

MINUTES of a meeting of the CORPORATE SCRUTINY COMMITTEE held in the Remote Meeting using Microsoft Teams on WEDNESDAY, 6 JANUARY 2021

Present: Councillor R Boam (Chairman)

Councillors D Bigby (Substitute for Councillor R Johnson), A J Bridgen, G Hoult, J Hoult, S Sheahan, N Smith and M B Wyatt

Portfolio Holders: Councillors R D Bayliss and N J Rushton

Officers: Mr A Barton, Mrs T Bingham, Mr T Delaney, M D'Oyly-Watkins, Mr C Lambert, Mrs R Wallace and Miss E Warhurst

#### **17. APOLOGIES FOR ABSENCE**

Apologies were received from Councillors E Allman, R Johnson and D Tebbutt.

#### **18. DECLARATION OF INTERESTS**

Councillor S Sheahan declared a non-pecuniary interest in item 7 – Draft General Fund and Special Expenses Revenue Budget with regard to any reference to HS2 due to the location of his home in relation to the route. If any verbal reference was made to it in the meeting, he would declare a pecuniary interest and leave the meeting.

#### **19. PUBLIC QUESTION AND ANSWER SESSION**

None

#### **20. MINUTES**

Consideration was given to the minutes of the meeting held on 11 November 2020.

It was moved by Councillor N Smith, seconded by Councillor J Hoult and by affirmation of the meeting it was

RESOLVED THAT:

The minutes of the meeting held on 11 November 2020 be approved as a correct record.

#### **21. ITEMS FOR INCLUSION IN THE FUTURE WORK PROGRAMME**

The Chairman referred Members to the Committees Work Programme and the Cabinet's Executive Decision Notice.

A request was made for an item in relation to the Future High Street Fund including a review, as well as reasons the bid was unsuccessful. Members were informed that this was in progress and would be taken to the Community Scrutiny Committee. On the conclusion of a discussion, a Member requested that officers considered carefully which Committee the matter would be taken to, especially as the work programme for the Corporate Scrutiny Committee was lighter.

By affirmation of the meeting it was

RESOLVED THAT:

- a) The future work programme be received and noted.

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- b) An item regarding the Future High Street Fund be added to the most appropriate Scrutiny Committee Work Programme.

## 22. CORPORATE DISPOSAL POLICY

The Head of Housing presented the report to Members.

Councillor R D Bayliss, as Housing and Customer Services Portfolio Holder, spoke in support of the report.

During discussion a concern was raised that the previous policy document was not available for comparison purposes and therefore a request for deferral was made to allow Members to review both documents simultaneously. The Strategic Director assured Members that this document now reflected the many changes to the constitution that had occurred since the policy was last reviewed, and included everything from the previous policy, plus improvements. He explained that it would not have been constructive to show comparison documents as the policy had been totally revised, he therefore advised Members against deferral.

A further debate was held on the suggested deferral of the item and by a majority, it was concluded that the item would remain on the agenda.

During discussion, the following comments were made by Members:

Concerns were raised regarding the focus of the policy to gain income. It was felt that as a public body the primary focus of the Council was not to make money but to serve the community.

Concerns were raised in relation to the disposals of community assets and HRA assets as it was felt that the criteria listed was not strict enough. It meant that practically anything could be sold for any reason and this would not be beneficial to the communities.

A comment was raised that paragraph 2.10 of the policy should be reconsidered as it was the opinion that it did not make clear how to identify surplus or under used land/property assets.

The Corporate Portfolio Holder took on board the comments made but overall felt that the policy was sound and would be reporting as such to Cabinet.

In response to the comments made, the Head of Housing explained that this policy would be considered alongside the Disposals Policy, particularly when considering the assets of community value. In relation to the criteria within the policy, Members were informed that this was felt the most flexible approach for the Council, the majority of which were brought forward from the previous policy.

In response to further questions, the Head of Housing explained that there were several source documents used to form the structure of the policy, but it was a document in its own right which had evolved over some time. Also, the thresholds for disposals had been amended to align with the constitution, this could be revisited in the future but would involve a subsequent process as part of a constitutional review. Finally, the policy did not include a reference to the external valuer as commercial and third-party valuers were now used, these are totally independent from the in-house team.

The Chairman thanked Members for their input and confirmed all comments would be provided to Cabinet when considering the report.

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## 23. DRAFT GENERAL FUND AND SPECIAL EXPENSES REVENUE BUDGET

The Head of Finance presented the balanced budget proposals. She updated Members that further to the publication of the report additional funding had been announced via the draft local government finance settlement, early calculations expected the amount to be in the region of £700,000, which was very positive news for the authority.

