

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE OVERVIEW AND SCRUTINY BOARD

15TH FEBRUARY 2022, AT 6.00 P.M.

PRESENT: Councillors C.A. Hotham (Chairman), J. Till, S. J. Baxter,
A. J. B. Beaumont, R. J. Deeming, R. J. Hunter, A. D. Kriss,
C. J. Spencer and P. J. Whittaker

Observers: Councillor G. N. Denaro

Officers: J Howse, Ms. D. Poole, Ms J. Willis, Mrs B. Talbot and
Mrs. J. Bayley-Hill

62/21 **APOLOGIES FOR ABSENCE AND NAMED SUBSTITUTES**

Apologies for absence were received on behalf of Councillors S. Colella, H. Jones and P. McDonald and it was confirmed that Councillor P. Whittaker was attending as a substitute for Councillor Jones.

63/21 **DECLARATIONS OF INTEREST AND WHIPPING ARRANGEMENTS**

There were no declarations of interest nor of any whipping arrangements.

64/21 **TO CONFIRM THE ACCURACY OF THE MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY BOARD HELD ON 17TH JANUARY 2022**

The minutes of the meeting of the Overview and Scrutiny Board held on 17th January 2022 were submitted.

RESOLVED that the minutes of the meeting of the Overview and Scrutiny Board held on 17th January 2022 be approved as a true and correct record.

65/21 **MILEAGE BENCHMARKING UPDATE**

The Head of Business Transformation, Organisational Development and Digital Strategy and the Human Resources and Organisational Development Manager attended the meeting to present an update on

benchmarking data in terms of mileage claims received from staff since the start of the pandemic. The report had been prepared as a result of the Board requesting additional information the last time an update on this subject had been delivered. The report provided data for similar local authorities to Bromsgrove District Council, primarily Malvern Hills District Council and Wychavon District Council.

Members were advised that since the start of the pandemic there had been a 37.8% decline in mileage claims for Bromsgrove District Council staff. By comparison, there had been decreases of 49% in claims for staff employed by Wychavon District Council and of 22% for staff employed by Malvern Hills District Council. Data for staff employed in Worcestershire Regulatory Services (WRS), which was hosted by Bromsgrove District Council, showed that there had been a 23.9% fall in mileage claims for that service. Officers from WRS had reported that the decline in claims had been lower than anticipated but this reflected the particularly important roles of WRS staff operating across the country during the pandemic.

The Portfolio Holder for Finance and Enabling Services, the relevant lead Portfolio Holder for this area, subsequently commented that he welcomed the decrease in mileage claims. The data appeared to show a continuing trend in terms of mileage claims falling for Council staff and this reflected the flexibility of the different ways of working that had emerged during the pandemic.

Following the presentation of the report, a number of points were discussed by Members in detail:

- The potential for the trend in terms of a decrease in mileage claims from staff to continue. Officers clarified that wherever possible, available technology would be utilised to attend meetings to help reduce travel and this would have a beneficial impact on mileage claims.
- The types of technology that could be used to help reduce the need to travel. The Board was advised that this included software such as Microsoft Teams which could be accessed by Officers from home or other offices as a way to participate in meetings remotely.
- The benefits for both the Council's budget and the local environment of a reduction in mileage claims. Members commented that a reduction in travel by staff would have a beneficial impact on climate emissions associated with work for the Council.

- The financial implications detailed in the report and the extent to which further information could have been provided about the costs of putting together the report. The Board was informed that the financial implications section of reports was designed to focus on the financial implications of any recommendations or decisions required from Members, not the cost of putting together a report.
- The approach to work that would be adopted by staff moving forward and the extent to which officers would continue to work from home in future. Officers explained that many staff continued to work from home, although staff could access Council offices when needed and there would be a transition increasingly towards agile working.

Members concluded the debate by thanking officers for obtaining and presenting the benchmarking information for the Board's consideration.

RESOLVED that the report be noted.

66/21

SUSTAINABLE WARMTH FUNDING - PRE-SCRUTINY

The Head of Community and Housing Services presented a report on the subject of Sustainable Warmth Funding. Members were advised that the Council was due to receive £429,000 for a sustainable heating grant, which was designed to help fund actions that could be taken to improve the energy efficiency of properties in the district with an Energy Performance Certificate (EPC) rating D – G. There were 2 components to this funding:

- Home Upgrade Grants (HUGs) Phase 1 – these grants were intended for properties that were not connected to the mains gas system.
- Local Authority Delivery (LAD) Phase 3 – these grants were intended for properties that were connected to the mains gas system.

Members were advised that there had been a typographical error in the report which should have reflected the fact that funding of up to £25,000 in HUG grants could be provided to eligible households. The average HUG grants were £25,000 and the average LAD Phase 3 grants were £10,000. There were a range of measures that could be funded, including cavity wall insulation, roof insulation and air source heat pumps. However, the amount of funding that needed to be spent per property varied, as some houses only required a single change, such as installation of cavity wall insulation, whilst other properties required

multiple actions to be taken, including the installation of more expensive resources such as air source heat pumps.

