

MINUTES OF: OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting: 6th February 2023

Present: Councillor M.Smith (Chair)
Councillors Cheetham (sub), McMahon, Marriott, Morris, Rooke, Procter and Thompson

In attendance: Adam Allen, Acting Chief Executive
David Smurthwaite, Director of Economic Development
Karen Spencer, Chief Finance Officer
Clare Law, Head of People and Policy
Anne Storah, Principal Planner- Forward Planning
Carolyn Sharples, Committee and Member Services Manager

Also Present: Councillors Kenyon and Walmsley
Kimberly Haworth, Accountant
1 member of the public

1. Apologies for Absence

Apologies for absence were submitted from Councillor Coogan, Foxcroft (Councillor Cheetham subbing).

2. Minutes

Resolved:

That the minutes of the meeting on 16th January 2023 be approved as a correct record.

3. Declarations of Interest

Councillors Cheetham, McMahon, Procter and Smith declared membership of the Credit Union.

4. Urgent Items of Business

There were no urgent items of business.

5. Question Time

There were no public questions.

6. Chair's Update

6.1 In relation to a query raised at a previous meeting, information was circulated to members in advance which included the following update:

When the Authority Monitoring Report was presented in November, it was agreed that officers would request an update from Historic England about Rawtenstall's reference on the Heritage at Risk register. Given that there had been improvements in both of Rawtenstall and Bacup Conservation Areas, and the addition of the Haslingden Conservation Area, the Planning Manager would be instructing the Council's consultants, Growth Lancashire, to provide Historic England with an update on the status of these. This would be recorded in the next Authority Monitoring Report if the information was available at that time from Historic England.

- 6.2 Briefing notes had been circulated prior to the meeting to keep members informed of the work of Citizens Advice Rossendale and Hyndburn, the First Choice Credit Union and also the Bacup Credit Union. The committee noted the updates.

ORDINARY BUSINESS

7. 2023/24 Council Budget and Medium Term Financial Strategy

- 7.1 The committee considered the 2023/24 Council Budget and Medium Term Financial Strategy report, which was presented by the Chief Finance Officer.

- 7.2 In response to members' questions the following clarification was given:

- It was hard to predict what would happen in relation to business rate revaluations. The calculations had been done and some businesses would receive additional reliefs.
- Although the Council would collect c£41m in Council Tax, the Council only kept a small proportion.
- There were difficult decisions to be made to be able to recover costs, this included fees and charges.
- Most contracts were rising by 10% and the Council had looked at benchmarking data when setting fees and charges, as well as cost recovery.
- The Council has a duty to set a balanced budget and in some instances costs had gone up by over 20%, which needed to be recovered where possible.
- Wages in 2022/23 had risen by 10.5% at the lower paid end, to 1.7% for Chief Executives.
- Costs had increased for burials from outside the area as there was a shortage of burial spaces. Even with the charges proposed for burials, costs would still not be recovered or break even.
- By 2025/26 the Council would struggle to set a balanced budget, and if this occurred the legal process would be to issue a section 114 notice.
- If a section 114 notice was issued the government would step in and tell the Council what to do. This usually involved selling off assets and delivering statutory services only.
- The Council was in a different position last year estimating a deficit of £56k in 2022/23 increasing to £600k for 2023/24, but no grant income had been factored in.
- Easily achievable savings had already been made and work was going on behind the scenes to identify other savings. Anything identified that was achievable would be brought to members attention.
- It was proposed that partner grants would be reduced for Credit Unions and Citizens Advice, and also for community events. These were being consulted on.
- Leisure was a big risk and Rossendale Leisure Trust (RLT) had been hit with the same inflation rises for utilities and wages. Their wages were linked to the living wage and in 2023/24 these would rise by c10%. Officers were working closely and meeting regularly with RLT to look at minimising spend.
- RLT cash flow provided more of a risk and they were included in the budget as a debtor.
- In the budget there was nowhere from which to replenish reserves and unless circumstances changed they would not be replenished in the near future.

Whilst understanding the need to create a balanced budget it was noted that Councillor McMahon and Morris were not comfortable with the proposed increases in Council Tax.

Finance officers were thanked for putting together the report, which was well laid out and with easy to understand fees and charges.

A recommendation was proposed by Councillor Thompson and seconded by Councillor Morris as follows:

Given the significant and precarious position of the Council's current financial position, we request that the Portfolio Holder for Resources attends every Overview and Scrutiny Meeting going forward as a standing item to talk to the committee about the actions being taken to reduce the financial risk of the Council in the Medium Term Financial Strategy.

The recommendation was discussed and the following points noted:

- It was clarified that financial reporting was already in place through quarterly reports to Cabinet as well as reports to the Audit and Accounts Committee.
- The possibility of having a deep dive into the finances.
- Work would be duplicated with Cabinet.
- Responsibilities had previously been moved from Overview and Scrutiny to the Audit and Accounts Committee to undertake this function and were better placed to scrutinise the finances.
- If there was a specific reason and area identified for a deep dive, it would be welcomed.
- Happy for the reports to continue to go quarterly to Cabinet. Historically reports had been monthly, but had been reduced to quarterly owing to previous staffing cuts.
- Financial performance was also in the Corporate Risk Register which noted the contents of the Medium Term Financial Strategy and already came to the Overview and Scrutiny Committee quarterly.

