

MID SUFFOLK DISTRICT COUNCIL

TO: COUNCIL	REPORT NUMBER: MC/21/25
FROM: Chair of Overview and Scrutiny Committee	DATE OF MEETING: 24 February 2022

OVERVIEW & SCRUTINY COMMITTEE REPORT TO MID SUFFOLK DISTRICT COUNCIL

The Mid Suffolk Overview & Scrutiny Committee met on 13 January 2022 and considered the following items:

1. DRAFT GENERAL FUND (GF) 2022/23 AND FOUR-YEAR OUTLOOK

Members considered the 2022/23 budget and asked that the Cabinet Member for Finance have regard to their comments before finalising his budget and presenting it to Council. The comments are set out in the minutes of the meeting which are available on Modern.gov.

Detailed comments were made in respect of staffing and vacancy rates, and the very high level of reserves, which it is planned to increase rather than to improve services to our residents.

A more general concern is the timing of scrutiny of the budgets. Members consider that there would be greater value in reviewing the budget process and assumptions made in developing a detailed budget. This would allow a more strategic approach to scrutinising the budget.

A further concern expressed by members was the need to ensure financial scrutiny of all aspects of the Council's work. Also, there is currently a lack of clarity around the Terms of Reference of the Overview and Scrutiny Committee and the Audit and Standards Committee. The Monitoring Officer and Constitution Working Group have been asked to look into this.

It was RESOLVED: -

- 1.1 That the Overview and Scrutiny Committee notes the General Fund budget 2022/23 and Four-year Outlook and asks that the Cabinet Member for Finance and Officers take into consideration the comments made at the meeting.**
- 1.2 That the budget preparation process is reviewed by the Section.151 Officer and the Monitoring Officer to ensure that the Overview and Scrutiny Committee can be involved earlier in the development of the budget, enabling a more strategic approach to scrutinising the budget. Further that the Monitoring Officer and Constitution Working Group review the terms of reference for the Overview and Scrutiny Committee and the Joint Audit and Standards Committee to ensure that financial scrutiny is being undertaken in the most appropriate way.**

2. DRAFT HOUSING REVENUE ACCOUNT (HRA) AND FOUR-YEAR OUTLOOK

Members expressed concern about the large amount of planned maintenance carry forward and asked how much of this work could be completed in the forthcoming year. The Assistant Director – Housing responded that to ensure the fund carry over would be spent, the staffing resource, existing contracts and their renewal had been looked at. He explained that retrofitting energy saving measures would be a great percentage of the planned maintenance schedule.

Members then queried whether the large number of properties requiring updating would cause a lack of funding. The Assistant Director – Housing responded that there was a significant investment required in existing properties which would be costly. Funding would be available through borrowing, however, the HRA team would need to look at expenditure in the future.

Members then queried the rise in rent in relation to issues with universal credit, and an increase in heating bills. The Assistant Director – Housing responded that rent reductions from 2015 to 2020 had an impact. The level of investment required for existing properties would be paid for by the increased rent. Feedback from tenants would be included in the HRA business plan.

Members suggested that in the future more information surrounding the level of council house rent in comparison to other authorities' properties be included in reports and, also, information about the number of tenants in receipt of a rent rebate in the current year. The committee asked for this information to be made available to the Full Council meeting in February.

It was RESOLVED: -

- 1.1 That the Overview and Scrutiny Committee notes the Housing Revenue Account 2022/23 and Four-year Outlook and**
- 1.2 That information was provided for the level of council rent compared with other authorities for benchmarking for the current year and the number of tenants receiving rent rebate in the current financial year be provided to Council in February and to the Overview and Scrutiny Committee for their review of the Budget in the next municipal year.**

3. CALL IN OF THE DECISION FROM THE MID SUFFOLK CABINET MEETING 6 DECEMBER 2021

The Committee had received a call in of Cabinet's decision on 6 December 2021 to approve a Hackney Carriage and Private Hire Vehicle policy.

The Lead Signatory, Councillor Mellen, highlighted the reasons for the call in. He explained that the environmental implications were not satisfactorily explained and gave as an example that diesel engines and older petrol engines emit particulates such as PM2.5 which are known to be harmful to human health. In general, diesel and petrol cars emit carbon dioxide in higher amounts per mile than their hybrid or EV equivalents. EVs are zero emission at the tail pipe. Earlier switching to these vehicles would mean reductions in CO2 emissions and other pollutants.

He added that the proposed taxi policy is clearly at odds with another policy - the overarching aspirations of carbon neutrality by 2030.

Councillor Mellen added that the report to Cabinet did not fully reflect the debate at Licencing Committee. He suggested that Cabinet Members may have taken a different view had they been aware that there had been an extended debate on the proposals and that the draft policy had only been voted through on the Chair's casting vote.

Councillor Stringer, a signatory, said that he agreed that within the cabinet system authority is delegated to a number of people to carry out decisions on behalf of the Council. But the quality of those decisions is directly proportional to the amount of accurate information going into that decision making process. It had recently come to light that a move towards requiring lower emission vehicles within the policy had not been included when consulting with taxi providers. When debating zero emissions vehicles at the Licensing Committee Meeting, legal advice ruled that such a requirement could not be included because that would be a wholly different policy which had not been consulted on.

