

Cabinet Response to Scrutiny Feedback on Budget Proposals (received by Cabinet on 1 February 2021) – Item 4

Scrutiny Feedback/Recommendations	Response provided at the Scrutiny Committee Meeting (26.01.21)	Cabinet Response
The Project Support Officer should not be frozen as this post was important in ensuring programmes can be delivered		The post concerned is in the Corporate Services Directorate and not the Housing & Communities Directorate and therefore will have no impact on the Housing Improvement Plan. The member raising this query had not appreciated there was a similar post in the HRA which is not affected and is therefore is now satisfied with the proposal.
Empty properties have had an impact on Council Tax and the Housing Revenue Account, information was requested regarding the cost to the council and the measures being taken to ensure voids were reduced and properties were improved to ensure long term tenancies.	Properties had been neglected for several years causing an increase in voids due to the condition of properties. There was a Housing Improvement Plan in place to correct this although there was some hold up in repairs due to covid. In the next 12 months it was believed the Council would address the issues working alongside TFEC. There was an annual plan and the 30 year long term HRA business plan is being developed. The condition of the properties was constantly reviewed and there was no overnight fix. The 2019/20 costs attributed to voids totalled £15.5k and this exercise would be repeated to understand the costs this year.	Cabinet agree it would be helpful to review the position and are due to receive a paper on the impact of Council Tax exemptions in March 2021. This will set out the impact of the current policy and pros and cons for any change in policy. Cabinet commit to review the position and report back to wider members. Any change would be applicable from the 2022/23 financial year due to the statutory consultation required and the impacts on the council tax base which has already been set for 2021/22.

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<p>There had been a significant swing away from Special Expenses to General Expenses with regard to council tax. Spending in both the Town and in rural areas was considered important.</p>	<p>Expenditure on Special Expenses had reduced and levelled off in part due to less growth proposals or investment proposals coming forward. Also there were some increases on income to Special Expenses. An increase in houses built increased the yield too, even if Council Tax was not increased, more properties would mean higher Council Tax income therefore inflationary increase was covered and had not suffered from cost pressures experienced in the General Fund. So rather than increase Special Expenses moved to General Fund to avoid having to cut services for whole Borough.</p>	<p>The Council tax levels proposed do not change the level of resources committed in the town through the Special Expenses account. The proposal seeks to ensure that the council tax raised is maximised for general expenses which is under greatest pressure and where there is the greater need for additional resources. By approving the proposal, an additional £60k will be provided to the General Fund and the Special Expenses will make a modest draw on its own reserve where a healthy level of uncommitted reserves remain.</p>
<p>A request was made to carry over the underspend in the current year's Mayor's Budget to the 21/22 year.</p>	<p>The Mayoral budget had been increased by £600 this year for remembrance activities but it was agreed that the underspend should be carried forward.</p>	<p>Cabinet are supportive of this proposal and this will form part of the consideration of the year end position.</p>
<p>The increase in Audit Fees by £20K was highlighted.</p>	<p>This was an estimate and the 2019/20 accounts had not yet been closed. The Council paid more for 2018/19, it was understood the auditors had spent considerably more time and also the recent Government commissioned report on the Quality of external Audit had recommended the need for more resource to audit. The Council was awaiting possible additional funding in response to Sir Tony Redmond's report and the budget would be revised up or down accordingly.</p>	<p>Answered in the meeting - It was noted that this was an estimate and the actual cost was still unknown.</p>

