

MINUTES of a meeting of the CORPORATE SCRUTINY COMMITTEE held in the Council Chamber, Council Offices, Coalville on WEDNESDAY, 8 DECEMBER 2021

Present: Councillor

Councillors E G C Allman, D Bigby, A J Bridgen, G Hault, A C Saffell, S Sheahan, M B Wyatt, J Bridges (Substitute for Councillor R Boam), V Richichi (Substitute for Councillor B Harrison-Rushton) and J G Simmons (Substitute for Councillor N Smith)

In Attendance: Councillors

Portfolio Holders: Councillors R D Bayliss and A C Woodman

Officers: Ms K Barnshaw, Mr A Barton, Mr D Bates, Mr C Colvin, M D'Oyly-Watkins, Mr C Elston, Mr C Lambert, Mr P Sanders, Mrs R Wallace, Miss E Warhurst and Mr P Wheatley

29. APPOINTMENT OF CHAIR

Members were informed of apologies received from both the Chair and Deputy Chair of the Committee and were therefore asked for nominations for a Chair for the remainder of the meeting.

It was moved by Councillor A Bridgen, seconded by Councillor V Richichi and

RESOLVED THAT:

Councillor J Bridges take the Chair for the remainder of the meeting.

30. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors R Boam, Harrison-Rushton and N Smith.

It was noted that Councillor N Smith was currently unwell, and the Committee joined the Chair in sending him their best wishes.

31. DECLARATION OF INTERESTS

Following advice from the Monitoring Officer, Councillor S Sheahan declared an interest in item 6 – Draft Budget Proposals and Council Tax 2021/22 as a property owner affected by the proposed HS2 route. If a discussion was had on this matter directly during the item, he would leave the meeting and not take part in the debate.

Following advice from the Monitoring Officer, Councillor M B Wyatt declared an interest in item 6 - Draft Budget Proposals and Council Tax 2021/22 as a business owner in Coalville Town Centre. If a discussion was had on this matter directly during the item, he would leave the meeting and not take part in the debate

32. PUBLIC QUESTION AND ANSWER SESSION

None

33. MINUTES

Consideration was given to the minutes of the meeting held on 10 November 2021.

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It was moved by Councillor G Hoult, seconded by Councillor A C Saffell and

RESOLVED THAT:

The minutes of the meeting held on 10 November 2021 be approved as a correct record.

34. ITEMS FOR INCLUSION IN THE FUTURE WORK PROGRAMME

Consideration was given to the inclusion of any items to the work programme. The plan of forthcoming Cabinet decisions and the current work programme were set out in the agenda for information.

A concern was raised on the earlier budget reporting timescales than in previous years considering the uncertainty of the funding position. The Head of Finance reported that although the funding for the general fund was uncertain at the time the report was published, the Local Government Finance Settlement was expected the following week and once received, all Members would receive a thorough briefing note.

35. DRAFT BUDGET PROPOSALS AND COUNCIL TAX 2022/23

The Head of Finance presented the report to Members outlining the draft budget proposals for the financial year 2022/23.

During the full discussion, several questions of clarity were sought and answered by the Head of Finance or appropriate Head of Service.

The following comments were made in relation to the draft General Fund Budget 2022/23:

In relation to the significant amount of funds held in the Journey to Self Sufficiency fund, as well as reserves, it was questioned if more should be being spent in the district. The Head of Finance agreed to pass this comment onto Cabinet.

It was confirmed that the additional cost reported for Customer services included the use of the business unit in Coaville town centre for the Customer Services Centre. A Member felt that they had been misinformed during conversations earlier in the year in relation to the budget available for the use of this business unit. The Chair noted the comment and asked officers to provide a response outside of the meeting.

The purchase of the Marlborough Square unit for renovation was noted, Members were pleased with the outcome as the unit was currently in a poor state and made the area look untidy.

It was asked if consideration had been given to increasing business rates or decreasing business rate relief due to the reduction in New Homes Bonus and other revenue income. The Head of Finance confirmed that business rates were set by central government and therefore as a local authority, there was no power to control it.

