

OVERVIEW AND SCRUTINY PANEL

15 JANUARY 2018 - 2.30PM



PRESENT: Councillor F H Yeulett(Chairman), Councillor Mrs A Hay(Vice-Chairman), Councillor G G R Booth, Councillor M Buckton, Councillor D Hodgson, Councillor D Mason, Councillor Mrs K F Mayor, Councillor A Pugh

ALSO IN ATTENDANCE: Councillor J Clark, Councillor Seaton and Councillor Sutton

OBSERVING: Councillor Cornwell, Councillor Murphy, Carol Pilson (Corporate Director) and Mark Saunders (Chief Accountant).

APOLOGIES: Councillor S Clark, Councillor Mrs S Bligh and Councillor S Count

OFFICERS IN ATTENDANCE: Brendan Arnold (Corporate Director), Anna Goodall (Head of Legal and Governance), Izzi Hurst (Member Services and Governance) and Paul Medd (Chief Executive)

OSC24/17 PREVIOUS MINUTES

The minutes of the meeting of 28 November 2017 were confirmed and signed, subject to the following comments;

- Councillor Mrs Hay stated that Members were still awaiting information regarding the comparison between Fenland District Council and the other Councils in ARP (Anglia Revenues Partnership), as discussed at the previous meeting.

OSC25/17 INTERIM MEDIUM TERM FINANCIAL STRATEGY AND GENERAL FUND BUDGET 2018/19

Members considered the Interim Medium Term Financial Strategy and General Fund Budget 2018/19 presented by Councillor Seaton.

Members asked questions, made comments and received responses as follows;

- Councillor Mrs Hay asked if any feedback had been received in relation to Cambridgeshire Combined Authority's Business Rates Retention bid, which was unsuccessful. Paul Medd stated that he had asked for feedback from the Chief Executive of the Cambridgeshire and Peterborough Combined Authority and was awaiting a response. He confirmed that he will circulate any feedback to Members.
- Councillor Clark confirmed that he had received correspondence from Sajid Javid (Secretary of State for Housing, Communities and Local Government). Sajid Javid confirmed that there had been confusion as the Combined Authority area has an Additional Growth Rates pilot and not the 100% Business Rates Retention pilot as the other Combined Authorities do. He confirmed that the Additional Growth Rates pilot will cease at the end of this financial year.
- Councillor Yeulett asked for clarification on the increase of Planning Fees. Councillor Sutton

confirmed that although there is a 20% increase in Planning Fees, these additional funds must be invested in resources within the Planning team. Brendan Arnold confirmed that this would increase resources within the Planning team but have no impact on other services.

