

OVERVIEW & SCRUTINY COMMITTEE

30 JANUARY 2024

PRESENT:

Councillors Norman (Chair), Leung (Vice-Chair), Ball, Booker, Ho, Hawkins, Holland, Trent, Ray, Robertson, Whitehouse, Woodward and B Yeates

54 APOLOGIES FOR ABSENCE

No apologies for absence were received.

55 DECLARATIONS OF INTERESTS

No declarations of interest were received.

56 MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting, held on 19 December 2023, were taken as read and approved as a correct record.

57 HEALTH MATTERS

The Vice Chair gave a detailed update to the committee on the recent meetings of the of the County Councils Health and Care Overview & Scrutiny Committee. She noted the increased demand for social prescribers and plans for dealing with that requirement. Ensuring patients were referred to the correct practitioners to reduce the pressures on GPs was also discussed. The vice-chair promised to share upcoming papers on work to tackle the health impact of vaping.

Members praised the works of Social Prescribers, though the importance of funding and community resources were highlighted as key to facilitating their work. Members said they looked forward to the promise of more localised data that was made at the County Council's committee which would help health scrutiny in Lichfield District.

Members wondered how best the information provided by SCC could be actively applied to improve health matters in Lichfield District. Members noted that public transport should be raised as a key factor in ensuring members of the public can access health services around the district and beyond.

The Chair referred to the previous suggestion of a standing panel of LDC members to be set up to examine health matters locally which the localised data will be very useful. The Vice Chair could the feedback some of the deliberations into the County Council Health and Care Overview and Scrutiny Committee.

58 NOTES FROM TASK GROUPS

The Chair of the Lichfield City Masterplan Task Group updated the committee on the discussions of the last meeting on January 18th, 2024. He explained the task group had a robust debate regarding the housing mix on the site. He noted some of the information discussed was confidential and wished to share any such information with task group members at future meetings.

59 EMPTY HOMES - UPDATE

Lizzie Barton (Assistant Director Resident and Business Services) and James Johnson (Regulation & Enforcement Manager) presented the report to the committee.

Members asked what assurances Cabinet and Leadership Team could give O&S that their views are seriously considered and taken on board. They recommended that O&S questions could be recorded in Cabinet reports in future.

- Members asked if action taken against empty properties was a recent thing or had been ongoing for a while now.
Officers confirmed that the council has used a variety of different powers in the past and is now wishing to explore what further action can be done with these powers.
- Members asked what resource there would be for Empty Homes plans.
It was agreed that resourcing would be crucial and addressed in the plans going forward.

Members requested more clarification in the report on negotiations with potentially vulnerable owners who may not have local relatives.

- Members asked about Empty Dwelling Management Orders (EDMOs) and management costs.
It was confirmed that when bringing properties up to an appropriate standard to rent, these costs are then later recovered through the rent.

Members suggested that the development team at Lichfield West Midlands Trading Service (LWMTS), could provide support on EDMOs and Compulsory Purchase Orders (CPOs).

- Members asked what the cost effectiveness of this policy would be.
Officers confirmed that this needs to be part of discussions moving forward and would be included in the report brought to cabinet for approval.
- Members noted the council used to have a steering group for properties.
It was confirmed that reviving a landlord forum was being looked at, though that did not currently include the remit to examine empty properties.
- Members asked how effective council tax rises on empty properties were in practice.
It was confirmed that the premium charged is effective, and the majority of people tend to act after being charged. Though this was of course not the case for all properties.
- Members asked what the common reasons people left houses empty are.
Some people have emotional connections to properties they are unable to manage, or lack the time to develop them in the way they had envisioned.
- Members asked how much time must pass before council tax premiums are put on an empty home.
Two years.
- Members asked what mechanisms are in place to protect families who are trying to sell properties but struggling to do so.
Officers stated that they would always encourage anyone struggling with council tax payments to contact the council, and the authority will work with them to do what can be done.

Lizzie Barton confirmed the aim to get this policy approved by mid-2024 and encouraged members to continue to submit their thoughts on the policy going forward. It was confirmed that the powers had not changed, but that this policy was about better managing the pressures on this area. Officers confirmed that any draft would be brought back to O&S before being taken to Cabinet.

Members suggested the possibility of working with the private rental sector and liaising with estate agents as potentially helpful avenues to get this policy working effectively.

RESOLVED: The committee reviewed the current policy, considered best practice from across the country, and recommended changes and enhancements the council should consider when reviewing its policy and creating an action plan for the coming years.