A discussion was had on the percentage of business rates retained by local authorities, and it was confirmed that it was unlikely to change from the current rate of 50 percent. It was noted that a small percentage of any growth was also retained. A Member raised concerns of the continuing use of the New Homes Bonus for the general fund due to the uncertainty of it.

A concern was raised about the ongoing financial impact of Covid-19 as it was hardly mentioned throughout the report, officers were asked if the proposals made any allowances for the future costs. The Head of Finance responded that funds had already

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been received to cover some of the costs and there would be a continued 71.5 percent compensation for loss of income, however there was no compensation for loss of leisure income. In response to a further question, it was confirmed that the budget shortfall was largely down to Covid-19 related losses and the Head of Finance was not currently aware of any other significant funding available, therefore the Council would need to bear these costs.

In response to a question about the additional costs under service development for the Coalville feasibility study, the Head of Community Services confirmed that it was a different piece of work to that done previously which was looking at how the decommissioned Hermitage Leisure Centre could be linked into the regeneration of the area. This was still very much a work in progress.

Several questions were raised in relation to the loss of roles within a number of teams as part of the proposed cost savings. The relevant Head of Service updated Members on the vacant roles and historical budgets no longer required.

At 7.17pm the discussion briefly referred to HS2, therefore Councillor S Sheahan declared a pecuniary interest and left the meeting. He returned at 7.20pm.

A Member referred to the recent confirmation that the HS2 route would be running through the district and it was noted that there was no beneficial element to that decision within the budget proposals. The Head of Planning and Regeneration reported that this was something being constantly monitored and even with the savings put forward within the proposals, he was confident that there would be adequate budget for the support required.

In response to a query about the lack of increase in fees and charges for planning applications, the Head of Planning and Regeneration explained that although there had been a rise in applications, it had been predicted that there would be a drop in income as in the previous year. As fee income was quite difficult to predict, the proposal was to keep the fees and charges at the current level. Officers noted the suggestion to consider the introduction of different levels of charges for commercial applications however they are in the main set nationally.

Reference was made to the proposal to stop offering free parking in Coalville Town Centre over the Christmas period, Members felt this would not be welcomed in the community.

A discussion was had on the proposed charge for additional garden waste bins and concern raised on the impact it could have on already high levels of fly tipping. The Head of Community Services reported that a charge for additional bins was not unusual, many local authorities had a similar scheme including our neighbouring authorities. Members were also informed that there was no evidence that charging for additional bins was linked to higher levels of fly tipping. It was noted that feedback from current additional bin owners was very positive. A suggestion was made to consider providing a second bin for free and charging for an optional third bin, officers were asked to undertake further research with residents. It was reported that best practice was shared regionally, and that the current offer of a free first bin was generous in comparison.

In response to a question in relation to the significant increase in the Human Resources budget, the Head of Finance explained that the Covid-19 funding received from central government was placed into this budget. It was agreed for a breakdown to be provided to Members outside of the meeting.

A discussion was had on the cost of finance which was predicted to increase significantly over the next three years, it was questioned if it was due to the borrowing already incurred or future activity. The Head of Finance explained that the cost had risen due to the new

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leisure centre and the support required for the service going forward. It was confirmed that future borrowing would be for the leisure service and other projects but there were caps in place. Members were reassured that currently most of the borrowing was internal so interest rates were minimal, but this could change in the future as capital reduced and therefore there may be a need to look at external sources.

The following comments were made in relation to the draft Housing Revenue Account Budget 2022/23:

A concern was raised on the maximum increase in rates at a time when people were already struggling. The Head of Housing explained that the rent increase was determined by a central government formula and calculation, therefore it was not a decision of our own. He added that the increase was necessary to allow for maintenance of the housing stock and the continuation of the home improvement scheme.

In response to a question, the Head of Housing confirmed that rents did routinely increase when a property became vacant as required under government regulations, however he would check if that also applied to tenancy transfers and confirm outside of the meeting.