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<p>The small investment in the Town Centre was noted, but Cabinet were asked to consider what more could be done to support business' and increase investment across the Borough and especially in the Town</p> <p>Rural business grants were greatly needed to help businesses and give them the best chance of surviving.</p>	<p>Referred to economic development (page 41 of the agenda pack) and the recovery grants available for businesses; the role of the new Tourism Officer to increase the footfall of the whole Borough; working with stakeholders for the town centre including the Town Estate and BID and they contributed financially too; significant investment in the Cattle Market site; working with Brooksby Melton College and bringing the town and rural areas together; Government's budget on 3 March may provide more funding for businesses. The Rural Pub Grant had been set aside and the pubs had been closed due to covid. More bed space/overnight accommodation was needed and the new Tourism Officer would contribute towards a Town Centre Vision and Masterplan. It was noted that being prepared for the future was important and there were other funding streams in the pipeline being the UK prosperity fund and the levelling up fund, the Council would prepare to bid for these opportunities by developing a Masterplan.</p>	<p>Cabinet confirm that the Additional Restrictions Grant (ARG) utilisation policy will be brought forward to a future meeting (TBC) setting out how resources will be used to support covid economic recovery and these will take on board scrutiny's comments. The recommended budget already contains provision for a £100k rural diversification scheme, as well as £50k to support town centre improvements and the establishment of a post-covid Town Centre Strategy and masterplan. The Council has recently appointed a new Tourism and Events Officer and will be launching a Discover Melton place marketing website and destination map in the Spring to support the easing of restrictions and increased likelihood of staycations. Business Grants of over £2,8m have been provided since November 2020, building on the £11m provided earlier in 2020. Recruitment is underway for an additional post funded by grant to support businesses with recovery.</p>
<p>Increasing the accommodation offer would be important in attracting more visitors to the area.</p>		<p>Cabinet agree and this will be incorporated into the future discussions regarding Town Centre strategy development and place marketing.</p>

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<p>There was some doubt as to whether the town improvements would definitely go ahead as this was expressed in the report as being subject to the economic climate, Members felt that this investment was imperative to boost the economy of the town.</p>	<p>This programme was expected to start last year but then covid hit which caused a lack of confidence in the economy. The Council was committed to the project but needed to see the true impact of the pandemic first to know whether it would undermine the budget and essential services had to keep going. It had been questioned whether the town centre improvements could be funded by government grants, but this was uncertain so the costs would then need to come from the general fund. The Council was still committed to this project but had to exercise caution.</p>	<p>Cabinet agree and taking on board scrutiny's comments every effort will be made to ensure the growth proposal is implemented as soon as possible taking into account the overall financial position.</p>
<p>Members queried the vacancy of the Economic Development Post and felt this would be an important role in the recovery of the Borough.</p>	<p>The post was frozen for one year only in response to covid as the resources were needed to process grant applications. The post would be reinstated in 12 months.</p>	<p>Cabinet recognise the concern however this is mitigated by the proposals linked to the ARG funding to ensure this is used to maximum effect to support the economic recovery. There is a significant sum available that will be used to maximum effect to support businesses and a policy setting this out will be brought forward to Cabinet shortly.</p>

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<p>Further information was requested regarding the Place Survey and the associated expenditure of £15K</p>	<p>The survey was carried out every 2 years to gather information from a range of consultees, seen as part of the Melton Deal. The estimated cost was based on the cost of previous surveys. The survey informed the direction of travel, last time it informed the new Corporate Strategy and ascertained resident satisfaction levels. It built on scrutiny surveys, checking people's needs and aspirations. Following covid it would be a useful tool to understand the changes in people's lives since previous surveys. It also helped to inform efficiencies and gave an indication of how popular or important services were to people and informed the direction of the Council. It would also be useful to the new Council in 2 years time.</p>	<p>Many local authorities will undertake surveys like this as a mechanism for tracking progress and this survey would form one part of a wider engagement programme set out within priority 6 of the Corporate Strategy. The methodology used in 2019 was based on the national Place Survey and creates an opportunity for a comparison to the previous version undertaken in 2008 and LGA tracking data undertaken across the country.</p> <p>Cabinet recognise that the uncertainty caused by covid makes the timing of any survey dependent on the situation having stabilised, so as to ensure the results are meaningful.. At this stage Council would be allocating funding in the budget to the survey, but the uncertainty arising from Covid will have a bearing on whether and when it can take place.</p> <p>Section 4.4.4 of the draft Cabinet report presented to Scrutiny Committee highlighted that expenditure on the Place Survey would not be incurred until it is considered the council's finances for the year are stable and that the Covid impact is covered by existing budgets. This reference has been expanded to make clear that the timing would also be dependent on the Covid situation more generally.</p> <p>Whilst it is helpful to mirror similar questions from 2019, should the survey proceed, there will be an opportunity for members to feed into the contents to ensure it best fits the current situation.</p>