60 GOVERNANCE OF PLANNING OBLIGATIONS - STRATEGIC INFRASTRUCTURE GROUP AND ALLOCATION OF COMMUNITY INFRASTRUCTURE LEVY

The report was presented by Cllr Alex Farrell (Cabinet Member for Housing & Local Plan). He confirmed that work on a new Local Plan had started and that the authority was looking at how to effectively allocate CIL money which the council receives from development.

The report proposes a new governance process including the creation of an infrastructure list annually and the formation of a cross-party panel to look at how to best distribute the money. Members suggested the membership of any panel should be extended to a minimum of 5 councillors.

- Members highlighted the open bidding process as a key part of making sure money was distributed effectively.
The Cabinet member believed allocations should be distributed to projects identified on the infrastructure list. He noted that the money is intended to be directed to strategic infrastructure, and many bids did not previously meet this requirement. He confirmed that the infrastructure list would be a live list, regularly updated as things change.
- How often will O&S consider these issues, or will these decisions now only go through the new panel?
The Member Panel will feed back to O&S on a periodic basis similar to how a task group would. The proposal is that the SIG officer group meets 3 times a year; it could feed back to the Panel after every meeting and also meet the Panel after a CIL bidding round has ended and bids have been scored.

Members questioned whether the problems that occurred last year had been fully addressed by this report. They highlighted that previously a lot of officer time was required, certain bids were not approved despite support from O&S, and a significant amount of CIL money was allocated to the district council last year. The Cabinet member agreed that funding should be spread out more. He agreed that the authority was keen to engage more with infrastructure providers such as the NHS on where they needed further infrastructure support.

- Members highlighted that with officers collaboratively working together, this raises the risk that applications for CIL money could be merged to get applications to meet the required criteria. Members suggested limiting the size of internal bids as a solution.
The Cabinet member raised concerns about limiting the size of bids, but suggested the possibility of a warning being triggered if bids hit a certain limit.

Members raised concerns about the ownership of the infrastructure list, suggesting a review should be a standing item on the SIG agenda and that parish councils needed to be involved with suggestions into this process.

The Cabinet member agreed that the district should do more to help inform parish councils plan how to effectively utilise any funding they receive and highlight opportunities that may be on the horizon.

RESOLVED: The committee reviewed and commented on the proposed changes to the governance of planning obligations.

- They recommended the cross-party Member Panel that will consider and provide a steer on SIG recommendations prior to consideration by Cabinet be comprised of 5 members including the cabinet member.
- They agreed with the creation of an annual 'Infrastructure List' within the Infrastructure Funding Statement (IFS) which would set out a shortlist of strategic projects and/or types of projects that would be eligible for applications for CIL funding that year, but recommended the list be developed with engagement with infrastructure providers.
- They approved the revised CIL governance and administration procedures and allocating and spending CIL additional guidance documents to reflect the proposed changes.

61 MEDIUM TERM FINANCIAL STRATEGY

The report was presented by Cllr Rob Strachan (Cabinet Member for Finance and Commissioning) to the committee, reminding them that the final decision on this would be taken by Full Council. He believed that the majority of proposals discussed with political groups were either reflected within the report or could be accommodated because broad thematic budget allocations had been included around cost of living, in year growth/contingency and Enabling Regeneration Investment.

It was noted that the announcement from central government of additional funding on 24 January 2024, occurred after publication of the Medium-Term Financial Strategy Report included in the Overview and Scrutiny Committee agenda. The Council has received an additional c£100k of funding in 2024/25 from the increase in the funding guarantee. Anthony Thomas (Assistant Director Finance & Commissioning) has at this stage recommended in the Cabinet version of the Medium-Term Financial Strategy Report an increase to the in-year growth/contingency budget by a further £100k. In response to member suggestions, the cabinet member agreed that he was willing to consider allocating the money to the community and voluntary sector if deemed appropriate.

The cabinet member explained that as neither of the settlements lasted more than one year, this naturally added uncertainty to the authority's ability to conduct financial planning. He believed the council tax proposals before committee are reasonable and proportionate. He confirmed that only items that are ready and costed go into the capital programme, whilst returns for projects are held at relatively pessimistic levels to ensure that there is no budgetary shortfall due to the use of over-optimistic figures.

- Members asked about a 5% increase in fuel prices assumed and whether this would still be correct given recent conflict in the Red Sea and Gulf of Aden.
Anthony Thomas confirmed he had included provision for additional inflationary increases within the report.
- Members asked for assurances on budget savings requested of the council.
The Cabinet member stated that the savings on budgets over the last 18 months was £1.7 million, with further savings aimed for, and reviewed every 6 weeks. It was true that councils across the country are once again having to try and deliver more with less and Lichfield was fortunate that it had successfully managed to achieve this so far.

