

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

JOINT MEETING OF FINANCE & PERFORMANCE SCRUTINY AND THE SCRUTINY
COMMISSION

30 JANUARY 2017 AT 6.30 PM

PRESENT: Mr KWP Lynch - Chairman
Mr MR Lay – Vice-Chairman

Mr DC Bill MBE, Mr SL Bray, Mrs R Camamile, Mr DS Cope, Mrs J Kirby, Mr BE Sutton,
Miss DM Taylor, Mr P Wallace, Mr R Ward and Mr HG Williams

Members in attendance: Councillors Mr SL Rooney

Officers in attendance: Malcolm Evans, Simon D Jones, Julie Kenny, Rebecca Owen,
Rob Parkinson and Ashley Wilson

334 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillors Crooks, Richards and
Smith.

335 MINUTES OF PREVIOUS MEETING

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

RESOLVED - The minutes of the meeting of Finance & Performance
Scrutiny held on 21 November 2016 be confirmed and signed by the
Chairman.

336 DECLARATIONS OF INTEREST

No interests were declared at this stage.

337 MEDIUM TERM FINANCIAL STRATEGY

Members were presented with the refreshed Medium Term Financial Strategy (MTFS)
summary for 2016/17 to 2020/21. Key areas highlighted were the Developing
Communities Fund of £1.4m, the use of the waste management reserve which would
result in a borrowing requirement to fund a new fleet, business rates income and a
contingency for losses on appeals.

During discussion, concern was expressed in relation to business rates and the need to
ensure provision for appeals and reduction in rates was emphasised. It was highlighted
that, should a large business leave the borough, this would have a great impact on the
finances of the authority. The Head of Finance assured members that the provision
made was sufficient and prudent.

Councillor Taylor entered the meeting at 6.58pm.

Concern was also expressed at the intention to deplete the waste management reserve
and then to fund a new fleet by borrowing which, in turn, increased concern that there
may be an intention to outsource refuse collection. Members wished it to be recorded
that they would not support outsourcing of the refuse service.

In relation to council tax, Councillor Bray asked that it be recorded that the Liberal Democrat group did not support a £5 increase in council tax.

In response to a question about the Developing Communities Fund, it was noted that a report on criteria and eligibility would be brought to the next meeting of the Scrutiny Commission.

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

338 GENERAL FUND BUDGET

Members gave consideration to the general fund budget for 2017/18. It was reported that almost £200k savings above those predicted in February 2016 had been achieved, the enforcement, appeals and planning capacity reserves had been merged, and that contributions to the Developing Communities Fund and business rates reserve had been incorporated.

In response to questions about Block C at the Crescent, it was noted that there were two units still to let, but that a joint agent had been appointed who was confident that they could attract interest. It was requested that members be provided with a total loss figure, including not only rental income but also business rates.

In relation to planning enforcement and appeals, it was noted that the reserve was recommended to be £90-100k less than the previous year, but members were reassured that this would be sufficient.

Councillor Rooney left the meeting at 7.21pm.

RESOLVED – the report be noted.

339 HOUSING REVENUE ACCOUNT BUDGET 2017/18

Members received the proposed housing revenue account (HRA) budget which included the housing repairs account. It was noted that balances had been increased and there was a reserve to meet costs arising from the stock condition survey.

On a separate matter, a member expressed concern that, whilst the authority's housing was very well managed, housing associations were not subject to the same scrutiny. It was suggested that the chairman of the Scrutiny Commission give consideration to undertaking a review into housing associations.

RESOLVED – the report be noted.

340 CAPITAL PROGRAMME

The capital programme for 2016/17 to 2019/20 was presented to members. The cost of the leisure centre demolition being far lower than budgeted and the expenditure under the Developing Communities Fund of £700k in year one and a further £700k in year two were highlighted. A member suggested that the spending of £1.4m under the Developing Communities Fund in two years was ambitious.

It was noted that a procurement process had been undertaken in relation to the leisure centre, and the low costs of the winning tender had been realised, assisted by the high value of the equipment within the building. The ward councillor thanked officers and the contractor for the way the demolition had been managed, including the level of

communication with the community. It was reported that the options for the site were still under discussion, and it was asked that ward councillors be kept informed and that the options be brought to the Scrutiny Commission when available.

A member noted the provision for accommodating the Hansom Cab within the frontage of the former Coop building and asked if that was an indication that the council was retaining the building. In response it was noted that the housing of the Hansom Cab was a medium term arrangements and that options were still being considered for the Coop site.

In relation to the former depot site on Middlefield Lane, a member expressed the need for it to be developed as soon as possible as it was becoming an untidy site.

RESOLVED –

- (i) the report be noted
- (ii) a report on options for the former leisure centre site be brought to the Scrutiny Commission in due course.

341 FEES & CHARGES

In presenting the fees & charges book for 2017/18, the Head of Finance reported a correction in that the “gym only membership” charge for the leisure centre should read £239.90.

A member requested clarification on the “staff season tickets” item, and in response it was noted that this was for staff parking on the Rock temporary car park which was recovered via salary sacrifice.

RESOLVED – the report be noted.

342 COUNCIL TAX, NNDR AND OVERPAID HOUSING BENEFIT WRITE-OFFS

Consideration was given to the proposed council tax, non-domestic rates and overpaid housing benefit write-offs. A member asked if the level of debt was worsening, and it was agreed that a trend analysis would be sought.

RESOLVED – the report be noted.

343 SUNDRY DEBTS - QUARTER 3 2016/17

Members received the sundry debt position as at 31 December 2016.

RESOLVED – the report be noted.

344 ESTATES SUNDRY DEBTS

In response to a request at a previous meeting, members were provided with an update on the position of and actions to reduce sundry debts held by the Estates team. Members were assured that all courses of action to recover the debts had been exhausted, but that even when written off, a note would be retained on the system to ensure that, should the debtor be located in the future, the debt would be pursued.

RESOLVED – the report be noted.

345 INVESTMENT PROPERTY PERFORMANCE

Further to a request at a previous meeting, members received performance information in relation to HBBC's commercial estates. Members welcomed the positive report and asked whether targets had been met. In response it was noted that targets were focussed on occupancy, rather than yield, and that to improve yield, some more basic units would need to be offered.

RESOLVED – the report be welcomed and noted.

346 FINANCE & PERFORMANCE SCRUTINY WORK PROGRAMME

The work programme was agreed.

(The Meeting closed at 8.00 pm)

CHAIRMAN