

Minutes

Corporate Scrutiny Committee (Budget) 22nd November 2023



Present

Councillors	Present	Councillors	Present
J Abbott	Yes	I Parker	Yes
J Beavis	Yes	R Ramage	Yes
J Bond	Yes	W Taylor	Yes
G Courtauld	Yes	E Williams	Yes
P Heath (Chairman)	Yes	T Williams (Vice-Chairman)	Yes
D Holland	Yes	J Wrench	Yes
J Martin	Yes		

The following Councillors were also in attendance at the meeting: K Bowers, L Bowers-Flint, G Butland, T Cunningham, T Diamond, J Edwards, D Garrod, M Green, A Hooks, L Jefferis, G Prime, S Rajeev, P Schwier, G Spray, M Staines, B Taylor, L Walters and B Wright.

9 **DECLARATIONS OF INTEREST**

INFORMATION: There were no interests declared.

10 **MINUTES**

DECISION: The Minutes of the meeting of the Corporate Scrutiny Committee held on 20th September 2023 were approved as a correct record.

11 **PUBLIC QUESTION TIME**

INFORMATION: There were no questions asked, or statements made.

12 **SCRUTINY OF THE COUNCIL'S INITIAL BUDGET PROPOSALS FOR 2024/25**

INFORMATION: Members were provided with a presentation on the progress of the developing budget position for 2024/25 and an update on the Medium-Term Financial Strategy (MTFS) for 2024/25 to 2027/28. The presentation slides were prepared by P Myers, Head of Finance and presented by Councillor G Butland, Leader of the Council, and Councillor K Bowers, Cabinet Member for Resources and Performance.

The presentation slides were available to view on the Council's website [here](#).

A webcast of the full discussion was available via YouTube at the following link:
<http://www.braintree.gov.uk/youtube>

Further to the presentation, Members of the Committee, followed by other Members in attendance, were invited to ask their questions of Cabinet Members and Officers.

In response to questions raised by Members, the following information was provided:

- Members were informed that the review of community-based spend ahead of the following year's budget was to ascertain whether schemes such as the Councillor Community Grants remained viable and beneficial to communities.
- In respect of the legal costs surrounding Wethersfield Airfield, approximately £172,000 had been spent excluding the cost of seeking a Judicial Review, which was ongoing. The Council was awaiting the outcome of this process before the split of charges between the Council and Home Office could be confirmed.
- The Leader was pleased to report that there had been a 35% take up rate of residents signing up to the garden waste subscription service. Originally, the Council had only planned for 10%.
- Members were assured that any applications for green bin assisted collections would be given due consideration.
- In regard to the trajectory of residents using the subscription service for green bins, the modelling was still based on the breakeven point of 26% take up in year three (2026/27).
- The Council was not currently aware of what other Local Authorities would be charging in terms of their Council Tax rates and therefore comparisons could not be drawn at this time.
- The Council had notified the Citizen's Advice (CA) of its intention to reduce its financial support but was allocating funds to other agencies which also supported residents. Accordingly, the Council had already donated around £100,000 directly to foodbanks, as part of an investment of £500,000 per annum over the 2024/25 and 2025/26 budget for supporting residents during the cost-of-living crisis.
- The Council possessed a significant asset management base, and it should as such be reviewed on a regular basis.
- In respect of planning and developers, this was a national issue that Local Authorities were unable to address. However, it was noted that today's announcement from the Government meant that Local Authorities would now be able to charge appropriate fees for planning, subject to the timely delivery of new developments.
- The North Essex Councils (NEC) was collectively established by eight Local Authorities across Essex in order to provide a forum through which Councils could come together and address the common issues and challenges that were currently being experienced. The sum of £20,000 was to be used in order to appoint a lead person who could coordinate the NEC.
- The appointment of a Corporate Performance Co-Ordinator and the proposed investment towards this was in part to assist with the meeting new 'best value' guidance for performance management across the Council.

- When referring to the potential disposal of the Council's assets, Members were reminded that the asset management base generated much revenue for the Authority and that any such considerations would require a strategic approach.
- In terms inflation rates over the course of the four-year MTFs period, Members were advised that an approximate value of 5% had been applied in early years, reverting to 2% in later years, which would be in addition to the inflation that the Council had already incurred.
- Specific details around the allocation of community funding were not readily available, but Members were asked to submit any questions they had regarding this outside of the meeting. An example of this was the funding provided to local foodbanks to support the delivery of items to residents that were unable to travel.
- Members were advised that a specific timeline could not be provided for the implementation of agile and flexible working arrangements at Causeway House, but it was reiterated that plans were underway.
- With regard to the pipeline projects proposed within the capital programme, it was explained that a number of these would be subject to business cases reviews before they could be confirmed. The Council wished to be as robust as possible in terms of its business case process, and to that end, it followed the Government's business case framework for the consideration of significant new projects. Contingencies were also in place within the budget to help mitigate risks around inflation.
- There were approximately 1,600 empty homes across the District, with the majority of these subject to a full Council Tax charge. In terms of premiums for homes that had been empty for more than two years, 133 properties had a 100% levy, 43 properties had a 200% levy and 62 properties were charged a 300% levy.
- The Council's borrowing had increased during its investment in the Strategic Investment Programme (the Programme) to approximately £25million. It was added that the Council's authorised limit for borrowing was £50million. Any increases in borrowing would be subject to business cases regarding the pipeline projects within the Programme.
- Members were advised that the Council was currently receiving higher investment income due to the rapid increase in interest rates. However, the current trajectory was that the Council's balances and reserves would reduce over the period of the Medium-Term Financial Strategy (MTFS) and interest rates would fall as inflation was expected to reduce meaning that future investment income would be lower.
- The net operating cost of the Garden Waste Service was currently budgeted as £683,000.
- It was acknowledged that the budget reports could be complex to read, especially for those unfamiliar with the terminology used, and in some areas it would be difficult to try to simplify them.
- The Pension Fund was reviewed every three years, which sets the ongoing employer contribution rates. Where a shortfall was assessed, the Council had previously been

given the option to make a lump sum payment, or to spread the deficit payment over the three years.

