

Overview & Scrutiny Committee – 1 February 2024

Minutes of the meeting of the **Overview & Scrutiny Committee** held on **1 February 2024** when there were present:-

Chairman: Cllr Mrs J E McPherson
Vice-Chairman: Cllr N J Booth

Cllr Mrs E P Gadsdon	Cllr Mrs S J Page
Cllr R Lambourne	Cllr D J Sperring
Cllr E O K Mason	Cllr I H Ward
Cllr Mrs C M Mason	Cllr S E Wootton
Cllr R Milne	
Cllr G W Myers	

34 VISITING MEMBERS

Cllrs J E Cripps, Mrs J R Gooding, M Hoy and J E Newport.

35 APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllrs Mrs D L Belton, A G Cross and J N Gooding.

36 SUBSTITUTES

Cllr I A Foster	- for Cllr Mrs D L Belton
Cllr R Lambourne	- for Cllr A G Cross

37 OFFICERS PRESENT

S Summers	- Strategic Director
E Yule	- Strategic Director
G Campbell	- Corporate Director, Policy & Transformation
L Nicholson	- Interim Director, Place
T Willis	- Interim Director, Resources
K Anderson	- Corporate Manager, Community, Leisure & Health
W Szyszka	- Democratic Services Officer

38 MINUTES

The Minutes of the meeting held on 5 December 2023 were approved as a correct record and signed by the Chairman.

A Member raised a query relating to Minute reference 246 – Key Decisions Document on page 4 through to page 5 of the minutes as to why the Key Decisions Document noted by the Committee did not list the Clements Hall skatepark location.

Officers responded that this would be dealt with outside of the meeting after consultation with the Executive who is responsible for agreeing the content of the Key Decisions Document.

39 DECLARATIONS OF INTEREST

Cllr Mrs C M Mason declared a non-pecuniary interest in items 6 and 7 of the agenda by virtue of being involved with the preliminary examinations relating to these items in her capacity as Group Leader.

Cllr Mrs C M Mason left the meeting room due to her interest in the following items.

40 2024/25 BUDGET AND 2024-29 MEDIUM TERM FINANCIAL STRATEGY

Members considered the report of the Interim Director, Resources setting out the Executive's proposals to Full Council on 20 February 2024 in respect of the 2024/25 Budget and 2024-29 Medium Term Financial Strategy.

During the introduction of the report, the Interim Director, Resources outlined that the proposed Council Tax increase was at 2.99%. The Council had no borrowing over the Medium Term Financial Strategy (MTFS) and the fees and charges were rising with inflation. The Interim Director further added that the Council foresaw a balanced budget for 2024/25 as well as for 2025/26 and 2026/27 with no use of reserves to support these budgets. Members noted that this demonstrated a sound and responsible approach to managing the Council's finances, despite severe pressure on budgets as a result of inflation.

Officers advised Members that as a whole, there was uncertainty regarding the economic backdrop and Government funding for the Budget and the MTFS. The Council was in a position to maintain the minimum level of working balances of 10% of net revenue expenditure, as per Council policy which was also acceptable to the S151 Officer's assurance statement and over the medium term.

Officers referred to the table on page 6.9 of the report providing a summary of budget over the next five years. The table demonstrated that there were projected shortfalls in years 4 and 5; however, whilst shortfalls were of some concern, they were only predictions in the context of substantial uncertainty. Furthermore, actions planned over the medium term designed to generate income and reduce costs were highlighted on pages 6.7 to 6.8 of the report.

In relation to the Capital Programme outlined within the report, officers advised Members that the report presented a five year programme that invested in the District and the services provided by the Council and in order to avoid borrowing, the Council would be using receipts from asset sales and earmarked reserves to fund the Programme.

Members noted that the earmarked reserves that were being used to fund the Capital Programme were derived from the revenue budget, sometimes building

them up whenever possible, to spend on investment. Officers advised that the amount of reserves available to fund the capital programme would become exhausted; however, this was recognised by limiting the programme over the five years.

Officers added that whilst the Council had identified specific schemes, a number of other schemes would be subject to a value for money assessment, starting in 2024/25 to decide which projects should be prioritised, as per page 6.14 of the report.