- Councillor Booth asked if there was a potential for savings elsewhere as a result of the fee increase. Brendan Arnold confirmed that this could be possible.
- Councillor Mrs Hay highlighted that once additional staff have been recruited, there would be an estimated £50,000 of surplus income from the Planning Fee increase and asked if this would have to be reinvested within the Planning team. Councillor Sutton confirmed that this was correct and reminded Members that whilst this additional income will help in relation to resources within the Planning team, it will not improve the Council's financial position.
- Councillor Yeulett asked for an update on the Pilots' National Pension Fund (PNPF). Brendan Arnold confirmed that the figure for this had now been received and is approximately £1.95 million. He stated that whilst provisions are in place within the Council's reserve to discharge this liability, he is still awaiting confirmation from the Department for Communities and Local Government (DCLG) on whether the sum could be capitalised.
- Councillor Mrs Hay asked if the Financial Settlement for 2018/19 had been received and whether it would have any impact on the figures within the report. Brendan Arnold confirmed that this figure had been received and any amendments will be highlighted in the full report that goes to Cabinet and Council.
- Councillor Mrs Hay asked if there had been an error on Page 15 5.3 as it states; '....the savings target for 2017/18'. Brendan Arnold confirmed that this should read 2018/19.
- Councillor Booth highlighted a recent press report that showed certain residents of Fenland pay higher rates of Council Tax than residents living in Kensington and Chelsea and asked if the upcoming Fair Funding Review would take into account areas of deprivation in Fenland when considering an increase to any rates. Brendan Arnold explained that the Provisional Financial Settlement has delayed the implementation of reforms to the Business Rate Retention system to 2020/21 and confirmed that no guidance has been released yet on how the Fair Funding Review will be constructed. He explained that whilst the introduction of Business Rate Retention will allow the Council to decide how to invest the additional income from this, the Fair Funding Review will make comparisons between different Council's and assess the money required to pay for essential services in each area. He explained that adjustments may be required if a particular Council has less money than the standard amount set by the Fair Funding Review. He stated that this could cause a conflict between the two policies but confirmed guidelines are not currently in place to resolve these potential issues.
- Councillor Yeulett asked for an update on the payment of debts referenced on Page 15 5.5. Brendan Arnold explained that following the revaluation of Business Rates costs, the income generated from this has been adjusted marginally. He highlighted that changes in the Welfare System, such as the introduction of Universal Credit, has impacted on the overpayment of Housing Benefit debt however provisions are in place for this. He explained that this fluctuation is common within Councils when there is stress within the Welfare System and is of no concern.
- Councillor Yeulett asked if any further impact was expected once Universal Credit is rolled out to the whole district. Brendan Arnold highlighted that the Government is aware of the problems this could raise however at the moment, there is no serious concern surrounding this.
- Councillor Yeulett highlighted that the introduction of the Garden Waste subscription had subsidised some of these debts and asked if this income could be relied on in the future. Brendan Arnold stated that charges for the subscription are attractive and believes the income from this will be consistent for the next few years.
- Councillor Booth asked if the discounts available to individuals for the Garden Waste service will impact the income generated from the scheme. Brendan Arnold confirmed that he does not have the information available, however would circulate this to Members at a later date.
- Councillor Yeulett asked for an update on the level of development within the area. Councillor Sutton said whilst it is too early to provide figures, these should be available

within the coming months. He confirmed that more development is taking place within the District and they are anticipating the figures will have improved on last year. Paul Medd explained that over the past ten years, the Council have achieved fluctuating figures in relation to their Local Plan target and explained that there were a number of reasons for this, including issues with viability margins within the District. It is his belief that an upturn in the economy will result in an improvement on last years' figures.

