

MINUTES OF OVERVIEW AND SCRUTINY COMMITTEE

MEETING DATE Thursday, 23 January 2020

MEMBERS PRESENT: Councillor John Walker (Chair), and Councillors Yvonne Hargreaves, Alex Hilton, Debra Platt, Paul Sloan and Kim Snape

OFFICERS: James Thomson (Deputy Director of Finance), Angela Barrago (Service Lead - Communities), Bernie Heggarty (Neighbourhood Priorities Officer) and Nina Neisser (Democratic and Member Services Officer)

APOLOGIES: Councillor John Dalton, Peter Gabbott, Steve Holgate, Marion Lowe, Matthew Lynch and June Molyneaux

OTHER MEMBERS: Councillor Peter Wilson (Executive Member (Resources))

20.OS.59 Minutes of meeting Thursday, 26 September 2019 of Overview and Scrutiny Committee

Decision: That the minutes of the Overview and Scrutiny Committee held on 26 September 2019 be approved as a correct record for signature by the Chair.

20.OS.60 Declarations of Any Interests

There were no declarations of interest received.

20.OS.61 Public Questions

There were no public questions for consideration.

20.OS.62 Executive Cabinet Minutes

Decision: That the minutes of the Executive Cabinet meetings held on 17 October 2019 and 14 November 2019 be noted.

20.OS.63 Notice of Executive Decisions

Members of the Committee considered the Notice of Executive Decisions for September 2019 which gave notice of key and other major decisions Executive Members are expected to make. The Notice is reviewed on a regular basis to ensure that it is up to date and fit for purpose.

20.OS.64 Budget Scrutiny

The Executive Member for Resources, Councillor Peter Wilson, presented the report which set out the budget position for 2020/21 including the forecast for the following two years to 2022/23 and also presented proposals in respect of the use of forecast resources identified in 2020/21 as well as consultation on the budget.

The budget forecasts over the next 3 years had been updated to take account of the following;

- Due to the investments made by the Council and the efficiencies achieved, there was no proposed increase in council tax in 2020/21
- There was no proposed increase in council tax in 2021/2022 or 2022/23, this would be revisited every year and would be dependent on upon the outcome of the Government announcements regarding the Fair Funding Review and Business Rates Retention.
- Continued investment of approximately £1million that would deliver corporate strategy priorities
- Strategies to reduce the budget deficit in the medium term.

The Committee were advised that 2019-20 was due to be the final year of the Government's four-year Settlement, however following the Spending Round 2019, councils would receive a further one-year Settlement as the planned changes from the Fair Funding Review and 75% Business Rates retention had been delayed by at least one year until April 2021 at the earliest.

Chorley Council benefitted in 2019/20 from being a member of the Lancashire 75% business rates pilot. The spending round 2019 announced that all 75% pilots would be disbanded. The budget assumed that in 2020/21 the council would revert to member of the Lancashire business rates pool as per the guidance from Government. The spending review also announced a gradual reduction and ultimate removal of New Homes Bonus.

With regards to Council Tax, the Provisional Local Government Finance Settlement announced a council tax referendum principle of up to 2% in 2020/21. The council expects a gradual slowdown in house building over the coming three years, however there were still sites coming forward. An average 1.5% expansion of the base was forecast in the draft budget for 2021/22 onwards.

Following discussion on the slowdown in house building, the committee were advised that this was in relation to previous years where the borough had experienced an increase in house building e.g. the development of Buckshaw. The Executive Member undertook to find out the specific house building numbers.

As part of the triennial pension review the Lancashire County Pension Fund announced an increase in employer pension contributions for 2020/21 to 2022/23 to meet the future costs of the scheme. The contributions had increased from 14.4% to 16.4% resulting in an increase in the council's contribution. This was lower than the 17.7% assumed in the previous year's budget.

Members welcomed the reduction in the contributions to the pension deficit and that the Lancashire County Pension Fund had outperformed most local authority pension funds over the past 3 years. Looking forward the pension fund provided figures that

forecast Chorley Council's contribution to the prior year deficit which would reduce by approximately £500k, reducing the council's budgeted contributions by over £1.5m over the next three years.

