

# **STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL**

## **RESOURCES OVERVIEW & SCRUTINY PANEL MEETING**

### **Minutes**

**WEDNESDAY, 3 FEBRUARY 2021**

PRESENT: Councillor A Hart (Chair)

Councillors C J S Atkins, G Bentley, M Bowen, J Davies, E Fallows, M Gledhill, T Hall, N Hawkins, I Herdman, T Holmes, K Hoptroff, B A Hughes, K J Jackson, B Johnson, J T Jones, L A Malyon, I Plant, S E Ralphs MBE, T Riley, P Roberts, D Shaw, L Swindlehurst, P Wilkinson and N Yates

IN ATTENDANCE:	S Hampton	Member and Community Services Officer
	P Trafford	Member & Community Services Officer
	C Hazeldene	Acting Executive Director (Finance and Customer Services)
	T Cooper	Head of Organisational Development and Transformation
	A Patterson	Head of Environmental Health
	KJ Pointon	Acting Head of Finance
	M Towers	Senior Officer (Housing, Public Health and Licensing)

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

(Councillor Malyon advised that, if she left before the end of the meeting, Councillor Bentley would act as substitute for her.

2 **MINUTES OF THE PREVIOUS MEETING**

**RESOLVED** – That the Minutes of the meeting of the Resources Overview & Scrutiny Panel held on 25 November 2020 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:**

Councillor Shaw declared an “other” interest, in that he had been involved in the receipt of a Disabled Facilities Grant at a community facility in Werrington.

Councillor Wilkinson declared an “other” interest, in that he had received a Covid-19 Business Support Grant.

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

**Question from Councillor Malyon:**

**Q1.** Could I have a breakdown of the cost of running the SMDC car parks and the income they provide?

**Response from Councillor Ralphs, Leader of the Council:**

*“The expected outturn against the car parking budget for 2020/21 is detailed below:*

<b>SMDC Car Parking</b>	<b>Budget 2020/21</b>	<b>Expected Outturn 2020/21</b>
<i>Total Income</i>	<i>(685,480)</i>	<i>(326,555)</i>
<i>Staff costs</i>	<i>17,000</i>	<i>16,410</i>
<i>Premises costs</i>	<i>204,240</i>	<i>201,850</i>
<i>Supplies &amp; Services costs</i>	<i>163,600</i>	<i>133,995</i>
<i>Support costs</i>	<i>30,970</i>	<i>30,970</i>
<i>Total Expenditure</i>	<i>415,810</i>	<i>383,225</i>
<b>Revenue (Surplus) / Deficit</b>	<b><i>(269,670)</i></b>	<b><i>56,670</i></b>

*As can be seen from the table, the Council budgets to make a revenue surplus from the car parking service; although this is not the case in 2020/21, where the impact of Covid-19 on the income position has been detrimental. Expenditure costs have been split into 4 broad categories but cover the areas of business rates, rent, enforcement, cash collection & security, equipment supplies repair and maintenance, surface repair and maintenance, operational staff, professional advice, insurance, utilities and phone/ connectivity costs and charges.*

*The budgeted surplus contributes to the wider costs of providing Council services in town centres and elsewhere including the costs of running the public toilet service. It also helps meet the periodic costs of capital investment in providing car parking services, such as resurfacing and car park machine replacement. The Council made capital investments of £394,620 in 19/20 and is targeting a spend of £108,940 by the end of this financial year.*

*In the current 30 year Asset Management Plan, the investment in car parking is forecast to be in excess of £5million over the 30 year period.*

*The car park account is published annually on the Council’s website under ‘Spending and Performance (Other published accounts).*

*Members will be aware that the Car Parking Strategy Review has begun and our consultants, Parking Matters, are working through a detailed financial analysis of each car park as part of the work. The report of their findings along with the results of the consultation will be presented to a future meeting of the Car Parking Working Group.”*

By way of a supplementary question, Councillor Malyon requested a breakdown of the costs by area. It was agreed that this information would be provided in writing to all Panel members and also members of the Parking Strategy Working Group.