Officers continued that the Council strived for efficiencies; however, there were ongoing cost increases and pressure on income; any spare funding would be used to support investment in assets and services whilst taking into account that any significant unfunded cost could prompt the need to reduce services or to borrow.

A query was raised relating to page 6.1 of the report seeking clarification as to whether any further comments or recommendations were made by the Executive prior to the report being presented to this meeting of the Overview & Scrutiny Committee.

Officers advised that no further arising comments made by the Executive.

A reference was made to the fourth paragraph regarding guaranteed funding of £580k as per paragraph 1.7 on page 6.5 of the report, querying whether this was a new grant available to the Council.

In response, officers advised that this was a new grant for 2023/24 and it would continue into the 2024/25 financial year. Officers clarified that the £0 marked against it was because the funding was zero for Rochford in the 2023/24 year. The nature of the funding guarantee introduced a year ago increasingly looked like a balancing figure of government funding. In 2023/24, Rochford District Council (RDC) received a large New Homes Bonus which affected the amount of funding guarantee the Council received. Members noted that the New Homes Bonus was lower for the 2024/25 year and as a result, the funding guarantee was available to the Council to act as a balancing figure during Government determinations of how much additions would be implemented to increase core spending power for local government.

A further query was raised relating to the subsequent paragraph on the same page of the report regarding the Homeless Prevention Grant that the Council was still awaiting to receive. The Member also raised a question relating to page 6.13 of the report where it stated that there was a grant of £287k and queried as to whether these grants were the same.

Officers responded that this was the Council's best estimate of what the grant was going to be based on a figure for next year taking into account last year's figures; however, the Council was yet to be formally notified of the confirmed figure for the 2024/25 year.

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A question was raised relating to paragraph 1.7 on page 6.5 of the report with regard to the usage of earmarked reserves to assist in the balance of the budget as to whether the Council sought to reinstate these reserves and if officers had a forward plan for the reinstating.

Members noted that at this stage over the next five years, there were no plans to reinstate, replenish or increase allocated reserves; however, there were plans to mitigate against using up all the reserves over the five year period.

In response to a Member question seeking clarity whether there were earmarked reserves that were not as necessary or important as others, officers clarified that it was difficult to compare one against the other due to the fact there were various types of reserves.

A query was raised regarding the third bullet point at paragraph 1.12 on page 6.7 of the report as to what was entailed in the ongoing revenue contribution to Capital at £255k.

In response, officers clarified that this figure remained the same for a number of years and had been used within the Capital programme each year.

A Member asked for clarity on the use of the newly established Budget Equalisation reserve.

Officers responded that this year, the Council established it as a reserve. There was some underspend in this year which the Council was using to contribute towards this reserve and would start drawing upon it in future years. The purpose of this reserve was to even out any fluctuations in budget gaps over the 2024/25, 2025/26 and 2026/27 period. Officers pointed to page 6.9 of the report where Members could see that £193k worth of contributions are proposed towards the Budget Equalisation reserve.

Members sought clarity regarding the final bullet point on page 6.3 of the report in relation to the delivery of objectives of the Council's Asset Strategy.

Officers responded that the budget was a financial plan at a moment in time. It was sometimes difficult to align the timing of budget approval, which is a statutory requirement, with the formulation of non-financial strategies and plans.

Cllr S E Wootton moved, seconded by Cllr I H Ward, an amended recommendation to the one set out in the report, as follows: "that the 2024 Budget and 2024-29 Medium Term Financial Strategy be recommended to the Executive, mindful that there has not been a line by line scrutiny of the budget by this Committee."

A Member referred to the table listed on page 6.9 of the report and commented on the funding allocated towards strategic planning noting that sufficient funding would be required by the Council dedicated towards the expenses surrounding the Local Plan. Further concerns were expressed by the Member

surrounding the planning department having a lack of resource and funding for a number of years.

Officers responded that work related to the Local Plan was funded from a dedicated reserve, which was in addition to the annual budgets set aside for normal staffing levels in Planning.

A comment was raised by a Member relating to paragraph 6.6 on page 6.8 of the report with regard to savings delivery and additional income; however, sought breakdown of what the expected savings income would be.

