

FINANCE, ASSETS & PERFORMANCE SCRUTINY COMMITTEE

Thursday, 19th January, 2023
Time of Commencement: 7.00 pm

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Present:	Councillor Mark Holland (Chair)		
Councillors:	Bryan P Waring	Stubbs Brockie	Talbot
Apologies:	Councillor(s) Parker, J Tagg, Bettley-Smith, Allport and Lawley		
Substitutes:	Councillor Joan Whieldon Councillor Nicholas Crisp Councillor Rupert Adcock Councillor Dave Jones Councillor Andrew Fox-Hewitt		
Officers:	Daniel Dickinson Sarah Wilkes Geoff Durham Joanne Halliday	Head of Legal & Governance /Monitoring Officer Head of Finance / S151 Officer Mayor's Secretary / Member Support Officer Head of Commercial Delivery	

Also in attendance:

1. **APOLOGIES**

Apologies were received from Councillors' Allport, Bettley-Smith, Lawley, Parker and J Tagg.

2. **DECLARATIONS OF INTEREST**

There were no declarations of interest stated.

3. **MINUTES OF A PREVIOUS MEETING**

The Minutes, on several occasions, made reference for information to be supplied. It was asked if all of the information had been supplied. Officers would check this and provide and outstanding information.

Resolved: That, subject to the request regarding the supplying of information, the Minutes of the meeting held on 8 December, 2022 be agreed as a correct record.

4. **REVENUE AND CAPITAL BUDGETS AND STRATEGIES 2023/24**

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The Committee considered the Revenue and Capital Budget and Strategies - Medium Term Financial Strategy (MTFS) 2023/24 to 2027/28; Flexible Use of Capital Receipts Strategy; draft Capital Strategy; draft Treasury Management Strategy; and draft Investment Strategy.

The results of the budget consultation would be reported to Cabinet on 7 February 2023.

A report was submitted by the Labour Group outlining five concerns and proposals. These were outlined on pages 85 to 88 of the agenda pack. The concerns related to:

- (1) The level of borrowing proposed to meet capital expenditure.
- (2) Volatility in UK financial markets.
- (3) Value of assets proposed for disposal.
- (4) Costs associated with proposed new multi-storey car park in Newcastle town centre.
- (5) Removal of the financial allocation to support legal action regarding regulation of the abatement notice at Walleys Quarry.

The following queries and issues were raised:

- What impact would the Labour groups' proposal to use the 3x multiplier have on the Capital Programme? The next year would probably be alright but no forecast could be given for the following year. As it was for a ten year period it had to be looked at as a whole and any unspent money would have to be returned to the Government.
- The level of borrowing was predicated on the asset disposal of capital receipts and land sales but there was no indication of what those were. Clarity was requested on what the sites were. A confidential report was requested setting out the information.
- Regarding the figure of £20.9m assumed from capital asset sales, it was requested that this figure be broken down and reported to Members.
- How much had the Council raised from the sale of capital assets over the last five years? This was approximately £8.5m.
- Regarding curbs on funding and how a loan would be structured, how would that be achieved? The report mentioned the Public Works Board (PWB). This Council wanted to move away from the PWB and work with Local Authorities. How could the Council be assured that the same rigorous rules were in place when borrowing from the County Council or from the PWB? Borrowing now had to have more of a regenerative purpose and was enforced by the Public Works Loan Board.
- An explanation was requested for the assumption for estimating future spending and income within the budget.
- Details were requested on how the budget had taken the results of any public consultation into account. The Consultation was now finished and the results showed that the priority areas were Street Scene, Town Centre and general cleanliness of the Borough. The results of the consultation could be discussed at the next meeting of this Committee or at the end of the Full Council meeting in February. It was asked if the consultation included the building of a car park? The consultation was regarding residents' concerns and the car park was not a particular item on it.
- What were the recommendations of the Finance Efficiency Board?

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- Regarding the £400,000 recouped from Walleys Quarry and put back into the budget. How much of that had been repaid to date? There was a repayment plan in place for this and all payments were up to date.
- The cost of demolition of the Midway car park was requested and whether any problems were envisaged regarding infrastructure of buildings surrounding the facility. There were 1268 paying, private and Council car parking spaces around the Town Centre. Could assurance be given that a full cost benefits analysis of works involving the car park would be available for scrutiny and to the public and also if a lower rise car park might be considered
- Under Good Housekeeping and More Efficient Processes, reference was made to savings of £215,000 and it was asked where those had been made. The savings had come from: ICT; Leisure and Cultural; Recycling and Fleet and Corporate outlined on page 20, Appendix 1 – points G1-G4.
- If there was a significant upturn in the economy with developers wishing to return to the town centre, the proposed new car park would be taking up a significant piece of land. The car park was part of a business case that was already government approved for the regeneration of the Ryecroft site. In addition the Midway car park had a considerable amount of money spent on it in the past and was deteriorating year on year. The new car park would generate income. There would be charging points for electric vehicles and would be more sustainable. In terms of the return of retail to the town centre, there would need to be a reversal in the current trade, moving back from people shopping at out of town centres and online.
- Where was the income strategy or regeneration strategy linked to the car park? The car park was part of the regeneration of the Ryecroft site and as well as providing a modern parking facility for the town centre, parking spaces would be needed by people staying at the hotel, and visiting Aspire or occupants of the residential units.
- Could assurance be given that none of the spaces on the new car park be given away to partners as part of a deal? The current parking offer had parking permit schemes available to different organisations and that could be offered on the new car park.
- Regarding the £376,000 saving from the One Council initiative, £265,000 would come from a restructure of internal support services and review of vacant posts. Would there be any redundancies or restructuring costs around that? There would be no redundancies. The restructure had allowed for those wishing to take up the Mutually Agreed Resignation Scheme (MARS) so some of those payments were included in the figures, covered by the One Council Programme funding.
- Regarding the Capital Assets and Review Group, who attended this and would there be any value in a member of this Committee attending it or having output of the meetings to keep members up to date as to how capital output was progressing? Members of this were the Head of Finance/S151 Officer, Portfolio Holder for Finance, Town Centres and Growth, Head of Legal and Governance/Monitoring Officer; Executive Director of Development and Growth; Head of Commercial Delivery, Housing and Regeneration and a member of the Property Team.
- On the Capital Programme, under external contributions, it accounted for the Future High Streets Fund and Town Deals Fund. There was also a presumed from 2026/27 of £1.5m per annum in external contributions. What were the assumptions and external contributions? Town Deal Funding, Future High Street Funding. The £1.5m was in respect of Disabled Facilities Grants received by the Council.

