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SOUTHEND-ON-SEA BOROUGH COUNCIL

Meeting of Policy and Resources Scrutiny Committee

Date: Thursday, 30th January, 2020
Place: Committee Room 1 - Civic Suite

Present: Councillor D Garston (Chair)
Councillors D McGlone (Vice-Chair), D Burzotta, D Cowan, T Cox,
P Collins, M Davidson, M Dent, S George, S Habermel, H McDonald,
D Nelson, I Shead, M Stafford, S Wakefield and P Wexham

In Attendance: Councillors C Mulroney, M Terry, R Woodley (Cabinet Members) and
K Evans
J K Williams, J Chesterton, A Richards, P Bates, R Harris and
A Keating

Start/End Time: 6.30 pm - 6.50 pm

768 Apologies for Absence

Apologies for absence were received from Councillor Ayling (no substitute).

769 Declarations of Interest

The following interests were declared at the meeting:

(a) Councillors Mulroney, Terry and Woodley (Cabinet Members) - interest in the referred items; attended pursuant to the dispensation agreed at Council on 19th July 2012, under S.33 of the Localism Act 2011;

(b) Councillor Davidson – Agenda Item No. 6 (Draft Housing Revenue Account Budget 2020/21 and Rent Setting) (Minute 773) – Non-pecuniary interest: Non-Executive Director of South Essex Homes; and

(c) Councillor Mulroney – Agenda Item No. 5 (Council Tax Base) (Minute 772) and Agenda Item No. 7 (Draft Prioritising Resources to Deliver Better Outcomes 2020/21 to 2024/25) (Minute 774) – Non-pecuniary interest: Member of Leigh Town Council.

770 Questions from Members of the Public

The Committee noted the responses to questions that had been submitted by Mr Webb to the Leader of the Council. Copies will be forwarded to him as he was not present at the meeting.

771 Minutes of the Meeting held on Thursday 28th November 2019

Resolved:

That the minutes of the meeting held on Thursday 28th November 2019, be confirmed as a correct record and signed.

772 Council Tax Base and Non Domestic Rating Base 2020/21

The Committee considered Minute 690 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Executive Director (Finance and Resources), concerning the calculation of the Council Tax Base for 2020/21 and the submission of the National Non Domestic Rates (NNDR1) form to the Ministry of Housing, Communities and Local Government (MHCLG) by 31st January 2020.

Resolved:

That the following decision of Cabinet, be noted:-

“In respect of the Council Tax Base:

In accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended by the Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003) and Local Government Finance Act 2012 (Calculation of billing authority’s council tax base section 15):

1. From 1st April 2020 the premium for properties (empty for 5 years but less than 10 years) will be increased to 200%.
2. The amount calculated by Southend-on-Sea Borough Council as its Council Tax Base for the year 2020/21 shall be 58,680.94.
3. That the amount calculated by Southend-on-Sea Borough Council as the Council Tax Base in respect of Leigh-on-Sea Town Council for the year 2020/21 shall be 8,845.24.
4. That the new Care Leavers Council Tax Relief Policy set out at Appendix A to the submitted report be endorsed and the subsequent impact on the Council Tax Base, be noted.

In respect of the Non-Domestic Rates Base (NNDR1 Form):-

5. The NNDR1 form attached at Appendix D to the report, be approved for submission to MHCLG.

Note: This is an Executive Function
Cabinet Member: Cllr Gilbert

773 Draft Housing Revenue Account Budget 2020/21 and Rent Setting

The Committee considered Minute 691 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Executive Director (Finance and Resources), setting out the Housing Revenue (HRA) budget for 2020/21, together with the information necessary to set a balanced budget as required by legislation.

Resolved:

That the following decision of Cabinet, be noted:-

- “1. That an average increase on secure tenancy rents of 2.7%, be endorsed.
2. That an average rent increase of 2.7% on shared ownership properties, be endorsed.
3. That an increase of 2.7% for garage rents to £12.02 per week for tenants and £14.42 for non-tenants (being £12.02 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 proposed rent charges in 1-3 above be effective from 6th April 2020.
5. That the South Essex Homes core management fee at £5,971,000 for 2020/21, be endorsed.
6. That South Essex Homes proposals for average increases of 6.36% in service charges and 16.69% in heating charges to reflect the actual costs incurred, be endorsed.
7. That the following appropriations, be endorsed:
 - £60,000 to the Repairs Contract Pensions Reserve;
 - £5,319,000 to the Capital Investment Reserve; and
 - £8,708,000 from the Capital Investment Reserve.
8. That subject to 1-7 above, the HRA budget for 2020/21, as set out in Appendix 1 to the submitted report, be endorsed.
9. That the value of the Council’s capital allowance for 2020/21 be declared as £57,261,000 as determined in accordance with regulation 16 of the Local Authorities (Capital Finance and Accounting) (England) Regulations.”