Officers responded that this referred to bullet point ideas that could be pursued by the Council over the medium term in order to address the medium term budget gap.

Members noted that a budget gap in years four- and five of the five-year MTFS was a common theme amongst other local authorities and that many authorities were projecting much larger budget gaps in those years due to ongoing uncertainty. Thus, it was not unusual for budget gaps to appear. Officers also assured Members that the Council possessed enough reserves in order to cover significant budget gaps with a balanced budget as well as a balanced MTFS.

A reference was made to page 6.21 and the budget relating to Climate Change and Economy. A Member query was raised regarding the budget for 2023/24 which was at £884k with an actual of c£914k. The Member continued to seek clarity upon the declaration of a climate emergency, with the budget being reduced to £600k; however, questioned whether this was based upon increasing operating income from £275k to £650k and if so, sought confirmation as to why this figure increased.

The Lead Member for Climate Change, Resource and Economy would provide a response outside of the meeting.

A Member expressed disappointment with only 329 responses received to the Council's Budget Survey.

A request was made by a Member for the Executive to provide a breakdown of Capital projects in order to investigate how these projects impact Parishes and Towns within the District.

Resolved

That the 2024 Budget and 2024-29 Medium Term Financial Strategy be recommended to the Executive, mindful that there has not been a line-by-line scrutiny of the budget by this Committee.

(7 Members voted in favour, 3 Members voted against and 3 Members abstained.)

41 CAPITAL AND TREASURY MANAGEMENT STRATEGY STATEMENT

Members considered the report of the Interim Director, Resources setting out the framework for the forthcoming financial year for the Capital and Treasury activities of the Council.

The Interim Director, Resources advised Members that there was no significant material in terms of borrowing as the Council had no external debt. In relation to investments, the parameters and criteria for investments were set out within the report for Members to consider.

Cllr Mrs J E McPherson moved a Motion, seconded by Cllr I H Ward that the recommendation set out on page 7.1 of the report be approved.

Resolved

That the Capital and Treasury Management Strategy 2024/25 be recommended to Full Council on 20 February 2024.

(This was unanimously agreed.)

Mrs C M Mason returned to the meeting room.

42 Q3 TREASURY MANAGEMENT UPDATE

Members considered the report of the Interim Director, Resources providing an update of the Council's Treasury Management activity for the period April 2023 to 31 December 2023.

The Interim Director, Resources emphasised the excess income generated from investments and that this windfall had been factored into the latest budget monitoring report. Members noted that as a result, it enabled the creation of a budget mitigation reserve which would be proposed to be used to eliminate budget gaps in future years.

A question was raised relating to S106 monies and whether the Council earned interest on the money that it held on behalf of other organisations.

In response, officers clarified that some S106 monies were provided in the form of commuted sums which the Council invest and the interest earned on this was used to maintain and manage the sites that S106 monies was granted for and ringfenced within the S106 agreement. Officers added that any cash reserves held by the Council including those on behalf of another body would normally earn interest for the Council.

Cllr Mrs J E McPherson moved a Motion, seconded by Cllr Mrs C M Mason that the recommendation set out on page 8.1 of the report be approved.

Resolved

That the contents of the Quarter 3 Treasury Management Report be recommended to Full Council.

(This was unanimously agreed.)

43 REVIEW OF IMPROVEMENTS WITHIN THE DEVELOPMENT MANAGEMENT TEAM

Members considered the report of the Interim Director, Place providing Members with an update on the progress of work to improve the delivery of the Development Management and Enforcement Service and to seek Committee's comment on the on-going improvement programme.

A Member made reference to Appendix 1 to the report and raised concerns over insufficient budgets to ensure a proper delivery of services, in particular within the Development Management Division of the Council.

Officers responded that finances were identified as one of the risks, as per paragraph 3.1 on page 9.4 of the report and that the report highlighted that it was vital to ensure that the service was sufficiently resourced and funded.

A question was raised as to the membership of the Planning Improvement Board (PIB).

Officers clarified that the PIB was an officer group that reported to the relevant Strategic Director. The group met on a monthly basis with an aim to check and challenge recommendations and ensure these were implemented accordingly. Members also noted that the PIB produced a highlight report with its findings presented to the Corporate Leadership Team (CLT).

