

BABERGH DISTRICT COUNCIL

TO: Council	REPORT NUMBER: BC/21/30
FROM: Chair of Overview and Scrutiny Committee	DATE OF MEETING: 21 February 2022

17 January 2022 Babergh Overview and Scrutiny Committee – Chair Mary McLaren

4 Committee Members

BOS/21/01 DRAFT GENERAL FUND (GF) 2022/23 AND FOUR-YEAR OUTLOOK.

Councillor Simon Barrett – Cabinet Member for Finance introduced the report to the Committee outlining that the budget had been based on a “no increase in council tax”, however an increase would take place if Cabinet decided it was necessary.

In addition to this, the Emergency Reserves held by Babergh District Council would be reduced by £200k to £1Million as there had been no expenditure from this fund during the Covid-19 Pandemic. The excess of £200k could be considered for community projects. He also advised that the Budget had shown a surplus of £403k.

Questions raised by Committee Members were wide ranging and demonstrated their appreciation of the various aspects of the Draft General Fund and its importance in maintaining the fiscal integrity of Babergh District Council.

All questions raised were answered with clarity and knowledge by the Cabinet Member for Finance and Katherine Steel Assistant Director for Corporate Services which was appreciated and acknowledged by the Committee.

An overview of questions raised by the Committee.

- Had the cost for the leisure centre moving to a green tariff been cost neutral?
- Was the cost for CCTV a permanent contribution?
- Had future costs for all vehicles and the new fleet of refuse vehicles been factored in?
- What were the sources of finance being used to support the Strategic Policy, Performance and Insight programme?
- Questions in relation to legal costs for planning, enforcement and appeals, the increase of £41k for Senior Leadership Costs and the reduction in ICT costs were raised.
- A possible large residue of Government Funding for Covid was queried and an explanation was requested regarding the funding source of £12million Capital Fund and any proposed projects in the pipeline.

By a unanimous vote

It was RESOLVED:-

1.1 That the Overview and Scrutiny Committee notes the General Fund budget 2022/23 and Four- Year Outlook.

1.2 That the Overview and Scrutiny Committee receives a report from Cabinet on the outcomes of the performance framework on a six-month basis.

BOS/21/02 DRAFT HOUSING REVENUE ACCOUNT (HRA) AND FOUR-YEAR OUTLOOK

Councillor Simon Barrett – Cabinet Member for Finance introduced the report to the Committee, outlining that the HRA account is in deficit due to additional spending in building services. This had been due to an increased cost of resources such as a competitive labour market which had led to an increased use of subcontractors. There had also been a rent increase of CPI+1.

The Assistant Director for Housing – Gavin Fisk further clarified the various reasons for the overspend. There had been an increased cost of materials over the past year. To decrease the dependence on external contractors there had been additional training for staff. There had also been the costs to replace vehicles and to change the fleet to HVO.

The Committee appreciated the open and realistic responses from the Cabinet Member for Finance, the Assistant Director of Housing with some input from the Cabinet Member for Housing and acknowledged the effort and hard work of the Housing Team over the past 2 years of difficulty and strain.

An overview of questions and comment raised by the Committee.

- The reasons for the overspend were understood by the committee however a reduction in the use of external contractors and more work delivered in house was the ideal to be sought. Questions were raised around the impact of Anti-Social behaviour on repair costs and how legal costs in relation to damage to properties are recovered by the Council.
- The progress in the installation of air source heat pumps in council properties and the seeking of grants to support that work in line with the renewable heat incentive was queried.
- Questions in relation to improved insulation and retro fitting of existing properties and whether there were sufficient funds to undertake this work, identified that there is a stock profile of all properties which will enable the council to prioritise the work- load. One view expressed was that retrofitting should take precedence over insulation. Cabinet will be reviewing the design guide in the spring, which will set out the aspirations for retrofitting existing properties.

- The use of hotels for residents who for many different reasons need temporary accommodation is a costly resource. Managing that efficiently has involved using some of the housing stock as temporary accommodation and leasing some units for Domestic Abuse Victims to the County Council to lessen the use of hotels in an emergency.
- Residents have many varied financial interactions with the council and the Shared Revenue Partnership, however there is no central record that collates all the financial data for each resident, as each department keeps its own record. The question regarding the feasibility of a central system highlighted the enormity of the exercise which is already underway and the expense that will be incurred especially in the software required.

It was RESOLVED:-

- 1.1 That the Overview and Scrutiny Committee notes the Housing Revenue Account 2022/23 and Four-year Outlook.**
- 1.2 That the Overview and Scrutiny recommends that the Information about the use of sub-contractors be included in the quarterly performance monitoring report. (Financial HRA Outturn report)**