

Minutes

Performance Management Scrutiny Committee (Budget) 1st February 2023



Present

Councillors	Present	Councillors	Present
Mrs J Beavis	Yes	M Radley (Chairman)	Yes
J Coleridge	Yes	S Rehman	Apologies
G Courtauld	Apologies	B Rose	Yes
Mrs C Dervish	Yes	P Schwier (Vice-Chairman)	Yes
T Everard	Yes		

The following Councillors were also in attendance at the meeting as part of the wider Member Development Programme: J Abbott, Mrs M Cunningham, P Euesden, A Hensman, P Horner, D Mann, Mrs J Pell, Mrs G Spray, Mrs L Walters, J Wrench and B Wright

Apologies were received from Councillor I Pritchard

In attendance:

Dan Gascoyne – Chief Executive
Dominic Collins – Corporate Director
Councillor Tom Cunningham – Deputy Leader
Tracey Headford - Business Solutions Manager
Amanda Lindsell – Scrutiny Officer
Councillor John McKee - Cabinet Member for Finance and Corporate Transformation
Phil Myers – Head of Finance
Cherie Root – Corporate Director – Corporate Management
Emma Wisbey – Legal and Governance Manager

21 **DECLARATIONS OF INTEREST**

INFORMATION: There were no interests declared.

22 **MINUTES**

DECISION: The Minutes of the meeting of the Performance Management Scrutiny Committee held on 23rd November 2022 were approved as a correct record.

23 **PUBLIC QUESTION TIME**

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

The Chairman advised Members that in order to assist with the smooth running of this meeting it had been necessary to reorder the Agenda Items, and as such he would proceed with Agenda Item 6 – Scrutiny of the Council’s Budget 2023 - 2024 – Update.

24 **SCRUTINY OF THE COUNCIL’S BUDGET FOR 2023-2024 - UPDATE**

INFORMATION: Prior to the commencement of the Item, the Chairman advised Members that the report had been prepared by Mr Phil Myers, Head of Finance for the meetings of Cabinet and Full Council on 6th February 2023 and 20th February 2023 respectively. Once the presentation had been given, the Committee Members would be given the opportunity to ask their questions of the Cabinet Members and officers, followed by questions from the non-Committee Members as part of the wider Member Development Programme.

Deputy Leader, Councillor Tom Cunningham, provided an overview on the Council’s updated Budget position and he thanked the Chairman and Performance Management Scrutiny Committee for their work scrutinising the budget over the four-year period, which he said had been very thorough and inclusive.

The Cabinet Member for Finance and Corporate Transformation, Councillor John McKee shared the over-riding aims of the 2023/2024 Budget Proposals before Members.

The presentation slides were available to view on the Council’s website:

<https://braintree.cmis.uk.com/braintree/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1122/Committee/18/Default.aspx>

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:

- Essex County Council’s introduction of a booking system to visit recycling centres from 13th March 2023 was not a matter for consideration by the District Council
- There were no additional resources in the current budget to address the implementation of delivery of S106 projects as recommended by the Performance Management Scrutiny Committee’s recent review. There was however an ongoing conversation with the Cabinet Member for Planning regarding S106 contributions and how they are implemented, and a paper would be going to Council in March 2023, following which the Cabinet would respond in full
- There was a structural deficit of £2m in the Council’s Medium Term Financial Statement (MTFS) that could not be resolved by the use of reserves and balances alone, and needed to be addressed by cost reduction or income improvement if the Council wished to avoid cutting services
- A proposal going to the March Cabinet meeting sought to introduce an annual £45 charge for green waste collection. It was noted that 70% of Councils already charged for this service
- Authorities that already charged for green waste collection reported that the introduction of the charge had not negatively impacted fly-tipping levels in their areas

- The Finance Team were risk aware and used professional advice and forecasts to budget on the most likely case scenarios from external advisers and incorporated fluctuations in energy costs. The volatility in the budget was mixed and took a sensible basis for assumptions to maintain financial resilience, whilst acknowledging that the financial changes in the last seven months were unprecedented
- The current green waste service cost £600,000 annually and the proposed green waste collection service would cost £200,000 to implement. Once established the service would close the budget gap in 2024/25 and would be a growing benefit throughout the MTFs period, eventually becoming a cost neutral service
- It was not possible to provide specific details of the proposed green waste scheme as it had not yet been considered by the Cabinet and no decision had yet been made. The budget figures before the Committee did not include the proposed £200,000 implementation costs for that same reason
- It was not considered likely that switching the current fortnightly green waste collection to a four weekly service would provide residents with a sufficient service level
- No resident would be forced to pay for green waste collection as it was a discretionary service. There were a number of alternative options for green waste disposal available to residents including the use of a compost bin, or disposal of green waste at the recycling centre
- If the green waste collection charge was introduced and was not popular with residents, the Council would save a significant sum of money by not providing this very expensive service
- It had been necessary to increase the Council Tax increase from the 1% recommended by the Combined Scrutiny Committee to 2.5% which had generated £156k. It was noted that many Councils had chosen to increase their Council Tax to the maximum 3% cap.
- The Authority's investment programme was based on delivering community and economic social value and generating revenue to help deal with the financial challenges. Taking potentially difficult decisions was challenging, but delaying the decisions would create chaos and result in an unbalanced budget and was not sound financial management
- The £2.5m allocated in the Capital Programme for the A120 Millennium Way slip roads was held in a named reserve for the planned expenditure. The scheme was progressing and there was no indication that it would not be delivered, but in that unlikely scenario the funding would be returned to its' origin, the New Homes Bonus
- Investment performance would continue to be reported quarterly and anticipated income would also be available through the investment development programme

A webcast of the full discussion is available via YouTube at the following link:

<http://www.braintree.gov.uk/youtube>

DECISION: The report was noted.