Councillor N J Rushton, as Corporate Portfolio Holder, spoke in support of the report. He commented on the difficulties presented to the authority this year with running the budget and thanked the Head of Finance and her team for all the work undertaken, especially with the management of the grants given in response to the Covid-19 measures.

Councillor M B Wyatt made the following comments:

- The proposed additional funds for air quality monitoring was welcomed.
- Concerns were raised regarding the proposed increase in council tax for the Coalville special expense area, which equated to approximately eight percent. Councillor M B Wyatt was disappointed that more detail was not included and that nothing had been presented to the Coalville Special Expenses Working Party. It was explained that parish precepts increased across the district at varying levels and in monetary terms it was usually less than what it seemed in the percentage. It was agreed that more detail would be made available to Cllr Wyatt outside of the meeting for the proposed increase.

The following responses were given to questions from Councillor S Sheahan:

- A breakdown of the additional recharges to the Housing Revenue Account and Special Expenses to generate a saving to the General Fund of £78,000, to be provided outside of the meeting.
- Further information as to the reason for the proposed budget increase for the Pest Control Service be provided outside of the meeting.
- The assumption had been made that the £15,000 allocation for fly tipping surveillance cameras was ongoing, the Head of Finance would go back to the service area to confirm if it should be a one-off allocation only.

The following responses were given to questions from Councillor D Bigby:

- In relation to the reduction in car park income as detailed at table 1.15 of the appendix, it was agreed for further explanation to be provided by the service area outside of the meeting.
- In relation to the pay award freeze for staff, it was explained that it was a national policy position and that North West Leicestershire District Council were part of collective negotiations nationally on the matter. It was not a political decision taken locally.
- It was confirmed that the unspent balance of the climate emergency funding one-off allocation intended to be spent in the current financial year, would be carried forward to the next financial year. Funds so far had been spent on staffing and developing the working budget.
- The Head of Finance was confident that the Journey to Self Sufficiency proposals were achievable due to the good position of the Medium-Term Financial Strategy outlook. If

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a change was announced to the New Homes Bonus, then adjustments might have to be made.

The Chairman referred to the great work being undertaken by the volunteer litter collecting groups in the rural areas of the District, one of which calls themselves 'The Litter Wombles'. He asked if Cabinet would consider providing some paid support for these groups as it would have a positive impact on the communities. The Corporate Portfolio Holder concurred with the Chairman and felt that some part-time support would really make a difference in the rural communities. He was happy to take the suggestion to Cabinet when it considered the budget proposals.

It was moved by Councillor J Hoult, seconded by Councillor G Hoult and by affirmation of the meeting it was

RESOLVED THAT:

Comments made by the Committee be provided to Cabinet when it considers the report at its meeting on 2 February 2021.

Councillor M B Wyatt left the meeting during the discussion of the item.

Councillor N Smith left the meeting at the conclusion of the item.

## **24. HOUSING REVENUE ACCOUNT (HRA) BUDGET PROPOSALS**

The Strategic Finance Manager presented the report to Members.

Councillor N J Rushton, as Corporate Portfolio Holder, spoke in support of the report.

Councillor D Bigby expressed concerns for the proposed increase of rents for tenants but reduction in the repairs budget. Although the report explained that the proposed reduction was due to lack of demand, he felt it was more likely because of the current Covid-19 climate and the issues in accessing properties. The Strategic Finance Manager reported that the reduction in the repairs budget was in response to a lower expenditure over several years due to fewer routine repairs because of the amount of work being completed under the decent homes programme. The Head of Housing informed Members that all tenants had been contacted to inquire if they had repairs that had not been reported due to the Covid-19 climate but would need completing next year. The result was a very small number of repairs. He went on to assure Members that the repairs budget proposals had been through rigorous consideration and was a reflection on the changes to the housing stock.

In response to a further comment from Councillor D Bigby, the Head of Housing assured Members that it was categorically not the policy of the Council to refuse repairs due to lack of budget, if a repair was needed in a property it would definitely be undertaken.

In response to a question regarding the lack of painting programme proposals, the Head of Housing acknowledged that there was painting required for several properties but the decision was taken to not use the funds in this financial year, however, the budget would be available for the programme in the 2022/23 financial year.

It was moved by Councillor G Hoult, seconded by Councillor J Hoult and by affirmation of the meeting it was

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RESOLVED THAT:

Comments made by the Committee be provided to Cabinet when it considers the report at its meeting on 2 February 2021.

## **25. 2021/22 - 2025/26 DRAFT CAPITAL PROGRAMMES**

The Head of Finance presented the report to Members. She drew attention to two amendments required at appendix b in relation to off street parking prior to consideration by Cabinet. The first is the current budget figure in which should state £628,00 and secondly, officers would be looking further into the unspent budget provision to be carried forward into future financial years.

