

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

10 FEBRUARY 2022 AT 6.30 PM

PRESENT: Cllr C Ladkin – Vice-Chairman in the chair
Cllr P Williams – Vice-Chairman
Cllr MJ Crooks, Cllr SM Gibbens, Cllr K Morrell, Cllr LJ Mullaney,
Cllr A Pendlebury, Cllr MC Sheppard-Bools and Cllr R Webber-Jones

Also in attendance: Councillor KWP Lynch and Councillor HG Williams

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

319. **Apologies and substitutions**

Apologies for absence were submitted on behalf of Councillors Collett and Lay.

320. **Declarations of interest**

No interests were declared.

321. **Pay policy statement**

Members received the proposed Pay Policy Statement for 2022/23 in accordance with section 38 of the Localism Act 2011. In response to a question from a member, it was noted that there were no set government guidelines or targets about the pay multiple but it was recommended that the pay gap be monitored each year to avoid large increases in the gap. It was noted that the 2021/22 pay award had not yet been agreed so there was some uncertainty around that.

322. **General fund budget 2022/23**

The 2022/23 general fund revenue budget was presented to the Scrutiny Commission. During presentation and discussion, the following points were raised:

- The budget for Corporate Services was distorted because it included the covid funding received and paid out to businesses
- Transfers from balances was higher than anticipated and earmarked reserves were being used to support the general fund position
- The NNDR1 setting out the final budgeted position for the council had been finalised and had changed from the predicted position due to significant growth in-year, tempered by some large write-offs. Overall the position had improved and would be reported in a revised report for Council
- It was anticipated that the Medium Term Financial Strategy would be finalised in July
- The modelling anticipated an increase in income for Block C of the Crescent

- No expenditure was currently committed in respect of the Hinckley Community Development Fund
- No increase of the special expenses area precept was recommended as there were reserves available within the budget so an increase was not required.

It was noted that officers had recommended an increase in the garden waste charge to between £35 to £45 for the year which was still one of the lowest in Leicestershire. The garden waste service currently cost almost £1.5m with only £1m of that funded by subscriptions to the service and an increase to £45 would help bridge that gap, although it would still not cover all costs.

Councillor Webber-Jones left the meeting at 7.03pm.

In relation to homelessness, it was noted that financial pressure had increased over the previous two years due to a number of reasons, including the government directive to accommodate people to whom the authority would not usually have a duty. The costs and the number of people in temporary accommodation were being monitored closely but it was anticipated that people would continue to struggle with affordability over the coming months which would add further budget pressures. It was noted that a report on homelessness would be presented to a future meeting of the Scrutiny Commission.

323. **Housing revenue account budget 2022-23**

Members received the housing revenue account budget which included the housing repairs account. It was noted that the HRA had maintained a good position despite the pandemic.

324. **Fees and charges 2022/23**

Consideration was given to the proposed scale of fees and charges for 2022/23. It was noted that the document had included a garden waste charge of £35 but this may need to be amended before being presented to Council.

325. **Capital programme 2021-22 to 2024-25 and capital strategy**

Consideration was given to the capital programme 2021-22 to 2024-25 and the capital strategy. During the presentation and discussion, the following points were noted:

- The leisure centre management fee was subject to ongoing discussions and would be slightly lower than originally anticipated
- Car parking income remained lower than anticipated but it was hoped that this would soon return to previous levels
- A reduction in the requirement to make payments of disabled facilities grants in-year had led to savings in year, but underlying need for help remained high
- The reserves for the crematorium project had been used and no further reserves had been set aside.

In response to a member's question, it was noted that the council housing asset management strategy which contained green measures for council house properties in support of the climate change strategy would be brought to a future meeting.

326. Treasury management strategy and prudential indicators 2021/22 to 2024/25

Members received the council's prudential indicators for 2021/22 to 2024/25 in a report which also set out the expected treasury operations for the period. It was noted that the authority was considered to be under-borrowed on the general fund, meaning that external funding had not been taken out even though decisions to fund projects had been made. The Council had managed to put off the need for external borrowing due in part to the decision to delay paying off debt related to HRA. This debt was now being repaid at just under £3m per year, which would lead to pressure on cash flow. It was therefore likely external debt would be required to manage the general fund cash flow position. It was noted that interest rates were due to continue increasing in the short term but would hopefully plateau within the next couple of years.

The chairman thanks the Head of Finance and his team for their work on the reports.

327. Corporate Plan 2022 - 2025

Consideration was given to the refreshed Corporate Plan for the period 2022 to 2025. It was noted that the document set out the ambitions, goals and objectives for the council under the three key themes of people, places and prosperity. It had been updated to reflect current and emerging challenges and opportunities in respect of the pandemic, ambitious projects that were planned and the authority's commitment to boosting employment and skills and tackling climate change.

Councillor Lynch left the meeting at 7.31pm.

A member expressed concern about supporting economic growth by way of creating more jobs and increasing employment numbers when more value could be delivered by increasing productivity. In response, members were assured that future programmes would have to demonstrate impact on productivity and GVA for the area.

In response to a member's question, it was reported that progress against the Corporate Plan was measured in quarterly performance reports to Finance & Performance Scrutiny and annual Corporate Plan progress reports.

(The Meeting closed at 7.40 pm)

CHAIRMAN