

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

JOINING MEETING OF THE SCRUTINY COMMISSION
AND FINANCE & PERFORMANCE SCRUTINY

7 FEBRUARY 2019 AT 6.30 PM

PRESENT: Mr MR Lay - Chairman
Mrs R Camamile and Mr KWP Lynch – Vice-Chairmen

Mr DC Bill MBE, Mr SL Bray, Mr WJ Crooks, Mr RB Roberts, Mrs H Smith,
Mr BE Sutton, Miss DM Taylor, Mr R Ward and Mr HG Williams

Also in attendance: Councillor C Ladkin and Councillor M Nickerson

Officers in attendance: Ilyas Bham, Julie Kenny, Rebecca Owen and Ashley Wilson

377 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillors Bessant, Cope and MacDonald.

378 MINUTES

It was moved by Councillor Ward, seconded by Councillor Crooks and

RESOLVED – the minutes of the meeting held on 13 December 2019 be confirmed and signed by the chairman.

379 DECLARATIONS OF INTEREST

No interests were declared at this stage.

380 BUDGET REPORTS

(a) Medium Term Financial Strategy

Members received the updated Medium Term Financial Strategy 2019/20 – 2023/24. During discussion, the following points were raised:

- The split for business rates retention was still under discussion
- A report would be produced on reducing empty properties
- The parish & community initiative fund would revert to its former level of £150,000
- The removal of rurality from the foundation formula of the fair funding basis could have an impact given the sparse population in some of the borough's rural areas, although it was noted that this was still under consultation
- The additional income from Block C of the Crescent should the remaining two units be let may be between £30,000 and £40,000
- There was a budget for Hinckley Community Development Fund which could not be accessed due to the process not having been agreed. It was requested that a progress report be brought to the next meeting.

The accountancy team was commended on their hard work in producing the reports.

RESOLVED –

- (i) the report be noted;
- (ii) a report be brought to the next meeting on the Hinckley Community Development Fund.

(b) General Fund Budget Report

The Scrutiny Commission gave consideration to the general fund revenue budget for 2019/20. The following points were noted:

- Pressures included payroll and planning fee income
- Legal expenditure was predicted to reduce
- The impact of leaving the European Union had been taken into account via the fair funding predictions
- Leicestershire County Council would be ceasing council tax support assistance.

RESOLVED – the report be noted.

(c) Housing Revenue Account

The housing revenue account budget, including the housing repairs account, was presented to members. It was noted that 2019/20 would be the final year of the government imposed 1% reduction in rents, following which they would increase by CPI+1%.

Concern was expressed in relation to disabled facilities grants and having to remove the adaptation to be able to re-let the property. In response members were assured that every attempt was made to match the adapted property to someone on the waiting list. It was also noted that any improvements made to the property were left in situ if they met safety standards.

The high level of rent arrears was raised and the impact of the removal of direct payments following introduction of universal credit. It was hoped that the government may review the situation.

RESOLVED – the report be noted.

(d) Capital Programme

Consideration was given to the capital programme for the years 2018/19 to 2021/22. It was noted that savings would be generated in relation to the Crescent as the incentives set aside would not be needed due to selling Block C.

In response to a member's question about Middlefield Lane, it was noted that the intention was for eleven affordable units.

RESOLVED – the report be noted.

(e) Fees and Charges

Members received the proposed scale of fees and charges for 2019/20.

RESOLVED – the report be noted.

(f) Treasury Management

The treasury management strategy and prudential indicators report was presented to the Scrutiny Commission. It was noted that the report made reference to training for members and assurance was given that this was usually provided as part of the induction and would be offered again this year.

RESOLVED – the report be noted.

(g) Capital Strategy

The capital strategy which was presented to members was a requirement of CIPFA's updated prudential code & treasury management code of practice from 1 April 2019. The strategy was primarily designed to assist in understanding underlying risks with capital investments.

RESOLVED – the report be noted.

381 SCRUTINY COMMISSION WORK PROGRAMME 2018-19

Members gave consideration to the work programme. In addition to the item raised earlier in the meeting about Hinckley Community Development Fund, a report on the impact of universal credit on rental income was also requested. It was noted that this had been scheduled for a future meeting following a discussion at the previous meeting. The Scrutiny Commission also asked to look at housing associations again as several members raised issues with the standard of housing and management in their wards.

382 MINUTES OF FINANCE & PERFORMANCE SCRUTINY

The minutes were received for information.

(The Meeting closed at 7.45 pm)

CHAIRMAN