
SCRUTINY COMMITTEE

MINUTES of the Meeting held in the Council Chamber - Swale House, East Street, Sittingbourne, Kent, ME10 3HT on Wednesday, 23 January 2019 from 7.00pm - 8.07pm.

PRESENT: Councillors Mike Baldock, Bobbin, Lloyd Bowen (Chairman), Roger Clark, Derek Conway, Mike Dendor (Vice-Chairman), Mick Galvin, Mike Henderson, George Samuel, Lynd Taylor and Roger Truelove.

OFFICERS PRESENT: Anne Adams, Katherine Bescoby, Martyn Cassell, David Clifford, James Freeman, Charlotte Hudson, Bob Pullen, Mark Radford, Nick Vickers and Emma Wiggins.

ALSO IN ATTENDANCE: Councillors Sarah Aldridge (Cabinet Member for Health and Wellbeing), Cameron Beart (Deputy Cabinet Member for Regeneration) Andy Booth (Deputy Cabinet Member for Housing and Safer Communities), Bowles (Leader), Duncan Dewar-Whalley (Cabinet Member for Finance and Performance), Alan Horton (Cabinet Member for Housing and Safer Communities), James Hunt (Deputy Cabinet Member for Planning Services), Nigel Kay (Deputy Cabinet Member for Finance and Performance), David Simmons (Cabinet Member for Environment and Rural Affairs) and Ted Wilcox (Deputy Cabinet Member for Finance and Performance).

APOLOGIES: Councillors Tina Booth, Mike Cosgrove and Gerry Lewin.

455 **EMERGENCY EVACUATION PROCEDURE**

The Chairman drew attention to the emergency evacuation procedure.

456 **MINUTES**

The Minutes of the meeting held on 15 January 2019 (Minute Nos. 434 – 443) were taken as read, approved and signed by the Chairman as a correct record.

457 **DECLARATIONS OF INTEREST**

No interests were declared.

458 **FINANCIAL MANAGEMENT REPORT - APRIL - SEPTEMBER 2018**

The Chairman welcomed Members and officers to the meeting. The report set out the revenue and capital projected outturn activity for 2018/19 as at the end of September 2018, which had been compiled from monitoring returns from budget managers. Attention was drawn to the update paper which had been included with the agenda.

The Chairman invited the Committee to ask questions, focussing on the Tables in the report. A summary of the responses are set out below.

Update Paper:

In response to a comment about the projected level of underspend and whether it was good budgeting, the Chief Financial Officer advised that the amount of projected underspend had reduced since September 2018. Another Member commented on the budgeting for planning fees.

Table 2:

In response to a question concerning paragraph 3.6, the Chief Financial Officer explained how the £8.5m set aside for business rate appeals had been estimated.

Table 4:

The Chief Financial Officer undertook to provide information to a Member about what was included in the 2017/18 rollovers.

In response to a question regarding the Swale lifts replacement, the Head of Property confirmed that the contract included a standard 12 month defect period and so a percentage of the cost had been held back.

Table 6:

Reference was made to paragraph 3.18 and congratulations were given to officers for paying 99.5% of creditors within 30 days.

Appendix I:

In response to a question about the reason for the overspend on consultancy fees for the Sittingbourne Town Centre Project (page 11), the Chief Financial Officer explained that there was no base budget for this.

In response to a suggestion that the underspend on Grounds Maintenance (page 17) could be used to carry out some work on land near to Faversham Swimming Pools and the car park, the Cabinet Member for Environment and Rural Affairs advised that the underspend had reduced since that time. He did, however, agree that some work was needed there, and referred to the refurbishment of the nearby play area.

Resolved:

(1) That the report be noted.

459 BUDGET 2019/20 AND MEDIUM TERM FINANCIAL PLAN

The Chairman welcomed Members, Cabinet Members, Deputy Cabinet Members and officers to the meeting, and invited the Committee to consider the proposals for the draft revenue budget for 2019/20, and the proposed Medium Term Financial Plan (MTFP). The Chairman reminded Members that any recommendations would be considered by the Cabinet on 6 February 2019.

