

MID SUFFOLK DISTRICT COUNCIL

TO: Council	REPORT NUMBER: MC/18/37
FROM: Chair of Overview and Scrutiny Committee	DATE OF MEETING: 21 February 2019

REPORT FROM THE CHAIR OF THE OVERVIEW AND SCRUTINY COMMITTEE

Since my last report to Council on 19 December 2018, the Mid Suffolk Overview and Scrutiny Committee have met twice. There have been no meetings held jointly with the Babergh Overview and Scrutiny Committee in this period.

MID SUFFOLK OVERVIEW AND SCRUTINY COMMITTEE MEETING HELD ON 20 DECEMBER 2018

Extension of the SERCO Waste Collection Contract beyond March 2021

The Assistant Director, Environment and Commercial Partnerships, presented his report and made reference to the work carried out on behalf of the two councils by Eunomia, a consultancy appointed to give a detailed assessment of the various options for carrying out the waste collection service for Babergh and Mid Suffolk in the future. Some of the committee had attended a presentation by Eunomia at the December meeting of Babergh Overview and Scrutiny Committee to which members of both councils had been invited. Significant changes to the contract had been made since it commenced in 2017, necessitated by a number of factors including housing growth and the introduction of a garden waste collection. There have been discussions between officers and SERCO and options for a full retendering of the service, bringing the service in-house and setting up a Local Authority owned company to run the service have also been fully considered. Members of the committee asked a number of questions to assure themselves of the robustness of the assessment work carried out by Eunomia. SERCO have offered to run the service for £265,000 per annum more than the current contract sum, and this sum would take account of extra collection rounds and other changes to the service. A set of Key Performance Indicators would be put in place; there are none in the present contract. Members agreed that the most cost-effective option would be an extension, with agreed changes, to the contract. This would ensure least disruption and would not result in financial risk to the councils. The committee therefore recommended to Cabinet that the SERCO contract be extended for a further 7-year period from 2021 to 2028.

Council Housing Voids Performance

The committee considered an Information Bulletin which included monthly statistics for re-letting vacated council homes. These showed that void times in October 2018 were an average of 12 days compared with 66 in October 2017. The average for 2018 was around 25 and the team is on course to meet their target of 21 days for the year to 31 March 2019 and 15 days for the year to 31 March 2020.

MID SUFFOLK OVERVIEW AND SCRUTINY COMMITTEE MEETING HELD ON 17 JANUARY 2019

Draft General Fund Budget 2019/20 and Four-Year Outlook

The committee scrutinised the draft budget and 4-year outlook prior to consideration by Cabinet on 4 February. Concerns were expressed about the reliance on CIFCO for long-term funding of services, especially due to the economic downturn in the retail sector and the uncertainties around Brexit. The committee asked that when the Budget is presented to Council there should be more detailed explanation about the current extent of loans, and details of how much is due to be paid back and when.

The committee also asked that the Chief Executive prepare a brief paper on CIFCO to assist Members when questioned by Parish Councils and residents, the paper to include the reasoning behind setting up CIFCO, its governance and how investment decisions are made and by whom.

A number of questions of detail were raised by the committee, to which officers responded. Members also pointed to areas where further explanation might be helpful and queried a small number of omissions from tables within the report.

The committee then resolved to endorse the recommendations, subject to consideration being given to the points raised during the debate.

Draft HRA Budget 2019/20 and Four-Year Outlook

The committee noted that the HRA borrowing cap had been lifted and this would be helpful to the Council in the short term. Concerns around the Right to Buy were voiced, particularly the implication of buying new stock at market price. Developing schemes with a Local Authority Company will be more cost effective and provide high-quality homes to meet local needs.

Garage rental costs and the high proportion of garages standing empty or used for purposes other than garaging were discussed and the committee supported a strategy which would result in the redevelopment of empty garages.

The committee then resolved to endorse the recommendations.

Babergh and Mid Suffolk Parking Plan

The Plan, prepared by a consultant appointed by the two Councils, was considered. One of the main areas of concern was around Policy 2 which could raise expectations that new areas of off-street parking provision would be provided to assist traffic management and promote our communities. A rewording of the policy to refer to the use of existing off-street parking areas, rather than the provision of new, was accepted by the Assistant Director and the Policy has since been re-worded.

Other concerns were around existing problems caused by school drop-off and pick-up and the problems that might result if there is not adequate provision when new schools are planned. Members also asked if measures could be put in place to deter dangerous and obstructive parking by Blue Badge holders. There was a discussion about Civil Parking Enforcement, particularly around the cost of implementation and running costs. Members felt that an effective service needs to be provided and cost should not be a limiting factor when determining how the service should be provided.

Community Grants – A Health Check for the Groups Receiving Grants

Revenue grants totalling over £200,000 have been allocated to community groups in 2018/19 and it is essential that checks are made to ensure the funds are effectively used. Officers of the Communities Team therefore maintain a dialogue with groups receiving grants to help them ensure long-term sustainability and financial stability. Members thanked officers for their report and the work that they carry out to ensure effective use of revenue grants. A further report is to be presented in 2021.

Leisure Procurement and Redevelopment

The Assistant Director, Environment and Commercial Partnerships, gave a presentation of options for leisure service provision across Mid Suffolk, including the future of our two leisure centres. It became clear during discussion that there is scope for developing the facilities at the Mid Suffolk Leisure Centre in Stowmarket and, to a lesser degree, at Stradbroke. In order to achieve best value, the procurement model needs to be carefully chosen.

As a first step, the committee agreed that officers should initiate negotiations with potential providers with a view to coming forward with provisional proposals based on a landlord/tenant agreement seeking:

- Best value
- Development of facilities at our two leisure centres, to include provision of leisure activity district-wide, including in our rural areas.

Endeavour House Service Level Agreement

A Confidential Information Bulletin was presented giving details of leasing arrangements and occupation costs for those areas of Endeavour House occupied by Babergh and Mid Suffolk District Councils. Concerns expressed around car parking and room bookings, and other minor matters, will be considered by officers. The Bulletin is available to members who wish to see details of the arrangements and costs.

Keith Welham
Chair, Mid Suffolk Overview and Scrutiny Committee

8 February 2019