

MID SUFFOLK DISTRICT COUNCIL

Minutes of the meeting of the **MID SUFFOLK OVERVIEW AND SCRUTINY COMMITTEE** held in the King Edmund Chamber, Endeavour House, 8 Russell Road, Ipswich on Thursday, 13 January 2022

PRESENT:

Councillor: Keith Welham (Chair)
James Caston (Vice-Chair)

Councillors: Paul Ekpenyong Sarah Mansel
David Muller BA (Open) MCMI Keith Scarff
RAFA (Councillor)

In attendance:

Councillor(s): Jessica Flemming
John Whitehead
Lavinia Hadingham
John Field
Andrew Mellen
Andrew Stringer
John Matthisen

Officers: Assistant Director - Corporate Resources (KS)
Assistant Manager - Financial Accountant (RH)
Assistant Director – Housing (GF)
Senior Finance Business Partner - HRA And GF Revenue (SC)
Finance Business Partner (JS)
Assistant Director - Environment and Commercial (CC)
Monitoring Officer (EY)
Senior Governance Officer (HH)
Governance Officer (BW)

Apologies:

Terence Carter

10 DECLARATION OF INTERESTS BY COUNCILLORS

Councillor Mansel declared a local non-pecuniary interest as her brother-in-law ran a taxi service in Babergh District.

11 TO RECEIVE NOTIFICATION OF PETITIONS IN ACCORDANCE WITH THE COUNCIL'S PETITION SCHEME

None received.

12 QUESTIONS BY THE PUBLIC

None received.

13 QUESTIONS BY COUNCILLORS

None received.

14 MOS/21/1 DRAFT GENERAL FUND (GF) 2022/23 AND FOUR-YEAR OUTLOOK

14.1 Councillor John Whitehead introduced the report and outlined that there were still some minor effects from the Covid-19 pandemic, however economic recovery was underway, and unemployment had fallen. The starting point for this budget had been an assumption of no increase in council tax. In addition to this the local government settlement included an additional 971,000 which had strengthened the no raise in council tax approach. However Full Council would only decide on the no increase for one financial year.

14.2 Councillor Caston queried the installation of heat pumps at leisure facilities and whether the cost of this change had been calculated. The Assistant Director - Environment and Commercial responded that it had been assumed what the discounted rate would be and that there would be a fluctuation.

14.3 Councillor Ekpenyong queried the reduction in income from Stowmarket High School. The Assistant Director - Environment and Commercial responded that there had been lesser use of the sports halls over the pandemic by the school, however conversations with the school had been ongoing.

14.4 A short break was taken between 09:54-09:56am.

14.5 Councillor Scarff questioned page 12 of the papers annual increase of staffing cost and whether this included the 5% vacancy management factor. The Assistant Director – Corporate Resources responded that it had been based on full staffing and the pay inflation had been based on full staffing. However, 2% had been used as a benchmark for pay inflation.

14.6 Councillor Scarff questioned the risk that a savings programme for would not deliver on full effect. Could the Overview and Scrutiny Committee look at ongoing budget monitoring. Assistant Director – Corporate Resources responded that it had not been assessed in terms of savings. However, it could be useful role for Overview and Scrutiny to monitor once it had been developed.

14.7 Councillor Ekpenyong queried the whole budget in relation to staffing and the ability to recruit, salaries, and compensation packages. Councillor Whitehead responded that Mid Suffolk previously had a Transformation Fund, which was now the Growth Efficiency Fund, so there was resource for transformation.

14.8 Councillor Welham queried the £3.5 million that the Council had in reserves that had not been spent and whether this could have been better used in the communities. Councillor Whitehead responded that this would be considered by Cabinet.

14.9 Councillor Scarff questioned the housing carry forwards from the previous financial year and how it is ensured that this is spent in next financial year. The Assistant Director – Housing responded that the council had looked to move from surpluses and reserves and had limited who received grants. And additional money had been given by government. One way that housing had spent reserve was to appoint new roles and develop the renovations and empty homes work.

