

SOUTHEND-ON-SEA BOROUGH COUNCIL

Meeting of Policy and Resources Scrutiny Committee

Date: Thursday, 10th February, 2022

Place: Council Chamber - Civic Suite

Present: Councillor S Habermel (Vice-Chair (in the chair))
Councillors B Beggs*, K Buck*, S Buckley, D Cowan, T Cox, T Cowdrey,
M Davidson, M Dent, S George, B Hooper*, D McGlone, J Moyies, I Shead,
S Wakefield and P Wexham

*Substitute in accordance with Council Procedure Rule 31.

In Attendance: Councillors I Gilbert, P Collins, A Jones and M Terry (Cabinet Members),
J Chesterton, S Meah-Sims and S Tautz

Start/End Time: 6.30 pm - 6.50 pm

689 Apologies for Absence

Apologies for absence were received from Councillor D Garston (Chair) (Substitute: Councillor B Beggs), Councillor M Kelly (no substitute), Councillor D Nelson (Substitute: Councillor K Buck) and Councillor A Thompson (Substitute: Councillor B Hooper).

690 Declarations of Interest

The following interests were declared at the meeting:

(a) Councillors I Gilbert, P Collins, A Jones and M Terry (Cabinet Members) - Interest in the called-in items; Attended pursuant to the dispensation agreed at Council on 19 July 2012, under S.33 of the Localism Act 2011.

(b) Councillors I Gilbert, P Collins, A Jones and M Terry (Cabinet Members) - Interest in the referred items; Attended pursuant to the dispensation agreed at Council on 19 July 2012, under S.33 of the Localism Act 2011.

(c) Councillor M Davidson - Agenda Item 6 (Draft Housing Revenue Account Budget and Rent Setting 2022/23) - Non-Executive Director of South Essex Homes - Non-pecuniary interest.

(d) Councillor M Dent - Agenda Item 7 (Draft Prioritising Resources to Deliver Better Outcomes 2022/23-2026/27) - Appointed as the Council's representative on the Board of the Essex Pension Fund - Non-pecuniary interest.

691 Questions from Members of the Public

The Committee noted the responses of the Leader of the Council (Cabinet Member for Economic Recovery and Regeneration) and the Cabinet Member for Public Protection to questions submitted by Mr David Webb, which would be sent to Mr Webb as he was not present at the meeting.

692 Minutes of the Meeting held on 1 December 2021

Resolved:

That the minutes of the meeting of the Committee held on 1 December 2021 be confirmed

as a correct record and signed.

693 Resourcing Better Outcomes - Financial Performance Report for November (Period 8)

The Committee considered Minute 602 of the meeting of the Cabinet held on 13 January 2022, which had been called-in to the Committee for scrutiny, together with a report of the Executive Director (Finance and Resources) reviewing the Council's financial performance.

Resolved:

That the following recommendations of the Cabinet be noted:

"That, in respect of the 2021/22 Revenue Budget Performance, as set out in Appendix 1 to the submitted report:

1. That the forecast outturn for the General Fund and the Housing Revenue Account as at November 2021 and the intention to defer the previously approved use of £2.5M from Reserves to support the 2021/22 budget, be noted.

That, in respect of the 2021/22 Capital Budget Performance, as set out in Appendix 2 to the report:

2. That the expenditure to date and the forecast outturn as at November 2021 and its financing, be noted.

3. That the requested changes to the capital investment programme for 2021/22 and future years, as set out in Section 4 of Appendix 2 to the report, be approved."

Note: This is a Council Function

Cabinet Members: Councillors I Gilbert and P Collins

694 Draft Housing Revenue Account (HRA) Budget and Rent Setting Report 2022/23

The Committee considered Minute 604 of the meeting of the Cabinet held on 13 January 2022, which had been referred directly to the Committee for scrutiny, together with a joint report of the Executive Director (Finance and Resources) and Executive Director (Housing and Growth), setting out the Housing Revenue Account (HRA) budget for 2022/23, together with the information necessary to set a balanced HRA budget.

Resolved:

That the following decisions of the Cabinet be noted:

"1. That an average rent increase of 4.10% on all tenancies, be endorsed.

2. That an average rent increase of 4.10% on shared ownership properties, be endorsed.

3. That an increase of 4.10% for garage rents to £12.70 per week for tenants and £15.24 for non-tenants (being £12.70 plus VAT), a rise consistent with the proposal for the main rent increase (all variants on a standard garage will receive a proportionate increase), be endorsed.

4. That the South Essex Homes core management fee at £6,648,000 for 2022/23, be endorsed.

5. That South Essex Homes proposals for average increases of 10.88% in service charges, be endorsed.

6, That South Essex Homes proposals for an average 16.95% reduction in heating charges for sheltered housing tenants and an average 4.42% increase in heating charges for hostel tenants to reflect the actual costs incurred, be endorsed.

7. That the following appropriations be endorsed:

- £60,000 to the Repairs Contract Pensions Reserve;
- £2,978,000 to the Capital Investment Reserve and
- £8,309,000 from the Capital Investment Reserve

8. That subject to resolutions 1 to 7 above, the HRA budget for 2022/23, as set out in Appendix 1 to the submitted report, be approved.