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### 6 THIRD QUARTER FINANCIAL, PROCUREMENT & PERFORMANCE REVIEW 2020/21

Keith Pointon – Acting Head of Finance – informed members of the Council’s overall performance and financial position for the period ended 31 December 2020 (3<sup>rd</sup> Quarter 2020/21).

Detailed analysis was provided in Appendices A (Financial), B (Procurement) and C (Performance) and the position was summarised as follows:-

Subject	Headline	Reference
Finance	<p><b>The Finance headlines for the Third Quarter were:</b></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 2020/21 was an underspend of £335,180 (included £106,000 draw from Covid earmarked reserve).</li> </ul> <p><i>Efficiency Programme</i></p> <ul style="list-style-type: none"> <li>• At Quarter Three £137,000 in savings had been taken against the 2020/21 general fund efficiency target of £519,000. It was anticipated that there would be a £380,000 shortfall in the year.</li> </ul> <p><i>Capital Programme</i></p> <ul style="list-style-type: none"> <li>• The revised Capital Programme budget for 2020/21 was £6.67 million including the carry forward of capital underspends from 2019/20. The projected outturn for the year was £3.08million; a variance of £3.59million – mostly in respect of programme slippage due to Covid19.</li> </ul> <p><i>Treasury Management</i></p> <ul style="list-style-type: none"> <li>• Cash investments held at 31 December 2020 totalled £24 million. The Ascent loan and debenture stood at £19 million;</li> <li>• Council borrowing at 31 December 2020 was forecast to total £15 million by the year end (£14m related to the Ascent loan);</li> <li>• The Council’s net interest income receipts was projected as a £48,380 surplus above budget.</li> </ul> <p><i>Revenue Collection</i></p> <ul style="list-style-type: none"> <li>• 83.03% of Council Tax was collected by 31 December 2020 compared to 83.92% for the same period last year;</li> <li>• 80.61% of Business Rates was collected by 31 December 2020 compared with 80.45% for the same period last year;</li> <li>• At the end of the Third Quarter debt that was over 60 days old was £71,620 which compared with £70,430 at 31 December 2019.</li> </ul>	Appendix A
Procurement	<p><b>The Procurement headlines for the Third Quarter were:</b></p> <ul style="list-style-type: none"> <li>• 6 procurement activities were completed;</li> <li>• The Procurement forward plan included 49 procurement activities for completion in 2020/21 (either SMDC only or joint);</li> <li>• At 31 December 2020, 68% of procurement activity undertaken was on the forward plan and the Council paid 93% of its invoices within 30 days during the year.</li> </ul>	Appendix B

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Performance	<p><b>The Performance headlines for the Third Quarter were:</b></p> <ul style="list-style-type: none"> <li>• 83% of the key performance indicators on track (47% of which were better than the previous year);</li> <li>• The Council received 34 complaints, 113 comments and 72 compliments;</li> <li>• Priority Actions - 13 green, 3 completed, 1 red rated, remainder yet to commence.</li> </ul>	Appendix C
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Members raised queries as follows (*Responses in brackets*):-

