disabled Facilities Grants – a) was the £352,340 underspend to be rolled over to next year? b) if so, would the rollover affect next year's grants? c) could the grant 'ceiling' be looked at, as the cost of many schemes was well over the ceiling, necessitating top up from elsewhere? (*a) Yes the underspend would be rolled over, b) no, the rollover would not affect next year's grants, and c) discussions would take place regarding the 'ceiling' with the Service Area. It was noted that the 'ceiling' may be set elsewhere, beyond SMDC control. Millbrook – the service provider – would be invited back to address the Panel as previously*).
- £30,000 underspend on the Landlord Accreditation Scheme. The scheme did not appear to be in place? (*Discussions would be held with the Service Area and a response supplied to a future meeting of the Panel*).

**DECIDED** – That the Panel **NOTE** the Third Quarter financial, procurement and performance position as detailed in Appendices A, B and C and summarised in the report.

**FURTHER DECIDED** – That the Panel **NOTE** the update to the Council's procurement rules as a result of the revised EU procurement thresholds.

37

### BUDGET & MEDIUM TERM FINANCIAL PLAN 2020/21 - 2022/23

Andrew Stokes – Executive Director & Chief Finance Officer – presented the proposed Budget for 2020/21, the updated Medium-Term Financial Plan 2020/21 – 2023/24, the Capital Strategy 2020/21, the proposed Fees and Charges for 2020/21 and the Procurement Forward Plan 2020/21.

The budget was shown to be balanced and the Medium-Term Financial Plan was sustainable. There had been solid progress made on the efficiency programme. The position was broadly similar to that 12 months before, though there had been a reduction in the cap on any increase in Council Tax from 2.9% to 1.9%. Items with a likely future effect included:-

- Review of Leisure Centre provision;
- Business Rates Retention;
- New Homes Bonus – 1 year with no legacy payments;
- Climate Change emergency – budget requirements of the Sub-Committee.

A number of the members present felt that the proposed increase in Car Parking charges was unacceptable at this time. Councillor Wilkinson **PROPOSED** and Councillor Gledhill **SECONDED** that the Panel recommend to Cabinet that there should be no increase in Car Parking charges.

## **Resources Overview & Scrutiny Panel - 5 February 2020**

When the vote was taken, 13 members voted **FOR** the proposal and no members voted **AGAINST** the proposal.

Other matters discussed included Climate Change and the need for Electric Vehicle charging points to be planned into the upgrade of Car Parks. Andrew Stokes was able to confirm that the relevant cabling had already been installed in refurbished Car Parks. There was also a perceived need for dedicated staffing towards Climate Change. The financing requirement for the programme of Leisure Centre refurbishment was discussed and it was noted that Cabinet were actively seeking out grant funding from, among others, Sport England.

**DECIDED** – That notwithstanding the vote referred to above, the Panel **RECOMMENDED TO COUNCIL:-**

- Approval of the General Fund Budget for 2020/21;
- Approval of the revised Medium-Term Financial Plan (2020/21 to 2023/24) including the revised Capital Programme;
- Approval of the Capital Strategy 2020/21;
- Approval of the proposed Fees and Charges for 2020/21 **EXCEPT** for the increase in Car Parking charges;
- Approval of the proposed Procurement Forward Plan for 2020/21, providing the authority to procure based on the procurement activity detailed in Appendix D to the report;
- Approval of a Band D Council Tax of £153.40 for 2020/21 (an increase of 1.9% from 2019/20);
- Approves a Band D Council Tax of £52.92 for Leek and £10.64 for Biddulph for 2020/21 (an increase of 1.9% from 2019/20) in respect of Special District Expenses;
- To Note the Chief Finance Officer's view that the level of reserves were adequate for the Council based on the budget and the circumstances in place at the time of preparing it.

### 38 **BUSINESS RATE RELIEF POLICY & COUNCIL TAX DISCOUNTS POLICY**

Claire Hazeldene – Head of Finance – presented the report as a review of the Business Rate Reliefs policy and to formally present the Council Tax Reductions and Levies Policy. Both policies were appended to the report.

#### **BUSINESS RATES**

Following on from a report in mid 2019 on rate reliefs awarded to businesses in the Moorlands, this report 'tidied up' the policy by removing expired reliefs. The amounts payable in each of the 3 main towns were tabulated, showing that 44% relief was applied overall against the annual business rates gross charge, reducing bills by a total just under £1m. The most applied relief was Small Business Rate Relief, accounting for 70% of total relief awarded.