A Member highlighted the proposed increase in service charges, and it was questioned if it was necessary. The Head of Housing confirmed that this was predominantly due to rising energy costs and it was felt that the 20 percent proposed was prudent. It was noted that officers were continuing to look at ways to reduce these costs but unfortunately the current rise in energy prices had affected everyone. The Portfolio Holder also spoke in support of the proposal.

The following comments were made in relation to the Capital Programmes 2022/21 – 2026/27:

A discussion was had on the key changes to the Housing Revenue Account Capital Programme, particularly the allocation of funds towards the zero-carbon programme and the reduction of the size of the new build and supply programme. Some Members were concerned that the Council would be unable to deliver the new build properties as promised due to this unnecessary trade off and questioned if there was another way to fund the zero-carbon programme. The Head of Housing stated that the provision was to fund works to reduce the carbon emissions from over 2,000 council homes and was a necessary part of the zero-carbon programme. It was also noted that grants were available which could pay for a third of the costs but could not be guaranteed at this stage. Members were assured that it would be monitored and any surplus funds from the estimated proposals would be reallocated. In relation to the concerns expressed, the Head of Housing was confident that the programmes could be delivered, officers were continuously looking at ways to replenish the housing stock and if other opportunities arose, then there was the option to borrow funds if necessary.

Reference was also made to the recent resolution by Cabinet to adopt the target of 1000 affordable homes over a five-year period, and concerns were raised that the reduction in capital budget would have an impact on this target. The Head of Housing was confident that the target could be achieved as the budget was available.

It was confirmed that the reduction in the capital programme due to the leisure centre was down to phasing issue rather than a saving as the contract was a fixed price and was due to be completed earlier than expected.

The Chair thanked Members for their contributions and confirmed that all comments would be presented to Cabinet when considering the budget proposals.

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36. CUSTOMER SERVICES STRATEGY

The Customer Services Lead presented the report to Members providing an overview of the proposed strategy.

A concern was raised about the proposed new way of working, particularly in relation to the relocation of the customer service centre into the town centre of Coalville. It was claimed that some local residents did not support the use of a business unit in the town centre for this purpose. An observation was also made on the use of the five priorities within the Council's Delivery Plan that were referred to within the document as it was felt by a Member that there was little evidence to support that these were being achieved.

Officers noted the comments and reminded members that Cabinet had already made the decision about the form and location of services, the report was related to the overall Customer Services Strategy and its delivery.

A comment was made that the strategy needed to be carefully considered to ensure it delivered what promised. It was agreed that putting the customers at the heart of the service was important, but it should be in conjunction with other priorities as it would not be achieved in isolation.

A suggestion was made to include further detail about how much more efficient the service would be with digitalisation as it was a huge move forward and therefore would be helpful to see the impact.

A discussion was had on the how the digitalisation of the service would affect the people in the district that are unable to access services, some concerns were expressed that these people would be left behind. Members were reassured that the strategy did recognise that there would always be customers who would require face to face or telephone support and this service would continue to be available. Members were reminded that there was a three-year digitalisation plan in progress which included an element of support for residents to enable them to learn how to self-serve which would benefit them as well as the Council. The Portfolio Holder acknowledged the concerns and also reassured Members that support would be available for residents in whichever form they required.

A suggestion was made to supply these services in other areas of the district to allow residents outside of Coalville easier access to the face-to-face support. Members were reminded of the survey work informing the strategy which highlighted that the need identified for face to face in other locations was very low.

A Member urged officers to ensure that the system used for self-serve was accessible on all user platforms as it was important to not put obstacles in people's way that could deter them from using the service.

During a discussion on the format of the strategy, a comment was made that it was a lengthy document that contained technical language. It was also felt that more detail on the three-year plan could have been included.

The cost of educating residents in the use of self-serve was questioned, along with the resources required to deliver it. It was confirmed to Members that this would be covered within the resources for the new Customer Services Centre.

The Chair thanked Members for their contributions and confirmed that all comments would be presented to Cabinet when considering the strategy.

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Councillor E Allman left the meeting at 8.06pm following the conclusion of Draft Budget Proposals and Council Tax 2022/23 item.

The meeting commenced at 6.30 pm

The Chairman closed the meeting at 8.30 pm