14.10 Councillor Caston queried the non-pay inflation of 2% and the reasoning of managers doing cuts to keep within budgets. The Assistant Director – Corporate Resources responded that 2% estimation had been built in for 23/24 based on government indicators. In addition to this, managers had been asked to take a different approach to the formation of their budgets due to previous underspend and include the inflation within their budgets.

14.11 Councillor Muller questioned the replacement of refuse vehicles. The Assistant Director – Corporate Resources responded that the majority would be replaced on a different schedule. Councillor Fleming added that there had been some uncertainty as to how they would need to be designed for a new waste system.

14.12 Councillor Scarff suggested that the Overview and Scrutiny Committee note the budget and ask the cabinet to note comments that the committee had made. Presented information should be given ahead of the meeting.

14.13 Councillor Scarff suggested that in the future the Overview and Scrutiny Committee look at the budget process including how transformation changes are monitored and how it is monitored during the year.

14.14 Councillor Ekpenyong stated that need to understand where the money is being spent in relation to the priorities – how we can seek to improve the budget process.

14.15 Members debated the issues, and the following suggestions were made:

- 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.
- That the budget preparation process is reviewed by the S.151 Officer and the Monitoring Officer to ensure that the O&S 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 reviews the terms of reference for the O&S Committee and the JAS Committee to ensure that financial scrutiny is being undertaken in the most appropriate way.

14.16 Councillor Keith Scarff proposed these recommendations.

14.17 Councillor Sarah Mansel seconded this motion.

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 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 S.151 Officer and the Monitoring Officer to ensure that the O&S 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 reviews the terms of reference for the O&S Committee and the JAS Committee to ensure that financial scrutiny is being undertaken in the most appropriate way.

**1 MOS/21/02 DRAFT HOUSING REVENUE ACCOUNT (HRA) AND FOUR -YEAR
5 OUTLOOK**

15.1 Councillor Whitehead introduced the report outlining the effects that the Covid-19 pandemic had on the new build schedule with issues around supply cost and availability of materials, and a backlog in maintenance and repairs on existing properties. Rent collections had not been affected however, rent increases would take place in the next financial year based on the government formula of CPI+1%. This would produce additional revenue for the HRA to break even.

15.2 Councillor Caston questioned how Right to Buy projections were estimated. The Assistant Director- Housing responded that they had been calculated by looking at and monitoring sales, however this had declined during the last year. The projection had been made based on trends over a 10-year period and were continuously adjusted.

15.3 Councillor Mansel queried whether dwelling rents for new properties had been included. The Assistant Director – Corporate Resources responded that new builds had not been included as an assumption as it is unknown when they would be completed.

15.4 Councillor Scarff queried the planned maintenance carry forward and how much of the total spend would be spent in the forthcoming year. The Assistant Director – Housing responded that to ensure the carry forward would be spent the staffing resource had been looked at and existing contracts and their renewal had been looked at. Also retrofitting would be a great percentage of the planned maintenance schedule.

15.5 Councillor Welham queried whether with the large number of properties that would need work to be updated, would there be a lack of finance. The Assistant Director – Housing responded that there was a significant investment required in existing properties and would be costly. Funding would be available through borrowing, however, the HRA would need to look at expenditure in the future

15.6 Councillor Mansel questioned what environmental improvements had been budgeted for. The Assistant Director – Housing responded that this related to

environmental work within estates and increased biodiversity.

15.7 Councillor Field 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 2015-2020 had an impact. Level of investment required for existing properties would be paid for by the increased rent. Rising fuel bill and UC. Feedback from tenants would be included in the HRA business plan.

15.8 Councillor Caston suggested that in the future More information surrounding the level of council house rent in comparison to other authorities' properties and how many residents have this subsidised in the current year. And that this information is made available before the full council meeting in February and to the Overview and Scrutiny Committee next year.

15.9 Members debated the issues, and the following suggestions were made:

- That the Overview and Scrutiny Committee notes the Housing Revenue Account 2022/23 and Four-year Outlook and
- That information is 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.

15.10 Councillor Caston proposed the recommendations.

15.11 Councillor Ekpenyong seconded this motion.

By a unanimous vote

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 is 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.

16 FORTHCOMING DECISIONS LIST

The Forthcoming Decisions List was noted.