Cllr I H Ward moved a Motion, seconded by Cllr I A Foster that the Planning Improvement Board reports its findings to Overview & Scrutiny Committee on a quarterly basis.

(This was unanimously agreed.)

A question was raised by a Member in relation to paragraph 2.3 on page 9.2 of the report as to the progress made by the Council in appointing to the senior planning posts.

In response, officers advised that the Council had been unable to recruit to this post; however, would be implementing temporary arrangements to support this post for several months during which the Council would re-advertise the vacancy.

A Member commented on the high volume of enforcement cases and queried whether this review had a direct effect on the number of cases outstanding.

Officers responded that processes, resources and structures were interwound within this review and it was vital that the Tier 4 Corporate Manager appointments within this area were finalised first for officers to be able to

progress onto internal systems to tackle the backlog of cases effectively. Officers confirmed that a Tier 4 Manager was successfully appointed before Christmas.

A request was made by a Member for officers to provide a number of cases outstanding on enforcement within future reports.

Resolved

- (1) That the contents of the report be noted.
- (2) That the Planning Improvement Board reports its findings to the Overview & Scrutiny Committee on a quarterly basis.

(This was unanimously agreed.)

44 PLANNING ENFORCEMENT UPDATE

Members considered the report of the Interim Director, Place summarising the enforcement activity undertaken in the Rochford District for the period 1 April 2023 and 31 December 2023.

A question was raised whether there were means to ensure that conditions on major developments were implemented that flagged up time limits associated with these and inspected accordingly. A further query was raised in relation to enforcement cases awaiting appeal outcome or compliance as listed within the appendix and whether officers were aware that these cases had been complied with.

Officers responded that they did not have this detail of information available at the meeting; however, assured Members that the relevant enforcement notices had been served and the cases were undergoing a period of monitoring. The conclusion of the monitoring period would depend upon whether there was compliance or whether the Council was obliged to escalate the matters further; for example, via prosecution.

A Member suggested that officers considered Member involvement in enforcement decisions.

Officers advised that this would be taken outside of the meeting.

A reference was made to the table listed on page 10.2 of the report and the 28% of cases resolved through negotiation with a query as to whether officers were aware how many of these cases were achieved through retrospective planning.

Officers responded that they did not have to hand the breakdown of the 28% but advised that a typical approach to an enforcement case in an instance where a breach had been identified, officers would initially try to identify a remedy to the breach. In an instance where development would be potentially compliant with the development plan, the first step would be to invite a planning

application; any instances that were adverse to development would proceed to enforcement action.

A question was raised whether retrospective planning applications would come forward to the Development Committee.

Officers responded that this would be dependent upon the scale and nature of the development.

A request was made for officers to notify Ward Members of any planning changes in an instance where residents would query these with their Ward Councillors.

Resolved

That the contents of the report be noted.

45 ONE TEAM TRANSFORMATION PROGRAMME – STRATEGIC PARTNERSHIP WITH BRENTWOOD BOROUGH COUNCIL

Members considered the report of the Director, Policy & Delivery providing a quarterly update on the progress of the OneTeam Transformation programme.

A Member raised a question regarding shared designation and the status of members of staff if they did not yet undergo a service review process.

In response, officers advised that those staff that had not yet been through the service review process would remain with their designated Council and were not working across RDC and Brentwood Borough Council (BBC) simultaneously. Members also noted that structure charts for the One Team services which were fully employed were being made available on the Members' Portal.

In response to a Member question relating to allocation of time spent by each employee on One Team services, officers clarified that those services which did go through the service review process were aligned with proper governance arrangements that were agreed by the Leaders of both Councils. Services would be split 50/50 between the Councils unless there were circumstances that required a different percentage split, for example where demand on the service was higher in one Council than the other. Officers confirmed that there was an annual review of the cost split to ensure that neither council was subsidising the other.

A question was raised as to whether there was an additional cost to having interim staff as opposed to permanent staff in post.

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Officers responded that it was more than likely that interim staff were an additional cost due to fees; however, there were occasions where this was not the case due to employment on-costs that a fixed employee would incur.