The Cabinet Member for Performance and Finance presented the MTFS and draft budget and spoke of the hard work that had been undertaken to ensure the Council had a strong financial base for the years ahead. The Council was in a good position to deal with the uncertainty ahead in respect of local government finance, whilst also continuing to provide high quality services and regenerate the Borough.

The Chief Financial Officer drew attention to the tabled paper which gave an update on the impact of the Settlement (including New Homes Bonus (NHB)), which left a budget gap of £264k. In response to a question, he explained that an assumption had been made that NHB would continue after 2019/20, but this was uncertain.

Cabinet Members and Deputy Cabinet Members were then given an opportunity to introduce the budget proposals for their respective areas.

The Leader thanked the Cabinet Member, the Chief Financial Officer and his team for their work in ensuring the Council was in the position it was in.

The Cabinet Member for Housing and Safer Communities explained that there had been some changes to the way in which some budgets had been presented, in that some budgets had been split into separate categories. He drew attention to Appendix II and referred to car park maintenance (vandalism and maintenance), car parks (road lining and parking adjudication fees), and penalty charge notices (car parks and on-street car parking). He also outlined the reasons for the need for growth items which included an amount for General Data Protection Regulations (GDPR) compliance and VAT treatment for Swale Car Parks.

The Cabinet Member for Environment and Rural Affairs advised that the majority of his budget was spent on street cleansing and grounds maintenance. He referred to the substantial investment in playgrounds, the Heritage Lottery Fund project in Faversham, and the ongoing work to improve air quality.

Members then considered the report page-by-page, and asked questions. A summary of the response to questions is set out below.

- Paragraph 2.8 – the Chief Financial Officer clarified the make-up of the shared fund.
- Paragraph 2.15 – the Chief Financial Officer clarified that there were three vacant posts, but the Full Time Equivalent to be deleted from the establishment was 13.
- Paragraph 2.16 – the Head of Commissioning, Environment and Leisure explained that the Retail Price Index would continue to apply as the Leisure Contract had been extended rather than renewed.
- Paragraph 2.17 – the Chief Executive explained that the local pay award was negotiated by the Head of Paid Service, Human Resources and Unison, but was benchmarked against the National Pay Award.
- Page 35 – Princes Street Retail Park operational running costs – the Chief Financial Officer explained that this was a new item in the budget.

- Page 37 – Footway Lighting Kent County Council (KCC) contract – the Head of Commissioning, Environment and Leisure agreed to find out whether there was any impact on parish councils, and outlined what the footway lighting contract was for. He confirmed that there was an asset list of street lights which showed which were owned by SBC and KCC.
- Page 38 – Spatial Planning – Salaries – the Deputy Cabinet Member for Planning and the Head of Planning Services explained the role of the new Urban Designer/Landscape Officer post and the need to provide additional support in the team, due to the significant number of ‘major’ planning applications being submitted. It was suggested that the post-holder should also consider areas such as biodiversity, environmental and ecological design, in addition to the appearance of the development.
- Page 38 – Increased Contract CCTV Partnership cost – the Cabinet Member for Housing and Safer Communities explained that this growth item was due to an anticipated price increase on the amount SBC contributed to the partnership.
- Page 39 – SBC Publications – the Head of Policy, Comms and Customer Services clarified that these costs were in relation to the printing and distribution of the Inside Swale magazine. The Head of Property clarified that around £12k of income was received each year from external printing; this included printing parish newsletters for some parish councils. It was suggested that parish councils could be encouraged to use this service.
- Page 40 – Loss of income for Gambling Licences – the Deputy Cabinet Member for Regeneration advised that there had been a change to the way in which the budget was presented, in that gambling had previously been included in the whole licensing budget. The Chief Financial Officer advised it was likely that the loss of income referred to could be absorbed in the budget, but he would respond to the Member as to what proportion £18k was in relation to the whole budget and the reason for the reduction in income.

The Cabinet Member for Finance and Performance expressed his thanks for the way in which the papers had been presented, the support given by Officers and Members, and the professional way in which the Scrutiny Committee had conducted its business. The Chairman concluded the meeting by echoing these sentiments and thanking those present for attending the meeting.

Resolved:

- (1) That the report be noted.***
- (2) That no recommendations be made to the Cabinet.***

Chairman

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All Minutes are draft until agreed at the next meeting of the Committee/Panel