

STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

RESOURCES OVERVIEW & SCRUTINY PANEL MEETING

Minutes

WEDNESDAY, 20 JULY 2022

PRESENT: Councillors J Aberley, C Atkins, M Bowen, E Fallows, M Gledhill, T Hall, A Hart, T Holmes, K J Jackson, L A Malyon, T Riley, P Roberts and N Yates

IN ATTENDANCE: S Hampton Democratic Services Officer
P Trafford Member & Community Services Officer
T Cooper Head of Organisational Development and Transformation
M Owen Executive Director (Finance and Customer Services)
S Robinson Principal Finance Officer (Financial Reporting)

APOLOGIES: Councillors G Heath, N Hawkins, P Routledge and P Wilkinson

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

There were no substitute members.

60 **MINUTES OF THE PREVIOUS MEETING**

RESOLVED – That the minutes of the meeting of the Resources Overview & Scrutiny Panel held on 23 March 2022 be **APPROVED** as a correct record and signed by the Chair.

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

There were no urgent items.

62 **DECLARATION OF INTERESTS:**

There were no interests declared.

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

Question received from Councillor Malyon:-

How much has it cost to run Moorlands House during the last three years, with hardly anyone in the building yet all lights and heating still used?

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Response from Councillors Aberley and Worthington, Portfolio Holders for Customer Services and Finance respectively:-

“The costs of electricity and gas had fallen since 19/20 pre-covid but, perhaps more significantly, the costs of cleaning and caretaking as well as repairs and maintenance were lower due to fewer staff in the building. Clearly, there was always a base cost as there had been skeleton staff in the building and it was necessary to still have heat and light to ensure continuity of services, not just for us, but for our partners; the NHS, Staffordshire County Council, Your Housing and Leek CAB. Income levels had remained steady apart from “Room Hire”, which was suspended when we had to shut the buildings to the public. Significant savings from Cleaning and Caretaking were developed through not replacing some staff that left and/or retired during the last few years. It had not been necessary to replace them with fewer staff in the building.

Operating Costs Moorlands House	21/22	20/21	19/20
Electricity	£45,504	£44,846	£53,533
Gas	£19,324	£20,798	£30,295
Water	£28,859	£33,812	£31,472
B/ness Rates (NNDR)	£90,624	£90,624	£89,208
Cleaning & Caretaking	£144,706	£199,408	£241,287
Repairs and Main	£51,392	£61,444	£71,246
Misc	£8,103	£10,023	£14,682
TOTAL	£388,512	£460,955	£531,723
Room Hire	-£260	-£264	-£4,010
Rents & SC income	-£194,984	-£194,894	-£192,691
Prov for Bad Dt	-£577	£0	£0
TOTAL	-£195,821	-£195,158	-£196,701
NET COSTS	£192,691	£265,797	£335,022

By way of supplementary questions, Councillor Malyon asked:-

- Unused rooms were often lit and heated; and
- Meeting / Function rooms needed to be used more by external people to generate more income.

With the advent of ‘Agile working’, the likelihood was that there would be fewer staff present. The Council may need to consolidate into a smaller space, bringing into question what was to happen with the building. Conversations were ongoing in this vein. It was a priority to return the reception to full-time opening rather than until 1pm each day. Though there was an acknowledged difficulty in recruiting staff which was preventing that.

A suggestion was made for an informal short-phased ‘Task and Finish’ Working Group to be formed to have a broad-based membership.

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4TH QUARTER FINANCIAL, PROCUREMENT & PERFORMANCE REVIEW 2021/22

The report provided members with the Council's overall Performance, Financial and Procurement position at the end of the 4th Quarter 2021/22 (31 March 2022) with headlines as follows:-

Subject	Headline	Reference
Finance	<p>The Finance headlines were:</p> <p><i>Performance against Budget</i></p> <ul style="list-style-type: none"> The General Fund projected outturn for 2021/22 was an underspend of £2,448,213. <p><i>Efficiency Programme</i></p> <ul style="list-style-type: none"> £696,520 in savings had been taken against the 2021/22 general fund efficiency target of £830,430 – a shortfall of £133,910 in the year. <p><i>Capital Programme</i></p> <ul style="list-style-type: none"> The revised Capital Programme budget for 2021/22 was £13.96 million including the carry forward of capital underspends from 2021/21. The provisional outturn for the year was £13.05 million; an underspend of £0.91 million. <p><i>Treasury Management</i></p> <ul style="list-style-type: none"> Cash investments totalled £27.3 million; Council borrowing totalled £12.6 million; The Council's net income receipts for the year exceeded the budget by £4,002. <p><i>Revenue Collection</i></p> <ul style="list-style-type: none"> 98.46% of Council Tax was collected compared to 98.17% for the same period last year; 99.01% of Business Rates was collected compared to 97.35% for the same period last year; Debt that was over 60 days old was £15,962 which compared with £65,090 at 31 March 2021. 	Appendix A
Procurement	<p>The Procurement headlines were:</p> <ul style="list-style-type: none"> 12 procurement activities were completed; The Procurement Forward Plan included 41 procurement activities for completion in 2021/22 (either SMDC only or joint); 52% of procurement activity undertaken was on the forward plan. 	Appendix B
Performance	<p>The Performance headlines were:</p> <ul style="list-style-type: none"> 68% of the key performance indicators met; The Council received 61 complaints, 200 comments and 42 compliments; Priority Actions – 12 green, 7 amber and 6 grey. 	Appendix C