REASON FOR DECISION: To receive and understand the updated Council Budget for 2023 to 2024.

SECOND QUARTER PERFORMANCE REPORT 2022 - 2023

INFORMATION: Consideration was given to a report on the performance of the Council during the second quarter of 2022/2023, following its presentation to and noting at Cabinet on 6th December 2022.

The Business Solutions Manager, Tracey Headford said that:

- The Council kept a record of its performance which was reported to Cabinet every quarter for consideration and noting
- At the end of the second quarter, 17 projects were completed with 43 projects on track and progressing well, although some had been through the appropriate change management process to amend the end date due to being re-prioritised or re-scoped as necessary to accommodate new and competing demands on the Council. Four projects had an amber status mainly due to delays in processes
- Targets had not been set for all performance indicators this year due to the disproportionate impact of the pandemic and the need to revisit baseline targets which would take place over the next six months. For the targets that remain, nine performance indicators had met or exceeded target, one performance indicator had missed target by less than 5% and three performance indicators had missed their target by more than 5%. The areas of underperformance were in relation to recycling rates (>5%), the percentage of land that falls below the cleanliness standards (>5%), the average waiting time for disabled facility grants (>5%) and the percentage of stage 1 complaints responded to within timescale (<5%)
- The finance section of the report provided an updated review of the financial position for the quarter. It examined the latest forecast for spending on daily service provision compared to the budget. Also included was a summary of treasury management activities; projected movements on the General Fund balance; and a summary of spending to date on capital projects
- The forecast outturn for the year at Q2 was a positive variance of £126k. This compared to the adverse variance projected at Q1 of £721k, which triggered implementation of a Recovery Plan that required all managers to review their service areas to identify opportunities for increased income, savings, and deferral of expenditure wherever possible. The Recovery Plan, which generated a net £589k, was the main factor in the improvement now reported at Q2. Other changes include a downward revision to the estimated impact of the National Employer's pay offer for 2022 (£47k). Further net improvement (£211k) across services has been projected, the main changes being an increase in investment income (£125k) and a higher level of incentive reward under the Council Tax Sharing Agreement (£110k)
- The updated projections would be reviewed to ensure that any ongoing items, if not already, were reflected in the 2023/24 budget planning proposals
- The projected change in General Fund unallocated balance was currently a net addition of £536k giving an estimated balance at 31st March 2023 of £6.6m
- Actual spend on the capital programme was £4.6m, of which £2.9m was on the Plaza, with £0.6m on the Manor Street regeneration project.

The following information was provided in response to questions raised by Committee Members:

- The Witham Enterprise Centre development scheme design was being reviewed to understand the restrictions applied to the land. The project had been taken to a market design study and was being actively progressed

- There would be a report in the third quarter going to Cabinet in March 2023 about the delivery of the purpose-built medical centre in Sible Hedingham. The land transfer continued to cause a delay as the process required additional time to complete the exchange of contracts.
Councillor Mrs Beavis requested a written update on the status of the project from the Business Solutions Manager.
The Lead Principal Planner, Neil Jones had met in recent weeks with Sible Hedingham Parish Council and had promised to provide them with a written update on the complete S106, including the delivery timetable and further information specifically relating to the riverside walk
- The Community Tree Planting Scheme placed ongoing responsibility for the trees with the community groups that received them. The trees planted on Council land would have schemes in place to look after them and remained the Council's responsibility
- The quarter one outturn always outperformed quarter two with regard to the number of people transacting with the Council online, and trend analysis could be provided if desired
- The collection rates of Council Tax were being monitored and would be reported in the third quarter in relation to show this is performing against target

The Chairman thanked Officers for the recent tour of the facilities which showcased the excellent project work undertaken by the Council.

He said that:

- It was good to see the financial performance turning from a negative in quarter one to a positive after quarter two
- It was good to see that the majority of targets were on track
- He was concerned about changing targets and the overuse of March 2023 as a uniform target date. He said that milestones should be set against specific target dates to be objective so that progress could be adequately monitored

The Business Solutions Manager said that the new Annual Plan was currently being written and would be taken to Cabinet in March 2023. She said that future project target dates would be more representative of the individual action.

DECISION: The report was noted.

REASON FOR DECISION: The report demonstrated the performance of Braintree District Council (the Council) at the end of the second quarter (July 2022 to September 2022). The performance report was presented to Cabinet on 6th December 2022.

26

DECISION PLANNER 1ST JANUARY 2023 TO 30TH APRIL 2023

Following a question from Members, the Legal and Governance Manager said:

- The Decision Planner was a planner and that the dates mentioned were indicative dates that set the framework for the Authority's governance arrangements for Cabinet decisions in order to comply with legislation
- Where dates were pushed back, this was because notice had to be given of Cabinet decisions
- When there was a need for an urgent item to be put on the Decision Planner, or where another amendment was required this was done following consultation with the Chairman of the Performance Management Scrutiny Committee. A Decision Notice was then issued to that effect

- Management of the Decision Planner was extremely transparent

DECISION: The Decision Planner for the period 1st January 2023 to 30th April 2023 was noted.

The meeting commenced at 7.15pm and closed at 9.10pm.

Councillor M Radley
(Chairman)