17 MOS/21/03 MSDC OVERVIEW AND SCRUTINY WORK PLAN

It was RESOLVED:-

That with the following note the Mid Suffolk Overview and Scrutiny Work Plan be noted:

That the Corporate Manager check with the Community Safety Partnership that the review remains in March.

18 CALL IN OF MID SUFFOLK CABINET DECISION 6 DECEMBER 2021

18.1 The Chair detailed the Call-in process and the papers attached to the Agenda. He then outlined the scope of the Call-in based on the points set out in the Call-in Procedure.

18.2 Members considered and agreed the scope of the Call-in.

18.3 Councillor Keith Scarff proposed that the protocol for the Call-in Procedure be approved.

18.4 Councillor Sarah Mansel seconded this motion.

By a unanimous vote

It was RESOLVED: -

That the Protocol for the Call-in Procedure be approved.

19 CALL IN OF THE DECISION FROM THE MID SUFFOLK CABINET MEETING 6 DECEMBER 2021 MCA/21/32

19.1 The Chair invited the Lead Signatory, Councillor Mellen, to present his reasons for the Call-in.

19.2 The Lead Signatory presented the following reasons:

19.3 The Cabinet is the place where many decisions are formally made and whilst there are only 9 councillors on it, other Councillors can attend meetings to listen, to ask questions, and whilst we do not get a vote is an opportunity for the opposition to do its job and that is monitoring, scrutinising, and challenging the administration. We see this as an opportunity to improve decision making and ensure the best outcome for the people of Mid Suffolk.

This call in is the first one to have been done during this Council term, in fact the first one for several years and the reasons for doing so have been set out in the call-in request that you've just heard. I will go briefly through them now with the help of my colleague Councillor Stringer. We do accept that a lot of hard work has gone into the proposed policy by officers and councillors. However, the heart of the matter is this, we do not feel that the Cabinet had all the information needed on the new Hackney Carriage and Private Hire Vehicle policy in order to make a good decision on the 6th of December and hence we respectfully suggest that they need to have another look at it. Also, we do not feel that the decision to adopt this policy is compliant with other policies of the council specifically the July 2019 declaration of a climate emergency that was

agreed unanimously by all Councillors.

So just to take you briefly through the two reasons for the call-in. The first one is the environmental implications and, only one is listed and that is about the provision of infrastructure which is arguably not an environmental implication. Clearly electrical vehicles and, to a lesser extent, plug in hybrids will need to have charging infrastructure in order to operate. However, there are many more environmental implications which are not addressed in the report. For example, 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 and, of course, EVs in particular are zero emission at the tail pipe. Earlier switching to these vehicles would mean reductions in CO2 emissions and other pollutants. The government has set 2030 as the deadline when no petrol or diesel cars can be bought. And obviously 2030 is also significant date for this authority and that is the next point of this call in. The proposed policy proposes little that moves Hackney Carriages and Private Hire Vehicles towards more environmentally friendly or zero carbon choices apart from a strong recommendation. And this is where the proposed taxi policy is clearly at odds with another policy and that is the overarching aspirations of carbon neutrality by 2030. If we are to achieve this ambitious target it cannot all be done at the end. There needs to be progression towards that goal over the eight years the remain with deadlines along the way. For example, you could say, after 2024 no new diesel vehicle will be licenced, or after 2027 only vehicles emitting less than 100 grammes of carbon per kilometre will be licenced. Operators would adapt if given time to plan but what they do not need is a sudden change in the rules later on. However, the proposed policy only recommends a change to hybrid or electric vehicles. There is an opportunity here to steer operators in the right direction using a combination of carrot and stick. However, no specific carrot or sticks are proposed.

The second part of the call in is to do with the debate was had prior to this coming to Cabinet. At the Cabinet on the 6th of December the new policy was simply introduced as having been agreed by the Licencing Committee. I think Cabinet Members may have taken a different view had they been aware that there had been an extended debate on those proposals and that the draft policy had only been voted through on the Chair's casting vote.