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<p>Community Grants had reduced in recent years, it was requested that this be reviewed and options for increasing these grants be looked at. A list of grants awarded was also requested.</p>	<p>There was a new process since 2018/19 and applications were received each year and the new scheme allowed a more wide reaching method of contributing to the community. Scrutiny had previously received a presentation on how this worked and a report would be considered at Cabinet. The scheme was not just about the money but also provided training support for volunteers, how to be sustainable and directed groups to different funding streams too. It was felt important for the funding to not cover overheads but to ensure the funding benefitted the people who needed it. It was considered that more funding would not necessarily add more value. Charities and community groups could also be eligible for business grants and apply for up to £7K of funding. Officers were promoting the opportunities for grants and this type of support.</p>	<p>Cabinet have taken these comments on board and recognise there may be a need later in the year for additional community grant support as part of the recovery. At this stage there are a number of covid contingency budgets that could be used to support an extended grants scheme and subject to the financial position remaining stable, Cabinet will commit to explore this further during the financial year.</p>
<p>It was suggested that Cabinet might consider using Service Level Agreements with some of the larger Community Grants. That could help the recipients of the grants to use the grant in accordance with our Corporate Priorities and help demonstrate to taxpayers that we are using taxpayer funds wisely.</p>	<p>Grants were now issued in a different way using an application form that required financial information and asked for the group to identify benefits, applications were then assessed on this information and SLAs were not necessary under the new scheme.</p>	<p>Cabinet believe the new scheme represents a positive way to ensure funding makes the most impact and a summary of the grants allocated this year is being considered at the Cabinet meeting on 9th February. As above, the Cabinet hopes there may be an opportunity to extend the community grants scheme later in the year.</p>

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<p>Cabinet were asked to consider innovative ways that the Council can use their own resources to increase income and support those most in need, as had been done for service charges</p>	<p>The Cabinet would continue searching for new opportunities and had a financial sustainability programme which would be reviewed. The asset development programme would also be key as well as maximising income through chargeable services like lifeline and new assistive technology. The Cabinet was keen to receive ideas from Members and Officers and a plan would be in place for next year's budget.</p>	<p>Cabinet have agreed to establish a financial sustainability programme and these comments will be fed into it.</p>
<p>The Stock Condition Survey had not yet been completed, but would be important in understanding the demands on the Budget and Capital Programme going forward.</p>	<p>The Council was currently in the process of a stocktake as previously there was no record of stock condition and this needed to be resolved. There was a plan in place to establish a stock condition survey and build up a database to also include how tenants felt about their properties as well as including financial information. When this work was completed there would be more clarity in terms of budget setting and capital programmes required to reduce responsive repairs which would also create better value for money.</p>	<p>Cabinet agreed with the importance of stock condition information to build on the significant progress already achieved under the Housing Improvement Programme. Cabinet confirmed the commitment to the review of the Housing Revenue Account Business Plan in 2021/22 to allow longer-term planning of the capital investment needed in the housing stock.</p>
<p>Further information was requested regarding the increase in operating costs against the Christmas Lights for 21/22.</p>	<p>Details of cost to be supplied to Members following the meeting.</p>	<p>The £6.5k increase in Christmas light budget was added last year following a decision to divert additional resources (through a virement) for 20/21 and then to seek approval for the increased amount through the budget process in 2021-22. The Cabinet remains committed to support Christmas festivities and was delighted that the additional lights and investment were received so positively within the Borough.</p>