- Members asked whether council tax support would be locked in for the next two years. *The Cabinet member confirmed this and confirmed an awareness campaign to get those that are struggling to come forward for support.*

Members highlighted that local government had been asked to make further efficiencies for many years now and that further cuts could ultimately cost more money in the long term by placing further strain on services and leading to inefficiencies.

Members suggested looking at the alternative option of a council tax increase at 2.99% rather than a rise of £5.

- Members asked when the business plan for the cinema would be provided to O&S. *Anthony Thomas confirmed that a commitment to involve O&S had been part of the proposals approved by Full Council and the committee could take that as assurance that they would be consulted going forward. It was noted that Council had approved that it would not be prudent to include any potential return from the cinema in the budget at this time until the Business Plan and its assumptions were received and reviewed.*
- Members asked for clarification on CIL grant expiry. *It was explained CIL funding has been allocated in previous cycles to projects that have not subsequently been spent. The council is now looking to recoup the money from the group that received it so it can be reallocated. Anthony Thomas agreed to provide the Committee with the reasons for the projects where the CIL grant agreement had expired.*
- Members asked about the projections on general reserves and highlighted that they currently fall away very quickly at the end of the forecast. *Anthony Thomas noted those assumptions are based on finance reform being implemented in 2026/27 based on policy papers from the current government several years ago with the impact assessed by using models provided by two Local Government Finance experts. The upcoming general election adds additional uncertainty to these factors. In the event these projections prove to be accurate, the current level of available General Reserves would enable the council to make decisions in a sustainable way rather than on a 'knee jerk' basis given there is still a great deal of uncertainty around these projections.*

The cabinet member confirmed that there are no plans to cut the community and voluntary sector budget.

- Members asked for clarification on the value of historic investment properties. *It was confirmed these are retail properties in some cases acquired a long time ago. The rental value - which has dropped significantly over recent years - is used to calculate the value of the asset moving forward. In some cases, asset redevelopment is taking place or there are also strategic reasons for their continued ownership.*
- Members asked if there was an opportunity to any feedback to the responses in Appendix F. *Officers believed that the comments were submitted anonymously, limiting the options for feedback. However, Anthony Thomas agreed to contact Tracy Cross to determine ways to provide feedback to those who had taken the time to complete the budget consultation.*

Members suggested reviewing the way in which the survey at Appendix F was conducted to provide better quality data, rather than an option text option currently presented to respondents.

RESOLVED: The Committee scrutinised the Draft MTFS and provided feedback to Cabinet in relation to:

2.1 The Draft 2024/25 Revenue Budget of £15,230,000, Council Tax Requirement of £7,929,000 and a District Council proposed Band D Council Tax for 2024/25 of £192.85 (an increase of £5 or 2.66% on 2023/24).

2.2 The Draft MTFS 2023-28 Revenue Budgets.

2.3 The MTFS 2023-28 Capital Strategy including the 25 year capital investment model and the Draft Capital Programme.

2.4 The recommended increase in the Minimum Level of General Reserves from £1,900,000 to £2,000,000.

2.5 The recommended approach to funding Business-as-Usual Capital Investment in 2027/28.

2.6 The updated approach to the pay award in 2024/25, planning fees, car parking fees, contract/other inflation, regeneration initiatives and Treasury Management investment income.

2.7 The recommended provisional inclusion of a cost of living contingency budget of £50,000 in 2025/26.

2.8 The recommended increase of £298,000 in 2024/25 and the provisional inclusion of an in-year growth/contingency budget of £250,000 in 2025/26.

2.9 The 25 year revenue financial planning model.

2.10 The results of the Budget Consultation.

The Committee also reviewed:

2.11 The inclusion of the funding approved by Council for the Cinema for Lichfield District.

2.12 The requirements and duties that the Local Government Act 2003 places on the Authority on how it sets and monitors its Budgets, including the CFO's report on the robustness of the Budget and adequacy of Reserves.

62 WORK PROGRAMME

The committee reviewed the work programme and asked if it would be possible to invite members of the Youth Council to O&S to provide feedback on how the forum is operating or have a further report on its operation in future. A member asked if the Task and Finish Group on the Civic Function was taking place soon and the Chair said that was in hand. He also hoped the training session for Scrutiny to be held on the 13th of February would also help with the review of the Overview and Scrutiny Function later in the Municipal year.

(The Meeting closed at 8.37 pm)

CHAIR