- 19.4 The Lead Signatory called on Councillor Stringer, a signatory, to contribute to the statement.
- 19.5 We are acutely aware that within the cabinet system that the authority is delegated to a number of people to carry out decisions on behalf of the council. But quality of those decisions is directly proportionate to the amount of accurate information going into that decision making process. And, we certainly feel, that in this case had more information gone into that process the outcome may have been different. Even if it was still in agreement that somehow nuanced. And that comes out of the debate that was held at the original licencing meeting and, subsequent Freedom of Information requests where we now learn more about the timetable of events. Both of those sets of documents have been submitted to this meeting but because of how late the freedom of Information timetable was it's been ruled that you cannot see them

today because they were only with us yesterday. Anyway, that aside, going back to the why the decision may be flawed is that extra information. In the timetable of looking at this licencing policy you need to put in the public domain, and with the trade the likely travel is within the policy, and what policies will be in it. So, before we went to public consultation, before even the licencing panel had looked in it, we had taken the decision to strip out of the consultation a compulsory move to lower emission vehicles. Which means the trade did not get to debate that with us, and we then had a debate about that at our meeting, but then legal representation then ruled that you could not add that now because that would be a wholly different policy which you had not been consulted on.

So even from the start if we wanted to help or compel the trade to go to zero emission vehicles it was already hold below the waterline before we started because it had been removed from the original consultation. So even if the Cabinet had said no, we have declared a climate emergency we are going to move to zero emissions vehicles faster than the government is saying we have to by law, they would not have been able to do it because it had been ruled out of the discussion before we even had the discussion, which is worrying. That is why the debate at the licencing hearing ended up quite split, and why it was a very difficult decision at that hearing. And if you read the transcript of the debate the final thing that triggered those members for not insisting on exploring that zero-emission pathway earlier was because of the legal advice that came in to say you had not been consulted on it therefore it is a whole new policy, so you have to go through the whole framework again. Also not put in front of the decision makers was the risk to move to a zero-emission taxi licencing policy, but also was not put in front of the committee was the risk in having no framework to do that.

Transitions to new technologies normally happen on something called S curves which means that the migration to a newer technology does not happen incrementally it happens on an S curve. and the migration to electric vehicles and zero emission vehicles is moving along a perfect S curve. Two years ago, zero emission and low emission vehicles were 4% of the market in 2022 that's that yearly target is now up to 20% that is highly likely to not be gradual lift it's like to be on an S curve is going to be steeper which means our taxi service and those having licenses will need support in that migration. Because if they do delete the transition, they may be economically disadvantage, and that risk was not debated by the cabinet. So that's why we would suggest that that a decision the cabinet was flawed because of an element of the process and all of the relevant information being put in front of them.

- 19.6 The Cabinet Member for Environment, Councillor Fleming provided a summary of the events at Cabinet. I will say that I am disappointed that some members have seen fit to call in the draft Hackney Carriage and Public Hire Licencing policy. This document is the result of extensive consultation and much hard work by our officers in close accord with local providers. Also, the licencing committee in August approved the policy where a question concerning support for EVs was posed and answered. An almost identical question was put to me at the 6th of December Cabinet meeting by Councillor Mellen which also answered. It is relevant that the main objectives of this policy are to provide a uniform set of standards and expectations for the taxi

and private hire vehicles trade and protect the public in terms of safety and security and ensure that there is a reasonable access to taxi and services for all users in the district. That is the main objective of this policy. To clarify my understanding of aspects and dispute, I understand 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. These need to be worked up separately though to the policy and is an action I fully support. Work behind developing the policy indicated a significant risk from an accelerated mandatory approach to transition that could lead in fact to fewer taxis providing a more expensive service, which would be a huge loss both socially and environmentally and counter to our aims to achieve carbon neutrality by 2030. The hackney carriage public hire providers are in a vulnerable position in this area given the pandemic and the reduction in passengers using public transport and getting around. That they provide a valuable and necessary service to residents and businesses is undisputed and both their viability and their capacity to provide affordable services as central to our economy into the functioning of society here general. Licensees offer a commercial service, and they need as much freedom as possible to operate. This policy will be reviewed again in three years on the question of fuel transition will be examined then along with other relevant matters and following an extensive consultation. For our local providers at this time the transition away from fossil fuels and the interests of the environment which, we all in this room I think want, will be more successful if pursued through encouragement rather than mandate and this approach is reflected in the policy. I believe that cabinet had more than adequate information about which to make its decision and that the policy should be taken forward as it stands.