- Councillor Yeulett asked for clarification on the adverse effect of the New Homes Bonus reforms referenced on Page 18 9.1. Brendan Arnold confirmed that the expected reforms had not taken place. Paul Medd clarified that reform had only had a negative impact on the timescales in which New Homes Bonus is paid and not the allocation of the funds.
- Councillor Booth asked if Developers are ever challenged in regards to alleged viability issues on certain developments. Councillor Sutton confirmed that they regularly challenge claims made relating to viability and have had success in this. Councillor Clark explained that a meeting is scheduled to take place with the Portfolio Holder of Housing within the Combined Authority to discuss progression of house-building in Fenland and confirmed that the Combined Authority recognises Fenland as suitable area to provide affordable housing. Paul Medd explained that viability issues could be overcome by making development land more attractive to Developers by making improvements to infrastructure in the area.
- Councillor Booth asked if the Council had ever invested in independent viability assessments on certain developments. Councillor Sutton said that mainly the expertise of officers is used to decide if viability issues are legitimate. Paul Medd stated that in the past, independent viability assessments have taken place in relation to major developments.
- Councillor Clark explained that in certain districts where infrastructure has been improved, the Council are retaining a proportion of funds from the sale of development land which has increased in value as a result of the improvements funded by the local authority.
- Councillor Yeulett asked for an update on the Comprehensive Spending Review (CSR) and the impact of the Financial Settlement figure referenced on page 21 11.12 and 11.13. Brendan Arnold explained both of these points indicate the uncertainty on upcoming schemes and their impact on the bottom line figures. He confirmed that work is underway investigating options that could help mitigate the projected shortfalls discussed within the report and final figures will be reported to Members in the coming weeks. In regards to the CSR, he explained that this has been a major success and resulted in savings of over £900,000 in the last two years.
- Councillor Booth asked if a presumption had been made in relation to the 2% increase in Council Tax referenced on Page 21 11.15, as previous reports had mentioned an increase of 3%. Brendan Arnold clarified that 2% is a year on year increase and it would be the decision of the new Leader of Fenland District Council whether to keep this at 2% or increase to 3%.
- Councillor Yeulett asked why no new schemes had been included in the Capital Programme referenced Page 22 12.3. Brendan Arnold confirmed that the final proposal will provide for further capital programming as per the Council's Asset Management Plan and that the figure for this will be implemented in the final report.
- Councillor Yeulett asked if Members were proactive in the recommendation of schemes for capital investment. Brendan Arnold confirmed that whilst officers consider propositions and present these to Members, Members do have an interest in the matter. Councillor Sutton believed that the introduction of the asset register will allow Members further input in this going forward. Paul Medd explained that whilst Members show a great level of interest in this the Capital Programme does largely dictate where resources should be allocated. He stated that the Asset Management Plan considers the most urgent works required and therefore whilst Members have a degree of discretion, there is a duty to carry out these urgent repairs and maintenance.
- Councillor Booth asked for an annual update on the phasing of street-name plates. Councillor Clark reiterated that repairs are prioritised in order of urgency and a lack of funds means that not every request can be met within the Capital Programme. Councillor Booth asked if funds from future savings could be allocated for street-name plates in the future.

Councillor Clark explained that we have prioritised the funds we have over recent years and it would be dependent on future year's income.

- Councillor Yeulett asked if any rental income was being received from vacant offices in Fenland Hall. Paul Medd confirmed that parts of Fenland Hall were generating rent and further Accommodation Reviews are taking place currently to assess any additional space that could be rented out. He explained that they are considering predominately Public Sector tenants however would consider Private Sector companies if necessary.

Members of the Overview and Scrutiny Committee agreed to recommend to Cabinet the Interim Budget Proposals for 2018/19 contained within the report

OSC26/17 DRAFT BUSINESS PLAN 2018 - 2019

Councillor Clark presented the Draft Business Plan 2018/19 to Members. He confirmed that the Public Consultation for the Draft Business Plan runs from 2 January to 6 February 2018.

Members asked questions, made comments and received responses as follows;

- Councillor Pugh asked for an update on where the Council is against target on last years' Business Plan and what steps have been taken to address the challenges highlighted previously. Paul Medd explained that delivery of the previous year's plan is highlighted throughout the year in Portfolio Holder Briefings and updates provided to Council and Overview and Scrutiny.
- Councillor Pugh asked for positive and negative comparisons between this year's Draft Business Plan and last years. Paul Medd explained that this is not possible as we do not have the performance figures for the next financial year but confirmed that in the future, it may be possible to show a track-changed version of the previous year's Business Plan highlighting the changes in the sub-priorities.
- Councillor Booth stated that the results of the previous Business Plan need to be considered in order to implement a plan to deal with any areas where performance has not been as anticipated within the current years Business Plan. Paul Medd confirmed that this is carried out incrementally throughout the year and results delivered to Members.
- Councillor Booth asked what was being done in regards to areas in which Fenland District Council are not achieving the targets set out in the Business Plan. Councillor Sutton said that certain areas such as the reduction of littering, can take many years for positive results to be shown and therefore regular updates do not always highlight this.
- Councillor Yeulett asked the Cabinet Members present, to consider an example in which they have made a personal contribution to the contents of the Draft Business Plan.
- Councillor Mason asked for clarification on why the Business Forums in the District operate in isolation from one another and asked if Fenland District Council could assist in helping the forums operate together. Paul Medd explained that the Business Forums have the same general objectives in supporting business in the area as Fenland District Council. He confirmed that Fenland District Council will be reviewing their Economic Delivery model, in order to deliver the best economic development services to local businesses.
- Councillor Mrs Mayor confirmed that Whittlesey benefit from a Business Forum but was unsure whether Wisbech, Chatteris and March have these in place.
- Councillor Mrs Hay confirmed that Fenland District Council do offer support to businesses in Chatteris and meetings are held at the South Fens Business Centre. Paul Medd explained that it is at the discretion of local areas as to whether Business Forums are initiated but Fenland District Council would continue to provide support to these local businesses.
- Councillor Buckton asked for clarification on the process of producing the Draft Business Plan, what consultation took place and whether Cabinet Members were actively involved. Paul Medd confirmed that officers collate relevant information on behalf of the Leader and Cabinet and give them the opportunity to comment on whether areas urgently require