The Council was working with Worcestershire County Council and Act On Energy in respect of the administration of the funds and promotion of the funding to eligible residents.

After the report had been presented Members discussed the following points in detail:

- The deadlines for expenditure of the grant funding and the extent to which the Council was likely to be able to ensure that all funding was spent by those deadlines. Officers clarified that the HUG Phase 1 and LAD Phase 3 funding needed to be spent by 31st March 2023 whilst the deadline for expenditure of the previous LAD Phase 2 had been extended to 31st July 2022. Members were advised that Officers were anticipating that these deadlines would be met.
- The potential for businesses to apply for this or other sources of funding to upgrade the EPC rating for office buildings. Officers explained that the Council worked with the North Worcestershire Economic Development Unit (NWEDR) to identify businesses that might benefit from this type of funding.
- The availability of this or similar funding to social housing providers operating in the District. The Board was advised that funding had been promoted to Bromsgrove District Housing Trust (BDHT) and other social housing providers. There was also a separate funding stream that would be made available to social housing providers later in the year which the Council would promote to social housing providers.
- The specific differences between the criteria for use of LAD Phase 2 funding opposed to LAD Phase 3 funding. Officers agreed to provide further information on this subject to Members after the meeting.
- The proportion of houses in Bromsgrove District that were likely to be eligible to receive either HUG Phase 1 or LAD Phase 3 financial support and the availability of data in respect of the EPC ratings for properties in the District. Officers agreed to provide further information on this subject after the meeting.
- The number of houses that were likely to receive HUG Phase 1 and LAD Phase 3 funding in Bromsgrove District. Members estimated that approximately 40 properties would benefit from this funding if each property received £10,000 on average.

- The action that would be taken to promote the funding to eligible members of the public. The Board was informed that the Council was aiming to target low-income households. A targeted approach to communications was considered preferable to general communications to ensure that the Council was not inundated with requests and that the funding was provided to those most in need.
- The support that was available locally to help eligible households apply for the funding. Officers explained that Act On Energy would be providing this type of support to eligible households and would also be able to help householders identify the most appropriate funding for them.
- The potential for park homeowners to apply for the HUG Phase 1 and LAD Phase 3 funding, following restrictions which meant that they could not apply for LAD Phase 2 funding. Members were informed that park homes were not eligible for HUG Phase 1 or LAD Phase 3 funding, but Officers were monitoring any funding opportunities that might become available to park homeowners in the future.
- The purpose of air source heat pumps. Officers explained that air source heat pumps enabled homeowners to change their heating source.

At the end of the debate it was

RESOLVED that the report be noted.

67/21

THE COUNCIL'S 2022/23 BUDGET AND MEDIUM TERM FINANCIAL PLAN 2022/23 TO 2024/25 DRAFT - PRE-SCRUTINY

The Executive Director of Resources presented the Draft 2022/23 Budget and Medium Term Financial Plan 2022/23 to 2024/25 for the Board's consideration. Members were advised that the report had been pre-scrutinised at a meeting of the Finance and Budget Working Group. The format of the report had also changed, when compared to previous years, to help improve clarity.

There were some key points that underpinned the content of the budget and Medium Term Financial Plan:

- The 2022/23 budget was robust and balanced, although only by using funding from balances.
- The budget and Medium Term Financial Plan had been developed in challenging financial circumstances for local government and in

a context of particular uncertainty about future funding for the sector.

- The Council's general fund balances were forecast to go below minimum levels considered acceptable by the Section 151 Officer in 2024/25 if no action was taken to address challenges in the budget prior to that date.
- The in year deficit position for the Council had improved by in excess of £400,000 when compared to the budget and Medium Term Financial Plan that had been agreed by Council in February 2021.
- Pressures on the budget included costs and budget bids. In many cases, costs were increasing due to the impact of inflation.
- Savings and income opportunities had been identified in some areas and these had been incorporated into the budget.
- Interest costs and costs associated with the Minimum Revenue Position (MRP) had been reduced.
- Officers were anticipating that reduced income from car parking, due to a decrease in demand following the Covid-19 pandemic, would create a £200,000 pressure in the budget in 2022/23.
- The decision not to increase fees for car parking also placed a pressure on the budget.
- The Council had received £700,000 in Service Improvement Grant funding from the Government and this had had a positive impact on the budget position moving forward, as the funding had not been anticipated when the budget was set the previous year.
- A total of £389,000 had been identified provisionally for release back to general fund balances from reserves.
- The budget proposed a £5 increase in Council Tax per annum over the full three year period of the Medium Term Financial Plan.

Following the presentation of the report, the Portfolio Holder for Finance and Enabling explained that the £700,000 Service Improvement Grant had helped with balancing the budget in the short and medium-term. However, given the challenges in the third year of the Medium Term Financial Plan in particular, there would be a need for action to start to be taken in respect of the 2023/24 budget and 2023/24 to 2025/26 Medium Term Financial Plan as soon as the 2022/23 budget had been agreed.

