

FINANCE, ASSETS & PERFORMANCE SCRUTINY COMMITTEE

Thursday, 5th December, 2024
Time of Commencement: 7.00 pm

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|-----------------|--|---|---------------------------|
| Present: | Councillor Mark Holland (Chair) | | |
| Councillors: | Bryan Parker J Tagg | P Waring Bettley-Smith Stubbs | Allport Lewis Crisp |
| Apologies: | Councillor(s) Lawley | | |
| Substitutes: | Councillor David Grocott (In place of Councillor Annabel Lawley) | | |
| Officers: | Sarah Wilkes Elaine Burgess | Service Director - Finance / S151 Officer Markets and Regeneration Officer | |

1. APOLOGIES

Apologies were received as listed above.

2. DECLARATIONS OF INTEREST

There were no declarations of interest stated.

3. MINUTES OF A PREVIOUS MEETING

Cllr Stubbs asked if any action had been taken with regard to the report on the turnover of staff referred to in Item 9 of the minutes and expressed concerns that the latter may not reflect the full extent of the debate.

The Chair said that the matter had not been taken to Cabinet yet and advised that the recordings of a number of meetings were not entirely audible which may have caused difficulties in transcription.

The Service Director for Finance (S151 Officer) recalled that it had been agreed to postpone the report on One Council until the staff survey results were received so that this could be incorporated into the report.

Since then the survey had been completed and the team was currently extracting the information which would be fed into the report to be submitted at the next meeting.

Cllr Stubbs reiterated his concern over the fact that what had been agreed had not been taken to the report that went to Cabinet as opposed to the one that was scheduled to go back to this Committee.

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The Chair confirmed that it was his understanding that the results were to be incorporated into the report to be submitted to this Committee and that he did not think that the latter had the authority to decide what was to be discussed at Cabinet meetings although suggestions could be made by members.

Cllr Stubbs said that the Scrutiny Committee needed to have the confidence that they were listened to and were not there to tick boxes.

Resolved: That the minutes of the previous meeting held on 18th September 2024 be agreed as a true and accurate record subject to the resolution of item 9 being amended as follows:

that the work programme be adjusted and include both an update on the One Council program and the thoughts of the executive team and officers on the staff survey process, to be taken together at next meeting of the Committee scheduled in January 2025.

[Watch the debate here](#)

4. FIRST DRAFT SAVINGS PROPOSALS 2025/26

The Deputy Leader / Portfolio Holder for Finance, Town Centres and Growth presented the report on the First Draft Saving Proposals for 2025/26.

The Chair invited members to make suggestions of additional savings if they had any for officers look into.

Cllr Grocott enquired about the Funding Strategy in relation to the Annual Leave Purchase Scheme and the replacement of Council Tax Support Grant with demand led contributions for Parish Councils.

The Deputy Leader expressed his support for the possibility for staff to purchase additional leave as required. About the introduction of demand led contributions, these would allow local councils to request fundings for specific projects to supplement their own budgets.

The Chair asked if there was data supporting the fact that it was mainly small parish councils making use of the Council Tax Support Grant.

The Service Director for Finance (S151 Officer) advised that £30,000 had been issued to Parish Councils, the majority of the parishes received £200-£300 and three parishes received a larger amount and therefore £10,000 had been retained so that, if any more funding was required, bids could be submitted.

Councillor Grocott stated that some Parish Council's had more staff than others and would like to see something added in that would supplement all parish and town councils.

Councillor Waring asked for more clarity on what the funding could be used for and stated that Kidsgrove Town Council would lose £13,000 as a result of the change.

The Service Director for Finance (S151 Officer) advised that all parish/town Councils would be provided with a list of what bids could be submitted for before the end of the current financial year.

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Councillor Stubbs asked when the Town Council was written to, to advise that this would be done – as budget setting had commenced.

The Service Director for Finance (S151 Officer) advised that parishes were emailed approximately one month ago to inform them that this would be withdrawn from 1 April, 2025 and that there would be £10,000 left out of the £30,000 whilst parishes were considering their precepts.

Councillor Stubbs stated that the Council were top-slicing £20,000 from the parish councils and, referring to Kidsgrove Town Council, stated that there were more people, more services and more demands. Councillor Stubbs stated that £13,000 was a lot to take away in one go and it would be a big hit to their budgets and asked why no consultation had been carried out.