Resolved: That:

- (i) The progress on the completion of the Revenue (Appendix 1) and Capital Budgets (Appendix 4) be noted.
- (ii) The updated Medium Term Financial Strategy 2023/24 to 2027/28 (Appendix 2) be noted.
- (iii) The strategy for ensuring a balanced revenue outturn position for 2022/23 be noted.
- (iv) The calculation of the Council Tax base and the Council Tax increase to be proposed for 2023/24 of 1.99% per Band D equivalent property be noted.
- (v) The risk assessment at Appendix 3 and S151 Officer's recommendation on the level of reserves and contingencies provisionally required to be maintained in 2023/24 be noted.
- (vi) The draft Flexible Use of Capital Receipts Strategy (Appendix 5) for 2023/24 be noted.
- (vii) The draft Capital Strategy (Appendix 6) for 2023/33 be noted.
- (viii) The draft Treasury Management Strategy (Appendix 7) for 2023/24 be noted.
- (ix) The draft Investment Strategy (Appendix 8) for 2023/24 be noted.
- (x) That the concerns raised by the Labour group (numbered 1 – 5 above) be noted.

[Watch the debate here](#)

5. SCALE OF FEES AND CHARGES 2023/24

The Committee considered the proposed list of fees and charges. The Committee was informed that the Medium Term Financial Strategy assumed an average increase of 4% across all fees and charges.

At the previous meeting concerns had been raised in regard to the cemeteries and potentially introducing new charges. This report included charges for the internment of minors? The report mentioned a Children's Fund which was available to help with those costs. It was asked, how much the Council would benefit from introducing those costs and would the Children's Fund be means tested? It was not means tested. The Fund was a national one provided by the Government and was set up so that it would be the funeral directors, private company or the Council carrying out the funeral who did the claim, not the family. It was up to each individual Council whether they quoted that in a public document or kept private. This Council had made the decision to make it public and the amount was claimed on behalf of the family and was a standard procedure carried out across the County. There was no charge to parents who had lost a child. The Council had to have a figure in order to claim the money back from the Government.

Assurance was sought that, should the Children's Fund disappear, that charge would be eliminated? The Fund had been set up by the Government and would not disappear.

Regarding the woodland burials and Keele Cemetery, why was there an increase in charges for woodland burials and could it potentially deter uptake of them? Also, the increase in charges for the use of the room, had there been any modelling to see if this would decrease use of the room? A review of the charges had been carried out and discrepancies had been found between woodland burials and grave burials which both took space, both had to be dug so had been brought into line with each other.

On the taxi-licensing fees, there was a reduction in the charges for DBS checks. What would the cost to the Council be on that reduction in charges? The Council's taxi licensing was not allowed to make a profit and had to break even. The actual fee was set by the DBS so there was the same budget for both income and expenditure and the charges would have a net nil impact on the Council.

Confirmation was sought on the hire of the Chapel and Community room facility being an increase of 40%. The increase was more to cover the Council's costs than to make money and was a 40% increase.

- Resolved:**
- (i) That the fees and charges proposed to apply from 1 April 2023, as set out in Appendix 1 be noted.
 - (ii) Note that fees and charges in relation to Bereavement Services come into effect from the 16 February 2023.

[Watch the debate here](#)

6. WORK PROGRAMME

The Committee considered the Work Programme.

Resolved: That the Work Programme be received.

7. PUBLIC QUESTION TIME

There were no members of the public present.

8. URGENT BUSINESS

There was no urgent business.

9. DISCLOSURE OF EXEMPT INFORMATION

Resolved: That the public be excluded from the meeting during consideration of the following matter because it is likely that there will be disclosure of exempt information as defined in paragraph 3 in Part 1 of Schedule 12A of the Local Government Act, 1972.

10. SCALE OF FEES AND CHARGES 2023/24 - CONFIDENTIAL APPENDIX

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Resolved: That the report be noted.

11. **DATE OF NEXT MEETING - 30 MARCH 2023**

**Councillor Mark Holland
Chair**

Meeting concluded at 9.13 pm