

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

JOINT BUDGET MEETING OF THE SCRUTINY COMMISSION AND FINANCE & PERFORMANCE SCRUTINY

1 FEBRUARY 2024 AT 6.30 PM

PRESENT: Cllr C Lambert - Chair
Cllr MJ Surtees and Cllr P Williams – Vice-Chairs
Cllr DS Cope, Cllr C Gibbens, Cllr C Harris, Cllr J Moore, Cllr P Stead-Davis,
Cllr BE Sutton and Cllr A Weightman

Also in attendance: Councillor KWP Lynch

Officers in attendance: Ilyas Bham, Bill Cullen, Julie Kenny, Rebecca Owen,
Sharon Stacey, Julie Stay and Ashley Wilson

258. **Apologies and substitutions**

Apologies for absence were submitted on behalf of Councillors J Crooks,
Glenville and Pendlebury.

259. **Minutes**

It was moved by Councillor Gibbens, seconded by Councillor Weightman and

RESOLVED – the minutes of the meeting held on 14 December be
confirmed as a correct record.

260. **Declarations of interest**

Councillor Lambert declared a non-pecuniary interest in the budget reports as
vice-chair of Efficiency East Midlands.

261. **Pay policy statement 2024/25**

Consideration was given to the pay policy statement for 2024/25, including the
gender pay gap, which had reduced from the previous year.

RESOLVED – the report be noted.

262. **Budget reports**

a) General fund budget 2024/25

In response to members' questions on the general fund report, the following was
noted:

- There had been a lot of business rates growth since 2015 which was not
included as 'core funding' by government and could be lost as a result of a
business rates reset which was expected in 2026/27

- The increase in business rates could be aligned to the council's economic strategy, in particular due to developments such as Hinckley Park and Mira technology park
- In relation to homelessness
 - the decrease in properties available meant longer spent in temporary accommodation
 - Whilst there were temporary hostels for families, demand exceeded supply
 - There were currently no hostels for single people
- The level of the pay settlement was not yet known but was likely to add further costs of £1m which had been included in the budget
- There may be a need for savings or new income to be identified as part of a medium term financial strategy increase later in the year.

In discussing the report, members raised the following points:

- Benefits of development in terms of employment and economy should be clear when considering new development
- The Housing review could consider the abovementioned points relating to homelessness.

RESOLVED – the report be noted and comments be forwarded to Council.

b) Housing revenue account budget 2024-25

In presenting the report and responding to questions from members on the housing revenue account report, the following points were noted:

- The importance of being able to support current and future tenants with a strong housing revenue account
- The unknown costs and challenges of revision of the decent homes standard, social housing regulation, safety standards and decarbonisation
- The increasingly complex needs of tenants
- The limited scope for acquisition of properties outside of using right to buy receipts and commuted sums
- The impact of ageing housing stock on the housing revenue account, particularly when implementing decarbonisation measures
- The percentage increase in rents proposed was to deliver the council's housing revenue account investment strategy aimed at keeping homes decent and more energy efficient, meeting the housing regulatory requirements and delivering more affordable housing.

Members made the following comments:

- A comparison of increase in private and council property rental costs could be in the remit of the scrutiny review group
- The HRA investment strategy would be brought to a future meeting of the Scrutiny Commission.

RESOLVED – the report be noted and comments be forwarded to Council.

c) Fees & charges 2024/25

In considering the fees & charges report, it was suggested that the actual cost of running the garden waste service be added as an appendix to the report to show the value to which the council was subsidising the cost to the resident. It was agreed that this would be appropriate to be included in the general fund budget report.

A member requested that the fees & charges book includes a column to show the proposed percentage increase.

RESOLVED – the report be noted and it be RECOMMENDED that the abovementioned comments be actioned in the report to Council.

d) Capital programme 2023-24 to 2026-27 and capital strategy

Members received the capital programme 2023-24 to 2026-27 and capital strategy. Borrowing for economic growth and regeneration was discussed.

In relation to the Hinckley Area Initiative Fund, it was requested that the special expenses area budget be presented to a meeting of the Hinckley Area Committee in late March.

RESOLVED –

- (i) The report be noted and comments be forwarded to Council;
- (ii) It be RECOMMENDED that a meeting of the Hinckley Area Committee be arranged for late March to consider the budget for the special expenses area.

e) Treasury management strategy 2023-24 and prudential indicators 2023-24 to 2026-27

The Scrutiny Commission considered the treasury management strategy and prudential indicators. The definition of being underborrowed was explained, with reference to the increasing underlying pressures indicated by the capital financing requirement (CFR).

RESOLVED – the report be noted.

263. **Scrutiny Commission Work Programme**

The work programme was received and it was requested that the motion to Council on 30 January in relation to utility companies and their readiness for the increase in housing and industrial development be brought to the Scrutiny Commission.

A member suggested bringing forward the report on bus services and public transport. It was noted that the Department for Transport was expected to announce additional funding for transport after halting work on HS2 and a

national commitment to reinvest the funds into more sub regional improvements. It was noted that Leicestershire County Council would be considering the issue over the next year and therefore agreed that the item would be discussed with county council colleagues before confirming the position in relation to the work programme.

It was moved by Councillor Cope, seconded by Councillor Moore and

RESOLVED – the motion to Council on 30 January in relation to utility companies be brought to the Scrutiny Commission.

264. Minutes of Finance & Performance Scrutiny

The minutes of Finance & Performance Scrutiny on 18 December 2023 were received for information.

(The Meeting closed at 8.18 pm)

CHAIR