- With regard to the stated underspend on Electoral Services, at what point would the Council incur any financial penalty if preparations were underway for the forthcoming elections but the elections were deferred? (*The election costs for both Police Fire and Crime Commissioner and for County Council elections were covered by those organisations, therefore no loss would be incurred by this Council. Elections staff were now back in their normal posts.*)
- The Covid vaccination process would not be completed by the proposed election date. Should postal votes be offered for the whole district and, if so, how would the cost be covered? (*Discussions regarding the elections were ongoing and decisions were needed as soon as possible. It was hoped that an explanatory letter could be enclosed with Council Tax bills offering postal votes. There were also anticipated problems in social distancing during the count process.*)
- What was the stated overspend on Public Conveniences due to? (*The contractor had undertaken extra cleaning duties due to Covid requirements.*)
- Was the stated overspend on Leisure covered by grants received from Government? (*The majority of grant support received was going to Parkwood Leisure as, during lockdown, they had no source of income. The future position was not clear as Government support was not yet confirmed.*)
- Had Parking Wardens been 'Furloughed' due to the much lower level of parking during the pandemic? Could they be re-deployed as Covid Marshalls? (*Parking enforcement was provided under contract by Stoke on Trent City Council at a fixed annual charge. Any Furlough arrangements would be a decision for them.*)
- Planning applications were shown to be processed only 1% above target. What was the target? (*The targets were 8 weeks (minor) and 13 weeks (major).*)
- Under 'Corporate Plan Priority Highlights' a priority was shown as the delivery of a multi agency health & wellbeing centre. The recent Cushman & Wakefield report had said that this should be dismissed. Should this priority now be removed? (*An answer was to be issued in writing.*)

**RESOLVED** – That the Third Quarter 2020/21 financial, procurement and performance position be **NOTED**.

### 7 2021/22 BUDGET & MEDIUM TERM FINANCIAL PLAN 2021/22 TO 2024/25

Claire Hazeldene – Deputy Director, Finance, Income and Procurement – presented the report to members confirming that all Fees and Charges had been frozen at the 2020/21 level. At this point in the previous year there was a small contribution to reserves forecast over the 4 year life of the Medium Term Financial Plan (MTFP).

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There were still a number of unknowns in terms of Government funding which therefore showed as risks e.g. New Homes Bonus and Business Rates Retention.

The Covid pandemic had prompted an early MTFP update in September 2020, followed by the usual update in November 2020 when the year 2024/25 was added to the plan. The forecasts illustrated a forecast use of £1.8million from reserves. Many changes were reflected in the latest update due to items being reviewed as a result of Covid.

The Government limit on Council Tax increase (2%) had been slightly relaxed to allow a £5 increase on a Band 'D' equivalent, which related to an extra £2.10 per bill, securing an extra £70,000 income across the district.

There was to be a windfall of £600,000 received from the Staffordshire Business Rates Pool and a likely further £660,000 in Government grants. The MTFP had therefore been balanced by using £756,00 from reserves over the 4 year Plan. The 'reserves' position was better, in that the Council would maintain a minimum of £2.7million (£1.2million above the perceived base line required). The MTFP was constantly under review and was able to be amended at any time.

Queries raised by members were (*Responses in brackets*)-

- There was still no specific budget for Climate Change even though some costs were now known. The Council had appointed a specific officer to deal with Disabled Facilities Grants so should now appoint a Climate Change Officer. (*Climate Change was always taken into consideration during the procurement process on the Capital Programme. The Council was looking to set aside monies for Climate Change from savings and efficiencies.*)
- With the recent refurbishment works at the Brough Park Swimming Pool why include plans to replace the pool altogether? The doubt cast over the future of the South Moorlands Leisure Centre had resulted in a reluctance for Parkwood to invest there, leading to potential for a similar approach at Biddulph and Leek. (*The replacement of the Brough Park pool was not in the 4 year plan. The Council held the capital budget for the maintenance of the buildings and would ensure that they were all maintained. The review of leisure facilities was ongoing and the Parkwood contract was in place for 5 years.*)
- How quickly was the Council able to apply for Climate Change-related grants when they became available? (*Best attempt was made to obtain any available grants. Match funding was possible, particularly where there was a likely long-term saving.*)
- Reference was made to Government support towards the re-opening of high streets. What was the figure? (*The figure would be sent out when established.*)
- Were there any timescales for the provision of Electric Vehicles charging points? (*This was being considered by the Car Parking Strategy Working Group.*)

The Chair thanked the Finance Team for their efforts in producing such a relatively positive report in such trying times.