additional resources or to continue as per the previous plan. Relevant additions are added to the Draft Business Plan, such as the involvement of the Cambridgeshire and Peterborough Combined Authority, and necessary amendments are then made. Once this is completed, the Draft Business Plan is presented informally at Cabinet for their comments and is then presented to a wider Member audience, such as the Overview and Scrutiny Panel. He explained that the plan is then submitted to Cabinet formally before being sent to external stake-holders and passed to public consultation for their comments also. Following their feedback, the Draft Business Plan is then submitted to Cabinet and Council for approval. He stated that, following Members comments, next year's Draft Business Plan would contain information pertaining to the previous years performance.

- Councillor Buckton suggested that the wording should be amended in the Draft Business Plan to reflect any changes annually and to avoid repetitiveness. He stated that some of the performance indicators are subjective and therefore difficult to measure success and failure of these objectives. Paul Medd explained that the Draft Business Plan is a strategic document and agreed it may be beneficial for Members to have sight of the performance indicators used to assess it.
- Councillor Buckton referred to page 35 of the report and asked why there had been no improvement year-on-year on Fenland's position as a deprived area. Paul Medd explained that a change in this is unlikely in a year as this figure is measured periodically and can take many years to improve. Paul Medd confirmed that in general, performance of the Business Plan is analysed throughout the year with Portfolio Holders.
- Councillor Pugh requested that background information on the priorities and sub priorities is provided to Members. Paul Medd agreed to provide this in order for Members to question issues further at next year's meeting.
- Councillor Booth stated that he had previously requested that the aims in the Business Plan are re-worded as they are too subjective and asked that these are amended in the future.
- Councillor Sutton explained that Portfolio Holder reports provide updates on positive outcomes of the plan and reiterated that in regards to Fenland's deprivation position, these positive outcomes will not improve this position for a considerable amount of time.
- Councillor Buckton asked for clarification on page 41 as it states; '... to divert at least 50% of Cambridgeshire's household waste from landfill' however last year's Business Plan referred to Fenland's household waste. Councillor Murphy confirmed that Cambridgeshire County Council had altered how waste is measured and therefore the wording had been amended.
- Councillor Buckton asked if the target to divert 50% of household waste is realistic and asked if this could be improved on since the introduction of the Garden Waste Subscription. Councillor Murphy confirmed that whilst he wished this figure had been improved upon, the Business Plan must be realistic and achievable. Paul Medd agreed that, in this scenario, background information would have been beneficial to Members to allow them to assess the success of household waste diversion.
- Councillor Booth asked if Town and Parish Councils had been consulted in relation to the Draft Business Plan. Carol Pilson confirmed that Town and Parish Council's had been consulted in accordance with the revised consultation strategy.
- Councillor Booth asked what Fenland District Council do with the feedback received during consultations. Carol Pilson confirmed that feedback from consultations is acted upon and explained that previously , Business Plan consultation documents had received very broad comments as oppose to targeted comments in relation to the proposals. She highlighted that in light of this, amendments had been made to the consultation documents and we will be conducting face to face consultation on the business plan this year in line with comments from O&S.
- Councillor Clark reminded Members that business plans for local authorities differ greatly to private-sector business plans, as local authorities face an unpredictable and diverse range of issues throughout the year. For example, issues such as homelessness have quickly developed in the area over the past year and such issues greatly affect any business plan. He explained that there is a limited amount of resources and new issues arising can cause

existing issues to be left without these resources.