The Chief Finance Officer informed that it might be difficult to bring anything meaningful at every meeting. The timing of the quarterly reports were already a tight squeeze for going to Cabinet and there might not be anything to add at every meeting.

A vote was requested on the above recommendation, which was not carried.

The committee voted on the recommendations of the report.

Resolved:

The Overview and Scrutiny Committee considered the recommendations of the report and made the following recommendations to Cabinet:

To recommend Council to approve:

1. The proposed revenue budget for 2023/24 of £10.256m, as detailed in the report.
2. The proposed increase of 2.99% to the council tax rate for a Band D property for 2023/24, increasing from £290.80 to £299.49, an increase of £8.69 pa.
3. The proposed use of £756k from the Transitional reserve to support the 2023/24 revenue budget.
4. The proposed fees and charges attached as Appendix 1.

8. Capital Strategy 2022/23 - 2026/27 and Capital Programme 2023/24

8.1 The committee considered the Capital Strategy 2022/23 - 2026/27 and Capital Programme 2023/24, which was presented by the Chief Finance Officer.

8.2 In response to members' questions the following clarification was given:

- Funds for Disabled Facilities Grants had been rolled over and the Council was looking at ways to be more flexible in undertaking improvements.
- The recruitment and retention of Occupations Therapists had been an issue.

- The balance in relation to borrowing was covered in the Treasury Management report.
- A full business case was produced for each project and would only make it as far as members if it was feasible.

Resolved:

The Overview and Scrutiny Committee considered the recommendations of the report and made the following recommendations to Cabinet:

To recommend Council to approve:

1. The capital programme for 2023/24 – 2026/27 which includes capital expenditure of £5.963m in 2023/24.
2. The Capital Strategy 2023/24 attached at Appendix B.

9. Re-use and Re-development of Employment Land SPD

9.1 The committee considered the Re-use and Re-development of Employment Land Supplementary Planning Document, which was presented by the Principal Planner-Forward Planning.

9.2 In response to members' questions the following clarification was given:

- The consultation was regarding the criteria in the policy around retaining employment land.
- Land designated B2 and B8 planning use classes is industrial or storage and distribution land and did not include shops or pubs.
- One of the aims was to protect existing jobs and look for other suitable occupier e.g. another business.
- It elaborated on the Local Plan Policy EMP3 which sets out the criteria about what information needed to be produced by developers.
- The consultation would commence later this week, hopefully on Wednesday until the 8th March and run for 4 weeks, after which the consultation comments would be assessed. It was expected the final document would go to Cabinet later in the year.
- In relation to job density, planning was a key factor, but there was also a need to consider the Economic Development Strategy and the growth corridor.
- There was a need to identify sites and get businesses involved and also to protect land, so it was a multi-pronged approach to increase job density.

Minor amendments were suggested to the draft SPD at 3.6 to amend the wording to Greater Manchester and to amend the numbering at section 3 on page 5.

Resolved:

1. Overview and Scrutiny reviewed and provided comments on the Re-use and Re-development of Employment Land Supplementary Planning Document (SPD) and agreed statutory consultation be undertaken for 4-weeks prior to approval and adoption by Cabinet.
2. Minor amendments to the Draft SPD to be delegated to the Head of Planning and Lead Member prior to the public consultation exercise commencing, including the minor amendments suggested by the committee.

10. Quarter 3 Performance Management Report (October, November & December) 2022/23

10.1 The committee considered the Quarter 3 performance report, which was presented by the Head of People and Policy.

- 10.2 In response to members' questions the following clarification was given:
- It was clarified that there was a standing item on the financial sustainability of the Council, which came each time as part of the quarterly report.
 - If staff went off sick with stress or anxiety, managers would arrange to meet as soon as possible to offer support.
 - Return to work measures could be put in place such as phased returns.
 - In relation to dog fouling a tender went out in October/November and District Enforcement were appointed as there would be no cost to the Council.
 - They had been focussing more on dog fouling and education in schools, but a balance of activities was needed to make the contract financially viable.
 - Work was being undertaken with staff in relation to complaints and providing complaint responses within a timely manner. Customer Service training had already been delivered and would be refreshed this year.
 - In relation to assisted bins, the in-cab technology and checklists were being considered to ensure assisted collections were not missed when agency staff were covering.
 - Before Christmas recycling campaigns had been done as well as pilots in certain areas and a short film had also been done to get recycling messages out.
 - The new Head of Operations, Andy Taylor, would commence 1st March 2023.

Thanks was given to the refuse collectors who had worked hard during the bad weather conditions to deliver the service and to provide staff cover elsewhere.

The Acting Chief Executive agreed to provide a breakdown of the 117 fixed penalty notices for environmental crime detailed in the Key Performance Indicators.

Resolved:

Overview and Scrutiny Committee considered and noted the performance of the council as detailed in the report.

11. The Forward Plan

- 11.1 Members were updated on the Forward Plan and Overview and Scrutiny Work Programme for March.

Resolved:

The Forward Plan and Overview and Scrutiny Work Programme items were noted.

(The meeting commenced at 6.30pm and concluded at 8.45pm)

Signed.....

(Chair)

Date