Councillor Stringer referred to the increase in sales of low emission vehicles generally and suggested that taxis should be encouraged to be part of that general shift. Failing to require taxi operators to make that shift during the currency of the proposed policy would leave them in a difficult position in three years' time when a new revised policy would be needed.

Councillor Stringer summarised: the signatories suggest that the decision at cabinet was flawed because an essential element of the process had not been included and not all of the relevant information had not been put in front of them.

The Cabinet Member for Environment, Councillor Fleming, provided her summary of the events at Cabinet:

The draft Hackney Carriage and Public Hire Licencing policy was the result of extensive consultation and much hard work by officers in close accord with local providers. Also, the Licencing Committee in August approved the policy and a question concerning support for EVs was posed and answered. The main objectives of this policy are to provide a uniform set of standards and expectations for the taxi and private hire vehicle trade and protect the public in terms of safety and security and ensure that there is a reasonable access to taxi and private hire services for all users in the district.

Councillor Fleming said that she understood that the main issues relate to the desire for a mandatory timetable for transition to EVs and that the wider implications of this transition were not fully considered. The call in also mentions incentives to transition to EVs and an incentive scheme but seeks a plan and timetable. The details of such a scheme we've already agreed to prepare.

Councillor Fleming said that work behind developing the policy indicated a significant risk from an accelerated mandatory approach to transition that could lead to fewer taxis providing a more expensive service. If the draft policy is agreed, it will be reviewed again in three years and the question of fuel transition will be examined then along with other relevant matters and following an extensive consultation. She expressed the view that transition will be more successful if pursued through encouragement rather than mandate and this approach is reflected in the policy.

Councillor Fleming said that she believed that cabinet had more than adequate information about which to make its decision and that the policy should be taken forward as it stands.

Committee Members were invited to ask questions of the Lead Signatory and Cabinet Member.

In response to a question on whether the trade had been consulted about a move to zero emissions in the formation of the policy, Councillor Fleming said that they had, and the result was in the December report to Cabinet. There had been no comments from the trade when asked about the transition to electric vehicles.

To a further question about whether there had been a formal consultation with drivers over mandatory Electric Vehicles, Councillor Fleming responded that there had not been a question on this in the formal consultation. The Assistant Director - Environment and Commercial added that currently there was insufficient infrastructure for EVs and a timetable would need to be developed with Suffolk County Council as they had authority over taxi ranks and EV charging points within the public highway.

Members queried whether Cabinet and the Licensing Committee had been aware that the mandate was removed from the previous consultation. The Assistant Director - Environment and Commercial responded that the Cabinet and the Licensing and Regulatory Committee had been aware.

Members then queried whether Cabinet was aware of the infrastructure issues due to SCC being the authority on taxi ranks and on street EV charging points. Councillor Fleming responded that the Cabinet would look at provision of taxi ranks and work with SCC on locations for ranks and EV charging and that this would be reconsidered in three years' time.

Asked by the Chairman to present a summary, Councillor Fleming said that in order to have an environmentally secure service the policy needed to be approved. It was the result of both informal and formal work which had produced a balanced policy that provided safety and accessibility for taxi and private hire vehicles.

Councillor Mellen summarised that he believed that much of the policy had been well considered, however it should be revisited in order to align with Mid Suffolk's environmental objectives. A timetable would also be needed in order to provide incentives to the trade around mandating EVs, and formal responses around this issue were needed.

Councillor Mellen, Councillor Stringer and Councillor Fleming left the meeting and Committee members debated the issues. Some members strongly expressed views which supported the policy and process and others felt strongly that not all available information had been provided to Cabinet.

Voting on a motion that the decision be upheld and implemented immediately was put. With 3 votes for and 3 votes against, on the casting vote of the Chair the motion was lost.

A proposal was then made that the Overview and Scrutiny Committee refer the matter back to Cabinet for reconsideration, together with the observations of the Overview and Scrutiny Committee. Cabinet would then take a final decision and that decision could not be called in.

Members debated the issues and made the following observations:

- That Insufficient evidence of the pre-consultation regarding mandating conversion of vehicles to EV was made available to Cabinet and further consultation with trade operators is recommended.
- That Cabinet needed further information in respect of plans to provide on- and off-street taxi ranks and on- and off-street EV charging, following further consultation with taxi providers.
- That an action plan was needed to be agreed for the incentive scheme as mentioned in 6.1.1 of the Cabinet report.
- That cabinet needed to give further consideration of the discussion of the Licensing and Regulatory Committee and its reasons for recommending the policy to cabinet

The motion was put to the vote. With 3 votes for and 3 votes against, the Chair used his casting vote and voted for the motion.

It was RESOLVED: -

That the Overview and Scrutiny committee refer the matter back to the Cabinet for reconsideration, together with the observations of the Overview and Scrutiny Committee. Cabinet would then take a final decision and that decision could not be called in.

The Overview and Scrutiny Committee referred the matter back to Cabinet with the following observations:

- **That insufficient evidence of the pre-consultation regarding mandating conversion of vehicles to EV was made available to Cabinet and further consultation with trade operators is recommended.**
- **That Cabinet needed further information in respect of plans to provide on- and off-street taxi ranks and on- and off-street EV charging, following further consultation with taxi providers.**
- **That an action plan is needed to be agreed for the incentive scheme as mentioned in 6.1.1 of the Cabinet report.**
- **That Cabinet needed to give further consideration of the discussion of the Licensing and Regulatory committee and its reasons for recommending the policy to Cabinet.**