A Member queried how RDC compared against other local authorities in terms of staff retention.

Officers advised that the updated figure for 2023/24 (and up to 31 January 2024) was at 10% turnover. Members noted that the median turnover rate across the country identified by the LGA for 2021 was 14%.

A query was raised in relation to staff exit questionnaires and whether officers identified any common themes within these.

In response, officers advised that out of the 14 resignations, only 1 exit questionnaire was returned that covered a number of reasons for resigning. Officers added that it was identified that 4 officers left work for the private sector and 2 known to work for another Local Authority. There were no common themes amongst these resignations.

Cllr S E Wootton moved a motion, seconded by Cllr I H Ward that the Committee recommends to the Executive: "that the OneTeam Programme be drawn to a close in line with the original time scale of two years to minimise further uncertainty for staff and in order to stabilise the business."

(11 Members voted in favour, 0 against and 0 abstained.)

A Member raised concerns regarding services delivered by the Council and queried whether staff shortages had a deteriorative impact on the delivery of these services.

In response, officers requested examples of a specific area affected where the service had deteriorated due to staff shortages for officers to investigate with the relevant director. Members also noted that some of the delays listed in the report were subject to delays with the Tier 4 Management (Corporate Manager) position which was now complete. Officers were not aware of any circumstances where delays were caused by staff shortages.

Resolved

(1) That the contents of the report be noted.

Recommends to the **EXECUTIVE**

(2) That the OneTeam Programme be drawn to a close in line with the original time scale of two years to minimise further uncertainty for staff and in order to stabilise the business.

(11 Members voted in favour, 0 against and 0 abstained.)

46 COST OF LIVING 6 MONTHLY UPDATE

Members considered the report of the Interim Director, Communities & Health providing an update on the work undertaken by officers to the Cost of Living crisis.

The Chairman announced that an all-Member Briefing would be arranged to showcase the work the Council had undertaken to address the Cost of Living crisis to date.

A question was raised relating to the six highlighted projects within the report and whether these would be physical events for the public to attend.

In response, officers advised that the Cost of Living crisis was broken down into separate themes, for instance; support for businesses that included business grants during Covid-19. Members noted that going forward, there would be collaborative working with the Council's Economic Development team to identify ways in which the Council could support businesses and signpost accordingly to any other benefits they could be eligible for.

The Chairman urged Members to promote the Cost of Living roadshows within their Wards in order to spread awareness to residents in terms of what support the Council could provide them with.

A request was made by Members that the six identified themes had an explanation against them to clarify their purpose and objectives.

Resolved

That the contents of the report be noted.

47 REVIEW OF THE COUNCIL'S OUTSIDE BODIES (AND PARTNERSHIPS)

Members considered the report of the Outside Bodies Task & Finish Group reviewing the current Outside Bodies and Partnerships to which Members are appointed to and to determine how beneficial these are to the Council.

The Chairman expressed disappointment in the low return rate of the Members' Feedback Forms in relation to their participation on Outside Bodies.

Some Members explained that they experienced difficulties in filling out the form contributing to the low return rate; however, officers confirmed that the form would be amended to ensure that Members were able to appropriately complete it based on their experiences.

Some Members expressed concerns over the ongoing issues in relation to the Grange Community Centre and Rayleigh Mount Outside Bodies and that they were not being extended invitations to attend meetings.

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Officers advised that this would be investigated outside of the meeting.

The Chairman announced that a further report presenting the final findings of the Task & Finish Group would come back to Committee for consideration in April.

48 KEY DECISIONS DOCUMENT

Members noted the contents of the Key Decisions Document.

49 WORK PLAN

Members considered and noted the contents of the Work Plan.

A query was raised in relation to Blue-Badge Parking Holders as to why a report had not yet been brought back to Committee.

The Chairman advised that subject to resource, a report could be brought back to April's meeting.

Members also requested that a review of the officer time and resources spent on the management of the Dutch Cottage and the Finchfield Trust be added to the Work Plan. It was agreed that the scoping document for this review would be brought to the April meeting.

The meeting closed at 9.30pm.

Chairman

Date

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