- In respect of ICT, it was confirmed that the annual provision for the cost of replacing hardware was £40,000.
- Members were advised that a report on the new Local Council Tax Support Scheme was due to be presented at Full Council on 11th December 2023. It was explained that the Council was seeking to introduce a simplified banding scheme, which, depending on a household's level of income and composition, would determine their entitlement to support towards their Council Tax.
- A report on the recent Corporate Peer Challenge was due to be presented at the meeting of the Cabinet on 18th December 2023.

Further to the questions raised by Members, the following actions were agreed:

- The Leader requested that the Cabinet Member for Stronger Communities, Councillor M Cunningham, provided more detail on the subject of reduced support to the CA to Councillor J Martin outside of the meeting.
- Councillor K Bowers, Cabinet Member for Resources and Performance, agreed to liaise with Councillor G Spray, Cabinet Member for Planning and Infrastructure, regarding the potential cost implications for both the Council and developers associated with upcoming biodiversity policies.

DECISION: The report was noted.

REASON FOR DECISION: To receive the initial proposals for the 2024-25 Budget and updated MTFS for 2024-25 to 2027-28.

13 **FIRST QUARTER PERFORMANCE REPORT 2023/24**

INFORMATION: Members considered a report from T Headford, People and Performance Manager on the performance of Braintree District Council (the Council) as at the end of the first quarter (April 2023 to June 2023). The report had been prepared for the meeting of the Cabinet on 25th September 2023.

Members were advised that performance in the first quarter was broadly in line with expectations and that the majority of the Council's projects were progressing well. Three projects had an amber status, which was attributed to delays that varied from costs coming in over budget to planning recommendations that required additional work.

It was reported that eight performance indicators had met or exceeded their target and that six performance indicators had missed target; two were by less than 5% and four were by more than 5%. The areas of underperformance were in relation to the number of stage 1 complaints responded to within the timescale, collection rates for business rate, cumulative number of homes granted planning permission, recycling rates, percentage of DFGs dealt with within the timescale and enquiries resolved at first point of contact in the Customer Service Centre.

In terms of the Council's financial performance, the review of income and expenditure against budget and forecast for the year indicated a net overall positive variance of

£218,000. Staffing expenditure was currently projected to be underspent at service level and achieve the corporate efficiency target; however, it was estimated that the latest Employers' annual pay increase offered from April 2023 would cost an additional £568,000 over budget. The final costs associated with the pay award had now been received and a revised estimate would therefore be included within of the upcoming performance reports.

Other expenditure was forecast to be £500,000 over budget, and the Council was also accruing legal costs in relation to the appeals for the Wethersfield Asylum Centre. Offsetting the projected additional staffing cost and other expenditure was an overachievement of income that was currently forecast to be £1.4million, which was mainly attributed to treasury management investment income.

Lastly, Members were informed that capital expenditure as at the end of the first quarter was £595,000 which was mainly incurred on the disabled facilities grant programme. There was also an estimated positive variance against the capital projects of £126,000.

The Chairman then invited Members to raise any questions they had in respect of the report.

Further to a comment raised regarding the layout of the report, T Headford advised Members that the format of the report was to be reviewed in due course.

In response to the questions raised, the following comments were made, and actions agreed:

- A comment was made by Councillor J Abbott regarding the process for receiving quarterly performance reports, which were currently presented to the Cabinet before being brought to the Committee. The Chairman and T Headford agreed to look at the reporting cycle for the performance reports in conjunction with Governance Officers.
- Where a project target date had been missed, T Headford agreed to look at adding further information to performance reports to explain the reasons behind this.
- T Headford agreed to provide further information to Councillor T Williams in relation to the Witham Community Centre and the Witham Enterprise Units, with a specific focus on what the issues were in relation to planning and what the delay to the projects might be as a result.

During the debate, Members were reminded to speak to the relevant Cabinet Members outside of the meeting forum if they had specific issues in relation to the projects within the report.

Members were also reminded that all Cabinet reports were available to view on the Council's website five clear working days before their presentation at Committee. As such, Members were encouraged to refer detailed questions in relation to the reports to the relevant officers in advance of meetings to allow them more time to formulate a comprehensive response. Members can also raise any issues in advance of the meeting with the Chairman.

DECISION: The Corporate Scrutiny Committee was informed of the performance of the Council following its presentation and noting at Cabinet on 25th September 2023.

REASON FOR DECISION: The Council provides a report to demonstrate the performance of the Council as at the end of the first quarter (April 2023 to June 2023).

14 **DECISION PLANNER 1ST DECEMBER 2023 TO 29TH FEBRUARY 2024**

INFORMATION: For the benefit of Members, E Wisbey, Head of Legal and Governance, explained the purpose of the Decision Planner and the process for adding items for presentation at Cabinet.

DECISION: The Decision Planner for the period 1st December 2023 to 29th February 2024 was noted.

The meeting commenced at 7.15pm and closed at 9.23pm.

Councillor P Heath
(Chairman)