- 19.7 Committee Members were invited to ask questions of the Lead Signature and Cabinet Members.
- 19.8 Councillor Ekpenyong questioned whether the trade had been consulted about a move to zero emissions in the formation of the policy. Councillor Jessica Fleming responded that they had, and the result was in the December report to Cabinet. There had been no comments from the trade were asking for the transition to electric vehicles.
- 19.9 Councillor Welham questioned 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 SCC as they had authority over taxi ranks and EV charging points.
- 19.10 Councillor Mansel queried whether the Overview and Scrutiny Committee could ask for a second consultation. The Monitoring Officer responded that they could.

- 19.11 Councillor Scarff queried whether the 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. And that appendix b of the Cabinet report had shown that amendments had been made following trade consultation.
- 19.12 Councillor Welham queried whether the 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 3 years' time.
- 19.13 Councillor Mansel asked Councillor Stringer whether the Licensing and Regulatory Committee had been made aware of the informal process. Councillor Stringer responded that this had been referenced in the informal consultation.
- 19.14 The Chair invited the Cabinet Member for Environment to present their summary.
- 19.15 Councillor Fleming – Cabinet Member for the Environment summarised that in order to have a environmentally secure service the policy needed to be approved. It is the result of both informal and formal work which had produced a balanced policy that provides safety and accessibility for taxi and private hire vehicles.
- 19.16 The Chair invited the lead signatory Councillor Mellen to present his summary.
- 19.17 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.
- 19.18 Councillor Mellen, Councillor Stringer and Councillor Fleming left the meeting at 13:05.
- 19.19 Councillor Caston questioned whether a consultation with the operators would produce different information. He stated that he believed that Cabinet had made a solid decision. And that a push towards EVs would be more effective when the infrastructure had put in place to support this. In addition to this, a forced change could negatively affect the disadvantaged.
- 19.20 Councillor Ekpenyong stated that he believed that information about the consultation had been available. And that the Council should not mandate when people should make the change. In addition to this against a wider background of central government policy, the trade was aware of the shift to EVs, and availability and affordability of EVs was on a timeline.
- 19.21 Councillor Muller stated that he believed that the report to Cabinet was fair and

accurate, and that EVs should not be mandated as it might turn people away from joining the trade.

- 19.22 Councillor Mansel raised concern information on informal consultations had not been provided to Cabinet Members.
- 19.23 Councillor Scarff raised concern that that if central government mandated and increase of EVs it would be rapid and it would be possible that the existing infrastructure could not support a rapid change.
- 19.24 Councillor Welham believed that Cabinet should have been given more information than what had been included in the report. Information around pre consultation and how Mid Suffolk had planned to provide taxi ranks and charging points off street should have been included.
- 19.25 Councillor Caston raised concern that if another consultation with trade took place that the voice of all taxi drivers might not be considered.
- 19.26 Councillor Paul Ekpenyong proposed that the decision be upheld and implemented immediately.
- 19.27 Councillor Dave Muller seconded this motion.

With 3 votes for, and 3 votes against

On the casting vote of the Chair the motion was lost.

19.28 A short break was taken between 13:37 – 13:45pm.

- 19.29 Councillor Sarah Mansel proposed 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 will then take a final decision and that decision cannot be called in.

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

- That Insufficient evidence of the pre-consultation regarding mandating conversion of vehicles to EV and further consultation with trade is recommended
- That Cabinet needs 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 needs to give further consideration of the discussion of the licensing and regulatory committee and its reasons for recommending the policy to cabinet

- 19.30 Councillor Keith Scarff seconded this motion.

With 3 votes for, and 3 votes against

On the casting vote of the Chair.

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 will then take a final decision and that decision cannot be called in.

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

- **That Insufficient evidence of the pre-consultation regarding mandating conversion of vehicles to EV and further consultation with trade is recommended**
- **That Cabinet needs further information in respect of plans to provide on- and off- 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 needs to give further consideration of the discussion of the licensing and regulatory committee and its reasons for recommending the policy to cabinet**

The business of the meeting was concluded at 13:50pm.

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Chair