Councillor N J Rushton, as Corporate Portfolio Holder, spoke in support of the report. He added that the capital programmes were something to be proud of and were only achievable due to the Council's aspirations.

A discussion was had regarding the acquisition of sites in accordance with the new housing supply section as detailed in the table at appendix b. Councillor S Sheahan asked for further clarification on the imbalances in relation to the acquisitions of sites and units. As a result, the Head of Housing agreed to provide a further report to the Committee detailing the different funding streams and acquisitions being used to improve the housing stock. He also agreed to provide a summary of the current cost of acquiring properties in the various ways in comparison to building them to Councillor S Sheahan prior to consideration of the item by Cabinet.

In response to a question from Councillor S Sheahan, the Head of Housing explained that due to the slow movement of the off street parking schemes in the district, the budget has been realigned and Members were assured that the funds allocated would not be lost but carried forward to the next financial year.

The Head of Finance also assured Members that each underspend would be individually assessed to ensure it could be delivered. She added that in some cases, schemes might not have a carry forward in one financial year but over five years. In response to a question from Councillor D Bigby, the Head of Finance confirmed that the funds allocated for electric charging points would be carried forward.

The following responses were given to questions from Councillor D Bigby:

- In relation to the failure of the Future High Street Fund Bid, the Corporate Portfolio Holder confirmed that he was still committed to the regeneration of Coalville and the funds allocated for this would remain.
- The Corporate Portfolio Holder confirmed that he remained committed to reducing the Council's carbon footprint and agreed that greener options should be considered as part of the fleet replacement programme. However, he highlighted that the current vehicles available were not suitable for several reasons. The Head of Housing concurred that there were challenges with electric fleet vehicles such as range time and load capacity which made it difficult to have a fully electric fleet, but technology was moving very quickly which helped.
- The Corporate Portfolio Holder confirmed that the current plan was to pay the HRA debt off as scheduled but this was always subject to change.
- In relation to the Green Homes Grant Scheme, the Head of Housing confirmed that the bid was submitted prior to Christmas and a response was expected by the end of

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January. He explained that the decision was taken to submit a lower bid based on solid and reliable data to increase the success rate, there would be more opportunities to bid for further funding going forward.

- In relation to the wider green homes work, the Head of Housing reported that it was due to be completed by the target date and would form part of the new Asset Management Strategy being considered by Scrutiny later in the year.

It was moved by Councillor J Hoult, seconded by Councillor G Hoult and by affirmation of the meeting it was

RESOLVED THAT:

Comments made by the Committee be provided to Cabinet when it considers the report at its meeting on 2 February 2021.

## **26. 2021/22 CAPITAL STRATEGY**

The Head of Finance presented the report to Members.

Councillor N J Rushton, as Corporate Portfolio Holder, spoke in support of the report.

In response to a question from Councillor D Bigby, the Strategic Finance Manager stated that there were currently 217 council homes forecasted to be sold under the Right to Buy Scheme over the next five years.

In response to a question in relation to Right to Buy Capital Receipts from Councillor D Bigby, the Head of Finance explained that due to the current Covid-19 climate, dispensations had been granted by national government to provide more time to spend them. The Strategic Finance Manger also informed Members that the Capital Receipts were continuously monitored to ensure the money was not lost. The Head of Housing added that several properties have been acquired in the last few years using capital receipts.

It was moved by Councillor J Hoult, seconded by Councillor G Hoult and by affirmation of the meeting it was

RESOLVED THAT:

Comments made by the Committee be provided to Cabinet when it considers the report at its meeting on 2 February 2021.

## **27. DRAFT INVESTMENT STRATEGY - SERVICE AND COMMERCIAL 2021/22**

The Head of Finance Presented the report to Members.

Councillor N J Rushton, as Corporate Portfolio Holder, spoke in support of the report.

It was moved by Councillor G Hoult, seconded by Councillor J Hoult and by affirmation of the meeting it was

RESOLVED THAT:

Comments made by the Committee be provided to Cabinet when it considers the report at its meeting on 2 February 2021.

**28. TREASURY MANAGEMENT STRATEGY STATEMENT 2021/22-2023/24**

The Head of Finance presented the report to Members.

Councillor N J Rushton, as Corporate Portfolio Holder, spoke in support of the report and thanked the Finance Team for the hard work undertaken.

It was moved by Councillor S Sheahan, seconded by Councillor D Bigby and by affirmation of the meeting it was

RESOLVED THAT:

Comments made by the Committee be provided to Cabinet when it considers the report at its meeting on 2 February 2021.

Councillor M B Wyatt entered the meeting at 6.43pm and left the meeting at 7.21pm.

Councillor N Smith left the meeting at 7.52pm.

The meeting commenced at 6.30 pm

The Chairman closed the meeting at 9.05 pm

Chairman's signature