Executive Director (Finance & Customer Services) – Martin Owen – noted that a new reserve of £600,000 had been created for the Levelling-Up Fund, with 2 bids (Cheadle and Leek) being submitted with a requirement for 10% match-funding that this formed a part of. However, the intention was to submit an application for funding to Sport England for the Cheadle Leisure Centre that would mitigate / replace the use of reserves.

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Member enquiries were *(responses in brackets):-*

- £153,000 for Climate Change projects – no breakdown or measurable projects known? *(Will provide the information.)*
- Disabled Facilities Grants:-
 - Accumulated underspends over recent years despite an ageing population and increasing demand? *(Much improved processing since the appointment of the new Officer).*
 - Poor attitude and competence of contractors? *(Acknowledged the feedback and being addressed).*
 - Campaign needed to publicise availability of grants? *(Working with CAB and keen to create as many channels as possible, including posters on Town & Parish Council Noticeboards, Doctors' Surgeries etc).*
 - Possibly lower the criteria for 'self-builds as the requirements put some people off? *(Will look at the criteria).*
 - Any likely hiatus during the transfer from the previous contractor to Norse? *(Lots of work being done to avoid any delays / missed jobs).*
- £182,000 underspend on Horticulture yet Brough Park Bowling Green in a disgraceful condition. More toilet facilities needed at Brough Park as the weekend closing time at the Leisure Centre was 4pm? *(The Portfolio Holder for Leisure & Sport was currently looking at this – information to follow).*
- Benefits claims – any assistance for claimants? *(Assistance available by telephone or in person. Also via CAB).*
- Did underspends go back into the 'Coffers'? *(Underspends stayed in the General Reserves).*
- No Levelling-Up Fund (LUF) bid submitted for Biddulph. As a consequence there was a clear consensus that the Shared Prosperity Fund would be primarily earmarked for Biddulph. As such, Biddulph Town Council in conjunction with the Regeneration Team were currently working up a bid. *(Biddulph was still benefitting from its leisure facility whilst not a part of the current LUF application. As a Council the wish was to 'level up' the benefits of funding across the whole area where possible. To this end, the Council would pursue funding opportunities where it could. It was accepted at a recent CIPFA conference that there were too many funds to bid for, the number would be reduced. LUF announcements were due in October 2022. The SMDC bids were made up as follows:-
Overall value - £42.6 million
LUF Bid - £37.1 million
To find - £5.5 million (£600,000 from reserves, £300,000 from a partner and £4.6 million in borrowing).
The Benefit Cost Ratios (BCR) were – Cheadle bid 2.9, Leek bid 2+.
It was confirmed that the initial offer did not have to be accepted if it was too low and the Council could afford to accept slightly less).*
- CCTV – How many operational cameras were there currently? *(Information to follow, though not the locations. The Council was working hard to secure what the Contract required. Protracted difficulties were being experienced with the Contractor).*

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RESOLVED –

1. To **NOTE** the Fourth Quarter 2021/22 financial, procurement and performance position as detailed in Appendices A, B and C to the report;
2. To **RECOMMEND FOR APPROVAL** the allocation of the surplus on the General Fund Revenue Account to reserves as detailed in Appendix A;
3. To **RECOMMEND FOR APPROVAL** the proposal to carry forward unspent revenue budget as detailed in Appendix A;
4. To **RECOMMEND FOR APPROVAL** the proposals to carry forward unspent capital budget as detailed in Appendix A.

65 **WORK PROGRAMME**

Item to be added – Short-Term Working Group – ‘Utilisation, Opportunities and Cost Savings regarding the use of Moorlands House’.

The Chair noted that a large number of items had no date allocated to them.

RESOLVED – That, with the addition of the above item, the Work Programme for the remainder of 2022/23 be **APPROVED**.

The meeting closed at 11.10 am

_____Chairman_____Date