The Service Director for Finance (S151 Officer) advised that there was a budget consultation which was currently live where any comments could be fed back. Kidsgrove Town Council would be entitled to place a bid for the entire £10,000 or part thereof.

The Deputy Leader asked Councillor Stubbs what Kidsgrove Town Council was responsible for. Councillor Stubbs stated that the main expenditure was for the Kidsgrove Ranger and there was also the running of the Community Hall.

The Chair stated that there were a number of Committee members who were also Parish Councillors' or lived in a parish area and suggested that this Committee could scrutinise the Policy and the way in which funding was applied. Once the £10,000 had been applied for and disbursed this Committee may wish to scrutinise how this Council was applying the money.

Councillor Bettley-Smith asked if he should declare an interest as Chair of Betley, Balterley and Wrinehill Parish Council but was advised by the Chair that this was not necessary.

Councillor Stubbs asked what the 'Extended Producer Responsibility Funding' was.

The Service Director for Finance (S151 Officer) advised that it was a change in legislation where the manufacturers of plastic would now have to pay for the removal and clearing up of plastic. A sum of money had been allocated by Central Government to local authorities to collect and manage it but it would be the manufacturer who was paying for it. A letter had been received from DEFRA advising on the amount that this Authority would receive.

Councillor Stubbs asked if the money was ringfenced or would it be a general fund. The Service Director for Finance (S151 Officer) confirmed that it was not ringfenced.

Referring to the £103,000 saving that the merging of the facilities and property functions, coming under 'staffing'. How were the staffing numbers reducing.

The Service Director for Finance (S151 Officer) advised that there had been a retirement in the Service, someone had left and another person wanted to go part-time so an opportunity arose to look at the Property Team and Facilities Management Team roles. The Capital Programme had been reducing over the last two to three years in respect of capital projects being delivered as large regeneration projects were being carried out with the help of funding.

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Councillor Stubbs asked about the £50,000 reduction in the Kidsgrove Subsidy and if it was part of the Business Plan to remove it at this point.

The Service Director for Finance (S151 Officer) advised that there was agreement between Kidsgrove Sports centre and the Council to provide any subsidy within the first five years – should it be required. However, they were doing really well and had not called on the subsidy.

The Chair proposed that a seventh recommendation be added to ask Cabinet to consider recommendations made by members.

- Resolved:**
1. That the first draft savings proposals as set out in Appendix A and Appendix B to the report be noted.
 2. That the revised Medium Term Financial Strategy (MTFS) funding gap (Appendix C) be noted.
 3. That any surplus funds identified when setting the budget to be transferred to Reserves in order to achieve future financial resilience, be noted.
 4. That the commencement date of the Budget Consultation period as mid-November to mid-December 2024, be noted.
 5. That the Mid-Year Capital Estimates for 2024/25 be noted.
 6. That the proposed setting of Council Tax at 1.99 per cent for 2025/2026 be noted.
 7. That Cabinet be asked to consider recommendations made by members.

[Watch the debate here](#)

5. FINANCE AND PERFORMANCE REPORT QUARTER TWO - 2024/25

The Deputy Leader of the Council and Portfolio Holder for Finance, Town Centres and Growth introduced the Finance and Performance report for Quarter 2.

Councillor Lewis asked why there was no prudent figure shown within the income to reflect any interest gathered on any unspent capital funds within the report.

The Service Director for Finance (S151 Officer) referred to paragraph 2.6 (a), which showed how much interest had actually been received as at the end of quarter two, which was £507,000 on money that had been held in the bank account in respect of the Future High Street and Town Deal Funds. A question had been raised previously as to why the Council did not recognise interest that would be earned, as part of the budget. On setting the budget, there was a plan of what the Capital Expenditure would look like and it was expected that the Majority of the Town Deal and Future High Street Funds would have been spent and ordinarily it would not have earned any interest. There were two elements to this: interest on money held in the bank and also interest that the Council does not spend on the borrowing if none had been undertaken.

It was anticipated that some borrowing would be required by the end of the current financial year.

The Chair stated that it was correct to say that, whilst the Council did not plan to have large amounts of Government funding sitting in the accounts, it had been able to save money on borrowing interest costs and had also generated interest.