Note: This is an Executive Function save that approval of the final budget following Cabinet on 11th February 2020 is a Council Function
Cabinet Member: Cllr Gilbert

774 Draft Prioritising Resources to Deliver Better Outcomes – 2020/21 to 2024/25

The Committee considered Minute 692 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to all three Scrutiny Committees, together with a report of the Executive Director (Finance and Resources) presenting the draft General Fund Revenue Budget for 2020/21.

Resolved:

That the following decisions of Cabinet, be noted:-

- “1. That the draft Financial Sustainability Strategy (Appendix 1 to the submitted report) be endorsed.

2. That the draft Medium Term Financial Strategy (Appendix 2 to the report) and the resulting Medium Term Financial Forecast and Earmarked Reserves Balances up to 2024/25 (Annexes 1 and 2 to Appendix 2 to the report), be endorsed.
3. That the Section 151 Officer's report on the robustness of the proposed budget, the adequacy of the Council's reserves and the Reserves Strategy (Appendix 3 to the report), be noted.
4. That the appropriation of the sums to earmarked reserves totalling £3.37 million (Appendix 4 to the report), be endorsed.
5. That the appropriation of the sums from earmarked reserves totalling £8.972 million (Appendix 4 to the report), be endorsed;
6. That General Fund net revenue budget for 2020/21 of £130.428M (Appendix 5a to the report) and any required commencement of consultation, statutory or otherwise, be endorsed.
7. That a Council Tax increase of 3.99% for the Southend-on-Sea element of the Council Tax for 2020/21, being 1.99% for general use and 2% for Adult Social care (Paragraph 10.10 of the report), be endorsed.
8. That it be noted that the 2020/21 revenue budget has been prepared on the basis of using £2 million from the Collection Fund for the core budget to allow for a smoothing of the budget gap across the next three financial years (Paragraph 10.9 of the report).
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; and
 - Leigh-on-Sea Town Council – proposed precept increase ranging from 4.72% to 8.30%.
10. That no Special Expenses be charged other than the Leigh-on-Sea Town Council precept for 2020/21.
11. That the proposed General Fund on-going budget investment and reprioritisation of £5.355M (Appendix 6 to the report), be endorsed.
12. That the one-off investment items, as set out in paragraph 10.8 of the report and included within the appropriations (Appendix 7 to the report), be endorsed.
13. That the schools budget and its relevant distribution as recommended by the Education Board (Appendix 8 to the report), be endorsed.
14. That the Capital Investment Strategy for 2020/21 to 2024/25 (Appendix 9 to the submitted report) and the Capital Investment Policy (Annex 1 to Appendix 9 to the report), be endorsed.

15. That the new schemes and additions to the Capital Investment Programme for the period 2020/21 to 2024/25 totalling £28.4M for the General Fund and £18.7M for the Housing Revenue Account (Appendix 10, to the report), be endorsed.

16. That the schemes subject to viable business cases for the period 2020/21 to 2022/23 (Appendix 10 to the report), be endorsed.

17. That the proposed changes to the current Capital Investment Programme (Appendix 11, to the report), be endorsed.

18. That the proposed Capital Investment Programme for 2020/21 to 2024/25 (Appendix 12 to the report) be approved and it be noted that the changes to the approved programme will result in a proposed Capital Investment Programme of £204.8M for 2020/21 to 2024/25 (Appendix 12 to the report) of which £51.3M is supported by external funding.

19. That the Minimum Revenue Provision (MRP) Policy for 2020/21 (Appendix 13 to the report) and the prudential indicators (Appendix 14 to the report), be endorsed.

20. That the operational boundary and authorised limits for borrowing for 2020/21 are set at £375M and £385M respectively (Appendix 14 to the report)."

Note: This is an Executive Function save that approval of the final budget following Cabinet on 11th February 2020 is a Council Function
Cabinet Member: Cllr Gilbert

775 Housing and Regeneration Pipeline, Including Acquisitions Programme - Update

The Committee considered Minute 693 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Executive Director (Finance and Resources) and the Deputy Chief Executive and Executive Director (Housing and Growth) providing an update on the work underway on the pipeline of housing and development opportunities across the Borough.

Resolved:

That the following decisions of Cabinet, be noted:-

"1. That the progress on the Acquisitions Programme for Council Housing as set out in sections 3.5-3.8 to the submitted report, be noted.

2. That the progress of the first phase of housing and development pipeline sites currently in delivery as set out in section 3.12 to the report and the progress with PSP Southend LLP in section 3.14-3.16 to the report, be noted.

3. That the progress of the Allocations Policy as set out in sections 3.18-3.21 to the report, be noted."

Note: This is an Executive Function.
Cabinet Member: Cllrs Gilbert and Woodley

776 Notice of Motion - Transparent and Accessible Council

The Committee considered Minute 702 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Executive Director (Legal and Democratic Services) responding to the Notice of Motion, presented at the last meeting of the Council, requesting that consideration be given to extending webcasting to the Council's Scrutiny Committees and enhancing the use of social media in conjunction with live recorded meetings.