Note: This is an Executive Function, save that approval of the final budget following Cabinet on 15 February 2022 is a Council Function
Cabinet Members: Councillors I Gilbert and A Jones

695 Draft Prioritising Resources to Deliver Better Outcomes – 2022/23 to 2026/27

The Committee considered Minute 605 of the meeting of the Cabinet held on January 2022, which had been referred directly to each of the scrutiny committees, together with a report of the Executive Director (Finance and Resources) presenting the draft prioritising resources to deliver better outcomes for 2022/23 to 2026/27.

Resolved:

That the following decisions of the Cabinet be noted:

“1. That it be noted that the final version of the updated Financial Sustainability Strategy 2022-2032 will be available for consideration in February 2022 (Appendix 1 to the submitted report).

2. That it be noted that a Medium-Term Financial Strategy for 2022/23 – 2026/27 will be available for consideration in February 2022 and the draft Medium Term Financial Forecast and estimated Earmarked Reserves Balances up to 2026/27 (Annexes 1 and 2 to Appendix 2 to the submitted report), be endorsed.

3. That the draft Section 151 Officer’s statement on the robustness of the proposed budget, the adequacy of the Council’s reserves and the Council’s Reserves Strategy (Appendix 3 to the report), be noted.

4. That the appropriation of the sums to earmarked reserves totalling £2.675M (Appendix 4 to the report), be endorsed.

5. That the appropriation of the sums from earmarked reserves totalling £4.494M, which includes £2.500M that was previously approved to support the budget in 2021/22 and is now requested to be used to support the estimated budget gap for 2022/23 instead. (Appendix 4 to the report), be endorsed.

6. That a General Fund Budget Requirement for 2022/23 of £140.288M and Council Tax Requirement of £91.844M (Appendix 5) and any required commencement of consultation, statutory or otherwise, be endorsed.

7. That it be noted that the 2022/23 revenue budget has been prepared on the basis of using £1.5 million from accumulated Collection Fund surpluses for the core budget to allow for a smoothing of the budget gap across the next four financial years.

8. That a Council Tax increase of 3.99% for the Southend-on-Sea element of the Council Tax for 2022/23, being 1.99% for general use and 2.0% for Adult Social Care, be endorsed.
9. That it be noted that the position of the Council's preceptors is to be determined:
- Essex Police – no indication of Council Tax position
 - Essex Fire & Rescue Services – no indication of Council Tax position
 - Leigh-on-Sea Town Council – proposed Band D precept increase of 0.53%;
10. That no Special Expenses be charged other than the Leigh-on-Sea Town Council precept for 2022/23, be endorsed.
11. That the proposed General Fund revenue budget investment of £13.672M (Appendix 6 to the report), be endorsed.
12. That the proposed General Fund revenue budget savings and income generation initiatives for 2022/23 of £5.087M (Appendix 7 to the report), be endorsed.
13. That the proposed future outline Budget Transformation Programme 2023/24 – 2026/27 (Appendix 8 to the report), be noted.
14. That the proposed range of fees and charges for 2022/23 (Appendix 9 to the report), be endorsed.
15. That the Dedicated Schools Grant budget and its relevant distribution as recommended by the Education Board (Appendix 10 to the report), be endorsed.
16. That the Capital Investment Strategy for 2022/23 to 2026/27 (Appendix 11 to the report) and the Capital Investment Policy (Annex 1 to Appendix 11 to the report), be endorsed.
17. That the new schemes and additions to the Capital Investment Programme for the period 2022/23 to 2026/27 totalling £12.6M for the General Fund (Appendix 12 to the report) and new schemes subject to viable business cases totalling £33.9M (£15.5M for the General Fund and £18.4M for the Housing Revenue Account) (Appendix 12 to the report), be endorsed.
18. That the proposed changes to the current Capital Investment Programme that were considered for approval as part of the Resourcing Better Outcomes – Financial Performance Report – Period 8 (Appendix 13 to the report), be noted.
19. That the proposed Capital Investment Programme for 2022/23 to 2026/27 of £119.8M to be delivered by the Council and £51.3M to be delivered by Subsidiary Companies, Partners and Joint Ventures (Appendix 14 to the report) of which £51.1M is supported by external funding, be endorsed.
20. That the Minimum Revenue Provision (MRP) Policy for 2022/23 (Appendix 15 to the report) and the prudential indicators (Appendix 16 to the report), be endorsed.
21. That the operational boundary and authorised limits for borrowing for 2022/23 are set at £385M and £395M respectively (Appendix 16 to the report), be endorsed.”
- Note: This is an Executive Function, save that approval of the final budget following Cabinet on 15 February 2020 is a Council Function
- Cabinet Members: Councillors I Gilbert and P Collins

The Committee was advised of current progress with regard to the joint in-depth scrutiny project for 2021/22.

Councillors noted that the project had recently been delayed and that, as a result, the Project Team had requested that the work programme activity around Officer/Councillor Engagement, be reviewed to reflect that such aspects of the project could be aligned with the separate work taking place to implement the actions arising from the review of the Member/Officer Protocol. The Committee was informed that the Project Team had recently received a presentation on the current performance of the 'Councillor Queries' portal and plans for its development and had also asked to receive a presentation in respect of appropriate member casework management systems that could be considered by the Council.

Resolved:

That the report be noted.

Note: This is a Scrutiny function

Chair: _____