#### **COUNCIL TAX**

Reductions and levies were available to Council Tax payers, including mandatory discounts and any locally determined reductions for Council Tax that the Council applied. The 3 locally determined reductions were detailed in terms of total number

## **Resources Overview & Scrutiny Panel - 5 February 2020**

of cases and the total amount awarded. There were no changes proposed to those reductions.

The 'Long Term Empty Property Premium' which applied to properties empty for over 2 years had been limited to a maximum of 50% up until April 2019. After that date, the Rating (Property in Common Occupation) and Council Tax Act 2018 enabled Billing Authorities to charge an Empty Homes Premium of:-

- An extra 100% Council Tax for properties empty for at least two years from 1 April 2019;
- An extra 200% Council Tax for properties empty for at least five years from 1 April 2020.

In line with the Council's Empty Property Strategy, which aimed to bring empty properties back into use to increase the availability of housing within the district and to reduce the negative impact vacant properties could have on the community, the proposal was to increase the levy chargeable from 1 April 2020 to:-

- 100% Council Tax for properties empty for at least two years;
- 200% Council Tax for properties empty for at least five years.

**DECIDED** – That the Panel recommend for **APPROVAL**:-

- The updated Business Rates Reliefs Policy; and
- The Council Tax Reductions and Levies Policy.

### 39 **HEALTH AND SAFETY ANNUAL REPORT**

David Owen – Corporate Health & Safety Adviser – presented what was the eleventh such annual report covering both Councils making up the Alliance. Collectively, the Alliance recognised its obligations under health & safety legislation and had declared its commitment to improving the health, safety and welfare of its employees as detailed in the Corporate Health & Safety Policy.

Areas of significant risk, arising due to the diverse work involved, were Manual Handling, Vibration, Asbestos, Legionella, Fire Safety, Radon Gas, Pregnant worker risk assessments, Stress and Wellbeing risk assessments, DSE Musculoskeletal issues, Working at Heights, Transport risks and the Facilities Management Contract, all of which were monitored closely to ensure the minimum exposure to risk.

A total of 693 training places were provided for the 400 total staff members.

Demonstrating the effectiveness of the increase in awareness across the board, the number of accidents had reduced over the 11 years as follows:

<b>Year</b>	<b>No. of employees</b>	<b>Total accidents</b>	<b>Reportable</b>
2008	652	52	4
2015	516	33	
2019	400	15	5

This was the first time the report had been presented to the Panel, having previously been presented to the Joint Consultative Committee. The report would also be tabled at the Corporate Health & Safety Committee.

## Resources Overview & Scrutiny Panel - 5 February 2020

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

### 40 **NEW PERFORMANCE FRAMEWORK**

The annual report was presented to members by Vanessa Higgins – Information Business Partner – to:-

1. Provide members with an opportunity to scrutinise the draft Performance Framework and associated targets for 2020/23. And
2. Share the findings from the recent online consultation, which sought feedback from a range of stakeholders on the council's new corporate plan priorities for 2019/23.

The Performance Framework and Corporate Plan Consultation Feedback were attached to the report as Appendices 1 and 2 respectively.

Members noted that a comment contained in Appendix 2 referring to one District Councillor in particular were out of order.

**DECIDED** – That the Performance Framework 2020/23 be recommended for **APPROVAL** by Cabinet.

### 41 **WORK PROGRAMME**

Cllr. Malyon requested that 'Leisure Centres Update' be added to the Work Programme.

Cllr. Jackson requested that Car Parking be considered at the next meeting of the Panel.

**DECIDED** – That the Work Programme for the remainder of 2019/20 be **AGREED**.

### 42 **EXCLUSION OF THE PRESS AND PUBLIC**

**DECIDED:-**

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 nature of the proceedings whereby it is likely that exempt 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 100I (1) of Part 1 of Schedule 12A of the Act would be disclosed to the public by virtue of the paragraphs indicated.

**Resources Overview & Scrutiny Panel - 5 February 2020**

43 **AES PHASE 3 FINANCIAL ARRANGEMENTS & COMMISSIONING STRUCTURE**

A report was presented to the Panel by Claire Hazeldene giving the latest position on the phase 3 financial arrangements, reprofiled AES efficiency programme and proposed commissioning structure.

The meeting closed at 12.29 pm

\_\_\_\_\_Chairman \_\_\_\_\_Date