- Paul Medd offered thanks to the Overview and Scrutiny Panel for their questions and agreed to consider their comments and feedback.
- Councillor Yeulett reiterated that comparisons and updates are vital in informing the Public of what the Council is achieving as per their Business Plan.

OSC27/17 REVIEW OF FEES AND CHARGES 2018/19

Councillor Seaton presented to Members the report on Review of Fees and Charges 2018/19.

Members asked questions, made comments and received responses as follows;

- Councillor Yeulett asked for information relating to the Consumer Price Index (CPI) discussed in the report. Brendan Arnold confirmed that the CPI is the most appropriate way of looking at the costs associated with the delivery of services within the Council and explained that whilst CPI has increased, this allows the Council to see the 'real value' of fees and charges and is a balanced approach to analysing the figures. Councillor Seaton confirmed that it is a statutory requirement that CPI is applied to certain figures.
- Councillor Booth stated that the report highlighted that Fenland's Leisure Centres are almost at capacity and asked why the fees are not being increased in this service if service demand is so high. Councillor Seaton explained that areas such as Leisure Services are predominantly driven by the local market and the Council have to provide competitive fees and charges. He reminded Members that not all activities within the Leisure Centres are at capacity and therefore the fees should not be increased. Paul Medd highlighted that by externalising Leisure Centres, there may be a chance to maximise income generated by using the new management's business plan. Councillor Seaton explained that the attendance of Leisure Centres fluctuates constantly. Councillor Clark stated that by increasing charges, this could cause the public to find alternative Leisure Facilities locally.
- Councillor Booth recommended that the report should be looked at to highlight the above comments. Councillor Seaton agreed.
- Councillor Mason asked for further information on meeting room charges in Fenland Hall. Paul Medd agreed to provide further information to Members regarding this.
- Councillor Mrs Hay asked for the success rate in recovering rents on Travellers Sites. Councillor Seaton confirmed that Cambridgeshire County Council owns the sites and we operate them on their behalf.
- Councillor Booth asked why Fenland District Council collects the rents if we do not own the sites. Councillor Clark stated that he believes that as Fenland District Council is the tax collecting authority, rent collection falls within this remit.
- Councillor Hodgson asked why Internment Fees had increased so significantly at Mount Pleasant Cemetery, Wisbech. Councillor Seaton explained that the fee increase reflects other authority's charges and Fenland District Council has predominantly charged a lot less than other authorities for a number of years.
- Councillor Booth asked for further clarification as to why Internment Fees had been subject to the largest of increases across several areas Councillor Seaton agreed to consider this further and provide further information relating to the increase.
- Councillor Mrs Hay asked for clarification on whether the new charges highlighted in the report, are new services or simply areas in which Fenland District Council have not previously charged. Brendan Arnold agreed to provide further information in relation to this.

Members of the Overview and Scrutiny panel agreed to recommend the Fees and Charges report to Cabinet for inclusion in the final budget proposals for 2018/19.

Councillor Yeulett thanked Members and officers for attending the meeting today.

(Councillor Cornwell declared a pecuniary interest in this item by virtue of the fact that he is a berth holder at Wisbech Yacht Harbour and did not participate in this item)

OSC28/17 FUTURE WORK PROGRAMME

Members agreed to the Future Work Programme 2017/18 for the Overview and Scrutiny Panel subject to the following changes;

- Members agreed to replace the Item relating to Clarion, as an extraordinary meeting had already taken place regarding this Item, with the Private Landlord Review on the meeting scheduled to take place on 19 February 2018.

4:57 PM

Chairman