Resolved:

That the following decisions of Cabinet, be noted:-

"1. That webcasting of meetings of the Cabinet and the three scrutiny committees (to be held on the Council chamber) be trialled during the June/July 2020 cycle of meetings, subject to the Chairs of the scrutiny committees being content for the trial to be applied to meetings of those committees.

2. That officers be requested to consider ways of enhancing the use of social media in conjunction with the webcasting arrangements.

Note: This is an Executive Function
Cabinet Member: Cllr Gilbert

777 SELEP - Revised Governance Arrangements

The Committee considered Minute 704 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Executive Director (Legal and Democratic Services), proposing revisions to the governance arrangements of the SELEP in the light of the central government requirement for Local Enterprise Partnerships to set up a company.

Resolved:

That the following recommendations of Cabinet, be noted:-

"Recommended:-

1. That the Council will become a member of South East LEP Limited with Articles of Association as set out at Appendix 1 to the submitted report.

2. That the framework agreement be signed in the form at Appendix 2 to the report.

3. That the Leader will be the Council's initial member of the Board with the Deputy Leader as alternate director.

4. That the Leader will be the Council's initial member of the Accountability Board with the Deputy Leader as principal substitute."

Note: This is a Council Function
Cabinet Member: Cllr Gilbert

778 Additional Outcome Success Measures Reporting

The Committee considered Minute 708 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Chief Executive presenting the Outcome Success Measures report that provides an update on the Council's progression on the 23 Southend 2050 outcomes.

Resolved:

That the following decision of Cabinet, be noted:-

"That the Outcome Success Measures report, be noted."

Note: This is an Executive Function
Cabinet Member: Cllr Gilbert

779 Corporate Budget Performance - Period 8

The Committee considered Minute 709 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Executive Director (Finance and Resources) on the corporate budget performance (Period 8).

Resolved:

That the following recommendations of Cabinet, be noted:-

"Recommended:

In respect of the 2019/20 Revenue Budget Performance as set out in Appendix 1 to the submitted report:

1. That the forecast outturn and mitigating actions for the General Fund and the Housing Revenue Account as at November 2019, be noted.
2. That the planned budget transfers (virements) of £5,651,325 between portfolio services, as set out in section 3.12 of the report, be approved.

In respect of the 2019/20 Capital Budget Performance as set out in Appendix 2 to the report:

1. That the expenditure to date and the forecast outturn as at November 2019 and its financing, be noted.
2. That the requested changes to the 2019/20 Capital Investment Programme as set out in section 3 of Appendix 2 to the report, be approved.

3. That, in respect of the transfer of an asset as set out in section 4 of the report: 12A Ceylon Road be appropriated from the General Fund to the Housing Revenue Account.”

Note: This is a Council Function
Cabinet Members: Cllrs Gilbert and Woodley

780 2019/20 Corporate Risk Register

The Committee considered Minute 708 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Chief Executive, outlining the 2019/20 Corporate Risk Register mid-year update.

Resolved:

That the following decision of Cabinet, be noted:-

“That the 2019/20 Corporate Risk Register and the mid-year updates outlined in Appendix 2 to the submitted report, be noted.”

Note: This is an Executive Function
Cabinet Member: Cllr Woodley

781 Council Debt Position to 30 November 2019

The Committee considered Minute 711 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Executive Director (Finance and Resources), on the above matter.

Resolved:

That the following decisions of Cabinet, be noted:-

“1. That the current outstanding debt position as at 30th November 2019 and the position of debts written off to 30th November 2019 as set out in Appendices A & B to the submitted report, be noted.

2. That the write offs greater than £25,000, as detailed in Appendix B to the report, be approved.”

Note: This is an Executive Function
Cabinet Member: Cllr Gilbert

782 Council Procedure Rule 46

The Committee considered Minute 712 of the meeting of Cabinet held on 16th January 2020 which had been referred direct to Scrutiny, in connection with the action taken with regard to the provision of passenger transport.

Resolved:-

That the following decision of Cabinet, be noted:-

“That the submitted report be noted.”

Note: This is an Executive Function
Cabinet Member: As appropriate to the item

783 Exclusion of the Public

Resolved:-

That, under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the item of business set out below, on the grounds that it would involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

784 Council Procedure Rule 46 - Confidential Sheet

The Committee considered Minute 714 of the meeting of Cabinet held on 16th January 2020 which had been referred direct to Scrutiny concerning action taken under Standing Order 46 – Confidential sheet.

Resolved:-

That the following decision of Cabinet, be noted:-

“That the SO46 confidential sheet, be noted.”

Note: This is an Executive Function
Cabinet Member: Cllr Woodley

Chair: _____

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