Funding to Chorley Council had fallen from over £17m in 2016/17 to a forecast figure of under £12m by 2022/2023. During this period the council will continue to experience inflationary increases in staff and non-staff budgets. However, the council had been ambitious in its approach to meeting the budget deficit through generating efficiency savings and additional income.

The council had been successful in keeping costs down whilst continuing to provide the high-quality services expected from its residents. The council would continue to invest within Chorley borough to generate income and therefore make the council less reliant on the increasingly uncertain funding from Government.

The Committee discussed how the Flower Show could be made more profitable and suggested that more advertising could be done, including greater use of parish council noticeboards. Members also discussed the options available for the council in maintaining the bus station, regenerating the traditional markets and in-house procurement for the leisure contract.

Despite the identified budget savings there remained large forecast budget deficits of £1.206m in 2021/22 and £2.093m in 2022/23. To achieve a sufficient reduction in net expenditure the Council's strategy would be:

1. To realise savings through the procurement of its contracts
2. To identify the efficiencies through investment in infrastructure and through exploring alternative delivery models that will enable the Council to balance the budget whilst seeking to minimize the impact on the front-line service users
3. To make the Council more financially self-sufficient with specific emphasis on creating investment that generates income.

Through these strategies the council will balance its budget in the medium term

Consultation on the proposed budget for 2020/21 would commence following approval of the proposals by Executive Cabinet. The consultation would invite responses from residents, partners, parish groups and other stakeholders through a variety of methods including a short survey (available both in hard copy and online). Results would be analysed and published in February for consideration as part of the budget finalisation.

The Chair thanked Cllr Peter Wilson and James Thomson for attending the meeting and presenting the report.

Decision: that the report be noted.

20.OS.65 Health Scrutiny

Members were advised that the last meeting of the Lancashire County Council's Health Scrutiny had been cancelled and there was no update at this time. The next meeting was scheduled for 4 February 2020; therefore, Councillor Margaret France would provide an update at the meeting on 19 March.

Decision: that the update be noted.

20.OS.66 Review of Neighbourhood Working following the Boundary Review

Following the boundary review and upcoming all-out elections in May 2020, it was agreed that neighbourhood working and neighbourhood area meetings would need to be reviewed.

The Chair proposed that a special meeting take place on Thursday, 27 February at 6.30pm to address this. It was agreed that the Chairs of each of the neighbourhood area meetings also be invited attend this meeting. The Committee agreed the approach and the importance of addressing this.

Decision:

- 1. That a special meeting take place on Thursday, 27 February to address neighbourhood working**
- 2. That the Chairs from each of the Neighbourhood Area Meetings be invited to attend.**

20.OS.67 Executive Cabinet Response to the Overview and Scrutiny Task Group on Social Housing Standards

At its meeting on 1 August 2019, the Executive Cabinet agreed 29 out of the 31 recommendations put forward by the Overview and Scrutiny Task Group on the Quality of Social Housing, with an alternative solution for the remaining two.

It was agreed that the majority of the Task Group's recommendations, with the exclusion of item 12 and 13, were incorporated into a social Housing Standards Charter, to be developed and agreed with the Registered Housing Providers.

Members welcomed the response and the Chair advised that a monitoring report would be coming to the Committee later in the year.

Decision: that the Executive Cabinet response be noted.

20.OS.68 Reports from the Task and Finish Groups

Cllr Paul Sloan, Vice-Chair of the Task Group informed Members of the work that had been undertaken to date as part of the Task Group Inquiry. This included sub-group meetings with Chorley Council officers and external partners and site visits to Lancaster City Council and GA Pet Food Partners Manufacturing Site in Bretherton to observe best practice. A position statement was created which included where the council currently sat in comparison to other councils and the estimated costings going forward which fed into the 2020/21 budget proposals.

Members were advised that officers were in the process of drafting the final report. This would be taken to the Task Group at a special meeting on 11 February, before being circulated to the Overview and Scrutiny Committee on 27 February. Once agreed, this would be taken to the Executive Cabinet in March for approval.

Decision: that the verbal update be noted.

20.OS.69 Overview and Scrutiny Work Programme

Members considered the work programme for the Overview and Scrutiny Committee, Performance Panel and task group topic areas for 2019/20.

The Chair highlighted how busy the Committee had been in the year to date and following the meeting in March would have addressed all the topics outlined within the work programme.

Decision: That the work programme be noted.

Chair

Date