**RESOLVED** – That the Panel support the following recommendations to Council:-

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- **Approval** of the General Fund Budget for 2021/22 as detailed in Appendix A, section 9;
- **Approval** of the revised Medium-Term Financial Plan(2021/22 to 2024/25) as detailed in Appendix A, including the revised Capital Programme (attached at Annex A);
- **Approval** of the Capital Strategy 2021/22 as set out in Appendix B;
- **Approval** of the proposed Fees and Charges for 2021/22 as detailed in Appendix C;
- **Approval** of the proposed Procurement Forward Plan for 2021/22, providing the authority to procure based on procurement activity detailed in Appendix D;
- **Approval** of a Band D Council Tax of £52.92 for Leek and £10.64 for Biddulph for 2021/22 (no increase from 2020/21) in respect of Special District Expenses;
- **Note** the Chief Finance Officer's view that the level of reserves were adequate for the Council based on this budget and the circumstances in place at the time of preparing it (Appendix A, Annex D).

### 8 DISABLED FACILITIES GRANT UPDATE - INCLUDING PROPOSALS FOR THE EXPANSION OF THE GRANT OFFER

Alicia Patterson – Head of Environmental Health – introduced members to the proposals for the expansion of the Council's current Disabled Facilities Grant (DFG) offer as part of the wider review of the Council's Housing Renewal Assistance Policy. Appended to the report were:-

1. The Adapted Home Grant;
2. The Relocation Grant;
3. The Adaptation Grant;
4. The Community Adaptation Grant; and
5. 2020/21 Quarter 3 DFG Report for Millbrook Healthcare.

Portfolio Holder for Communities – Cllr. Mike Bowen – thanked the team of officers who had contributed to the formation of the report and confirmed that the proposal was established in October 2018. A DFG officer had now been appointed with the key objective of getting the available money spent where appropriate.

Mike Towers – Senior Officer, Housing, Public Health & :Licensing – advised that the proposals were intended to deal with a number of existing issues. The Council's high 'Drop-out' rate for applications was attributable to finance, for which the Adapted Home Grant would assist. Occupational Therapy would have a wider remit and assessments would take into account heating systems, windows, wiring, toilets, loft and cavity insulation etc with a view to linking up to other types of available grants. Mike confirmed that the DFG for the last 3 years had been £1.2million and a slight increase was anticipated for 2021/22.

Members raised the following queries (*Responses in brackets*):-

- Could the Millbrook Healthcare representatives come to the next meeting of the Panel to answer member queries? (*Yes.*)
- Problems were experienced with contractors 'subbing out' work, resulting in delays. (*That contractor was no longer used. Where problems occur, every effort was made to rectify them.*)

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- Where an assessment established that there were a number of items, such as a stair lift AND walk-in shower required, taking the total over the £5,000 limit, could this be accommodated? *(Yes, There were a suite of measures available to enable the Council to accommodate multi jobs.)*
- Difficulties had been experienced with cross-border (County) issues. *(We needed to be clearer with the Hospital about this and the new Disability Officer would help in this regard.)*

**RESOLVED** – That the Panel **RECOMMENDED THAT CABINET APPROVED** the revised Grant criteria for inclusion in the Council’s Housing Renewal Assistance Policy.

### 9 WORK PROGRAMME

Councillor Yates that the Empty Housing Strategy be brought in from the ‘outstanding items’ section of the Work Programme.

**DECIDED** – That the Work Programme for the remainder of 2020/21 be **AGREED**, subject to the inclusion of the above for a future meeting.

### 10 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.

### 11 EXEMPT MINUTES OF THE PREVIOUS MEETING

**RESOLVED** – That the exempt minutes of the Resources Overview & Scrutiny Panel held on 25 November 2020 be **APPROVED** as a correct record and signed by the Chair.

The meeting closed at 12.05 pm

\_\_\_\_\_ Chairman \_\_\_\_\_ Date