

Y/01/15

MID SUFFOLK DISTRICT COUNCIL

Minutes of the **SCRUTINY COMMITTEE** meeting held at Mid Suffolk District Council, Needham Market, on Thursday 30 January 2014 at 5.30pm.

PRESENT:

Councillor Mrs R J Eburne - Chair – Suffolk Together Green and Independent Group
Councillor J E Matthissen - Vice-Chair – Suffolk Together Green and Independent Group

Conservative and Independent Group

Councillors: D M Burn *
D J Osborne
Mrs J C Storey

Liberal Democrat Group

Councillors: M R Redbond

*Denotes Substitute

Portfolio Holder:

Councillors: D T Haley Finance & Resources

In attendance: Head of Corporate Organisation (PQ)
Corporate Manager – Financial Services
Corporate Manager – Housing Revenue Account
Project and Research Officer (CR)
Governance Support Officer (VC)

SY01 APOLOGIES/SUBSTITUTIONS

Councillor D M Burn was substituting for Councillor Mrs S Powell.

SY02 DECLARATIONS OF INTERESTS BY MEMBERS

There were no declarations of interest.

SY03 CONFIRMATION OF MINUTES

Report Y/01/14

The minutes of the meeting held on 22 July 2013 were confirmed as a correct record.

SY04 PETITIONS

None received

SY05 FINANCIAL OUTLOOK INCLUDING THE 2014/15 DRAFT GENERAL FUND AND HOUSING REVENUE ACCOUNT BUDGETS AND INVESTMENT STRATEGY

Report Y/02/14

**Corporate Manager (Financial Services)
Corporate Manager (Housing Revenue Account)
CSD Finance Business Partner
CSD Specialist Accountant**

The report explained the financial challenges and opportunities facing the Council in the short and medium term. It further explained the Council's new strategic approach and desired outcomes following the Transformation Enquiry Group (TEG) process. Information was provided on the emerging budget strategy for both the short term (2014/15) and longer term (3 – 5 years) and it also set out how the Council intended to use its available resources to achieve the strategic priority outcomes and realign resources to a programme of transformational activities and projects.

Members reviewed the information in the financial outlook and draft budget report (X/03/14) that had previously been to Executive Committee on 13 January 2014.

The following questions and comments were raised by Members:

- Concern was expressed that a recent planning application did not provide any affordable housing, and it was suggested that capital budget funds intended to buy new homes could be used to 'cut a deal' with developers to provide shared equity/affordable housing on site

Work had begun on a business plan and how to use the funds available. A timeline for this work could be provided to Members

- A Housing TEG identified priority was an increase in the number of homes but it must be ensured that the right type of affordable housing was built by being aware of the needs of those on the housing list. House building would benefit the economy and also increase the New Homes Bonus

Guidance would be sought from the Corporate Manager (Strategic Housing) regarding housing need. There would also be further investigation into unknown housing need, ie those not on the housing register

- The Council must be committed to use of the funds available. It was already known that smaller homes were required because of the 'bedroom tax'. When would the Council be using its own funds for this?

Work was underway and a plan would be formed for using the monies available. It was important that monies were used in the best way possible

- This was the third 'transitional budget' with no specific plans for funds to be used. Within the budget £2.8m had been dedicated to the Transformation

Fund but there was no indication of how this would be used. When would detail be provided?

The Transformation Fund had been set aside to deliver the priorities from the TEGS and specific business cases were expected to be produced within the next three months

- In last year's budget £200k had been set aside for community projects but at this time the criteria for use had not even been agreed. Why was this money not yet available for use?

The MSDC members of the Communities TEG are currently developing criteria for use of the fund to support strategic priorities

- Paragraph 13.24 – Installation of PV panels in 2014/15 to council houses. Would the resulting reduction in feed in tariff make this unviable? How would the business case for installation be worked?

The business case was based over the long term and reflected the reduction in feed in tariff. Pay back was over the lifetime of the project but it would give an immediate income stream

- Paragraph 13.5 – 'repairs and maintenance' – Reduction in proposed expenditure'. Was this a false economy which would store up problems for the future

The savings would be made from increased efficiency and not from a reduction in service standards. This would be made clearer in the final report to Executive Committee and Council

- Clarification of the Council Tax Reduction Scheme was requested. Had the Council deviated from the planned 25% reduction year on year? Members needed details of how the amounts were worked out in order to respond to queries from the parishes.
- Appendix A – Service provision was similar to the previous year and it would be helpful to know the staff costs within the figures provided. What were staff costs as a percentage of the overall budget and how had this changed from 2013/14, and what were the other key areas of cost, ie major contracts/ICT etc.?
- Were funds set aside to improve the planning service, particularly in view of the aspiration to increase the supply of new homes by 20%? Did the planning department have the capacity to deal with this?

This was an indicative figure and not a target at this stage

- Where were the costs for the planning service transformation included in the figures?
- Paragraph 12.4 – Further clarification of lines on graph required

- Paragraph 13.5 – Clarify ‘Management and other costs – Salary budgets following integration not fully and accurately reflected in draft budget’

The salary budgets had not accurately reflected the split across Mid Suffolk and Babergh in the draft budget. This would be clarified in the final report to Executive Committee and Council

Overall there was a view that the report should be clearer in providing comparisons year on year. There was general concern that there was insufficient detail presented in the draft budget making it more difficult for Members to form a view.

By unanimous vote

RESOLUTION 1

That the Committee notes the content of the report and requests that the Business Plan for the installation of PV panels on council housing be considered at a future meeting of the Joint Scrutiny Committee

SY06 FOLLOW UP OF PREVIOUS MSDC SCRUTINY RECOMMENDATIONS

Report Y/03/14

Project and Research Officer (CR)

The report informed the Committee of action or progress made on previous recommendations.

It was noted that Councillor D J Osborne was no longer a Member of the Executive Committee and Councillor J C Whitehead had now assumed responsibility for issues in relation to S106 expenditure.

A further update was provided in relation to the Councillor Call for Action – National Cycle Route across the Camping Land in Stowmarket. There had been discussions between the Suffolk County Council (SCC) Central Area Highways Manager and SCC Rights of Way and Legal colleagues and it was hoped to hear further in the near future. It was noted that another Stowmarket cycle path/crossing project in Combs Ford was now programmed in and progressing. It appeared therefore, that there seemed to be good momentum behind cycle/pedestrian path projects and reason to hope that the Camping Land scheme would make progress soon.

A further update was also provided regarding the Stowmarket Station Forecourt. A meeting had been held on 10 January 2014 between SCC and Greater Anglia at Stowmarket Station at which Greater Anglia said the cost of the scheme would be agreed with SCC by the end of February 2014, with a view to starting work on site in June or July 2014. The Licensing Officer was expected to report to the Regulatory Committee meeting on 21 March to start the process for designating the altered taxi rank.

Members expressed concern that the issues raised in the Review of Transport and Access in Rural Suffolk on 28 February were not being specifically investigated by a TEG. Although the issue linked into the work of the Economic Development TEG the emphasis was on long term solutions and a short term solution was urgently needed. The Head of Corporate Organisation advised that he follow up the points made at the 28 February meeting and ensure that they were being considered by the appropriate TEG.

By a unanimous vote

RESOLUTION

That the content of the report be noted

DRAFT