The Board subsequently discussed the content of the report in detail and, in doing so, highlighted the following points:

- The estimate that had been included in the report that staff would receive a 2% pay rise and the extent to which this was appropriate

given that nationally inflation rates were closer to 5%. Officers explained that inflation in some areas of the budget were higher than in others and most Councils were anticipating a 2% pay increase. A 5% pay increase would add a pressure of approximately £400,000 – 600,000 to the budget.

- The Council's involvement in national pay bargaining and the extent to which it was likely that the 1.75% pay offer, backdated to 1st April 2021, for 2021/22, would be accepted by the Trades Unions on behalf of their members.
- The authority's approach to estimating pay inflation and pay bargaining, which involved working with other Councils.
- The importance of Council balances to covering any unexpected costs that might arise during a financial year.
- The action that could be taken by the Council to improve the financial position of the authority moving forward. Members were advised that there were actions that could be taken, including making efficiency savings and introducing additional income. Some difficult decisions might also need to be made by Members.
- The potential to influence the Government to provide greater clarity about future funding arrangements for local government. Members were advised that the Council was lobbying the Government for greater certainty about local government funding. The authority was also working with the Local Government Association (LGA) and District Councils Network (DCN), which lobbied the Government on Councils' behalf.
- The significant range of efficiency savings that had already been achieved by the Council over the previous 10 year period and the extent to which there was the scope to achieve any further efficiency savings. Officers acknowledged that a lot of progress had already been made with efficiency savings, but circumstances changed, and this could create opportunities for further efficiencies.
- The impact that increasing fuel costs would have on the Council's budget. The Board was informed that fuel costs had implications for a range of service areas, particularly refuse collection services and on property management costs. The Council was aiming to manage the Council's property assets in a more efficient way moving forward to help address the impact.
- The extent to which it was appropriate to describe the 2022/23 budget as balanced when this had only been achieved by using funding from balances. Officers advised that there was a statutory requirement for the Council to set a balanced budget each year. The Section 151 Officer could use all resources at the Council's disposal to achieve a balanced budget and as part of this process it

was possible to use balances and funding from reserves to balance a budget.

- The impact that decisions taken by Members, particularly at meetings of the Planning Committee, could have on the Council's financial position in cases where decisions were overturned at appeal.
- The impact that Covid-19 had had on footfall at Leisure Centres in the District, which meant that income from Leisure Services would be lower than anticipated prior to the pandemic.
- The pressure that had been placed on the Finance team when working on the budget and the recent capacity issues within the team. Members thanked officers in the team for their hard work in difficult circumstances.
- The format of the report, which was different to the style that had been adopted in previous years. Members commented that the content was clearer than it had been in previous years and thanked officers for making these changes.

RESOLVED that the report be noted.

68/21

FINANCE AND BUDGET WORKING GROUP - VERBAL UPDATE

The Chairman of the Finance and Budget Working Group, Councillor C. Hotham, provided an update on the meeting of the group that took place on Wednesday 9th February 2022. The Board was advised that the group had pre-scrutinised the 2022/23 Budget and Medium Term Financial Plan 2022/23 to 2024/25. The Executive Director for Resources and Portfolio Holder for Finance and Enabling were both thanked for attending this meeting and contributing to the debate.

69/21

TASK GROUP UPDATES

The Chairman explained that the Chairman of the Libraries Task Group, Councillor S. Colella, had requested that the report from the group be postponed to the following meeting of the Board so that he could present the report for Members' consideration.

70/21

WORCESTERSHIRE HEALTH OVERVIEW AND SCRUTINY COMMITTEE - VERBAL UPDATE

Councillor S. Baxter, the Council's representative on the Worcestershire Health Overview and Scrutiny Committee (HOSC), confirmed that there had been no meetings of the Committee since the previous meeting of the Board.

71/21

CABINET WORK PROGRAMME

The content of the Cabinet Work Programme for the period 1st March to 30th June 2022 was considered. During consideration of this item, Members commented that there were very few items listed on the Cabinet Work Programme, with a gap in terms of items scheduled for the consideration of the Cabinet, between March 2022 and January 2023.

72/21

OVERVIEW AND SCRUTINY BOARD WORK PROGRAMME

Officers confirmed that the content of the Overview and Scrutiny Board's work programme would be updated to include any items that had been added during the course of the meeting.

Members were informed that updates in respect of work on the Levelling Up project had been scheduled for the Board's consideration every 6 months. This overview would focus at a strategic level, rather than on specific details for each of the projects that were due to receive funding.

The Chairman advised that the Board would be asked to consider a proposal to launch a Task Group at the following meeting. Questions were subsequently raised about how a Member could propose a Task Group investigation. Clarification was provided that a Topic Proposal form needed to be completed outlining the aims of an investigation for the consideration of the Board, which would determine whether to launch a proposed review.

The meeting closed at 7.04 p.m.

Chairman

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