Councillor Waring referred to interest that would be paid in future years. Was it correct that a significant amount of that would be refunded by the developer and would that be put into a reserve somewhere as a deficit or would it be shown in the accounts as a windfall.

The Service Director for Finance (S151 Officer) advised that there were two parts of the interest that would be borrowed; borrowings for the Capital Programme and the Capital and Centric projects, if borrowing was required, the interest payments could be capitalised so that when Capital and Centric purchase the asset back from the Council, they cover the interest costs.

The Chair moved onto the Performance Indicators.

Councillor Stubbs referred to performance indicator ID1.8a – Digital Transactions; only 80% of the target was being reached for digital transactions and asked if this needed to be nearer to 90% for One Council to be successful.

The Deputy Leader stated that the indicator was a bit of a mixture. Certain information was available on the website for residents but, ordering a brown bin, for example, became a transaction.

The Policy and Strategy Business Manager advised that there were three aspects to this indicator: the target; the quarterly results did not come in as equal flows and there was also big billing runs in the new year. There was a steady increase in people being able to self serve around council tax and benefit claims.

Councillor Lewis asked why the target had not been met for Food Hygiene Inspections during the month when there had only been ten to do.

The Deputy Leader stated that the period was over three months and not one month and asked the Policy and Strategy Business Manager to respond.

The Policy and Strategy Business Manager stated that, of the two inspections the report was to the 30 September and on 17 October, the first one was caught up with followed by the second one on 22 October and had been down to resources and staffing issues.

Councillor Lewis stated that ten inspections not being hit over three months was worse than over a one month period. Was there a way that they could be re-prioritised or facilitating staff usage better.

The Service Director for Finance (S151 Officer) stated that staffing issues had been discussed regarding Environmental Health in the past. This Authority was not unique in the lack of staff in its Environmental Health Team and was not through to trying to recruit – it was a national issue. There were now a couple of agency workers in the team. The Service Director was looking at the structure of the team and how it could be evolved going forward.

Councillor Stubbs asked what the opportunity cost of not doing things on time was; what if an inspection was missed that stopped many people being ill.

The Service Director for Finance (S151 Officer) stated that that risk was being constantly monitored as the Council was aware of the consequences of inspections not taking place.

The Chair stated that the resources of the Service were being reviewed as part of the performance indicators but the service itself fell under a different Scrutiny Committee. However if this Committee wanted a more detailed look into how the Service was being offered, it could be raised at the appropriate meeting.

The Chair referred to number 2.6 – The percentage of complainants informed within the required timescales of any action to be taken about alleged breaches of planning control.

The Deputy Leader stated that some of the matters were very complex and took time to resolve.

Councillor Grocott referred to the turnover of planning staff and asked if that impacted on the ongoing investigations and if so, could something be implemented to improve staff retention.

The Deputy Leader stated that the core staff in planning had been here for a while. The reason for the target not being met was down to there being several complicated cases.

Councillor Stubbs referred to 1.14 – staff turnover. The indicator showed a figure of 8.46 against a target of ten. What was the forecast for the remainder of the year.

The Chair stated that, as it was a green indicator he was content to watch it turn red in the next quarter if it was going to happen.

The Deputy Leader stated that the One Council process for this Authority had been brilliant. For a £1.2m investment, the Council would save £1.18m each and every year going forward.

Councillor Parker asked if the officers involved with the three red indicators could see if anything could be done.

The Deputy Leader stated that the next figures would be out at the end of this month.

Councillor Stubbs stated that this Committee was set up to cover the budgets and the indicators cycle did not fit in with the budget cycle.

Resolved: That the contents of the report and appendices be noted and that the Committee continue to monitor and challenge the Council's service and financial performance for this period.

[Watch the debate here](#)

6. TOWN DEAL AND FUTURE HIGH STREET FUND UPDATE

The Deputy Leader / Portfolio Holder for Finance, Town Centres and Growth introduced the report on the projects funded by the Town Deal and Future High Street Fund which money had almost all be spent.

Cllr Stubbs referred to the wordcount for the Kidsgrove section equating to 8% of the total of the report of roughly 2,000 words and enquired about tangible economic benefits in relation to the funds. He asked why the budget for the train station did not take into account the coal and shafts found under the area.

The Deputy Leader responded that the money was used for the road infrastructure and that the circa 1700 jobs that would be created would be open to Kidsgrove residents.

The Regeneration Manager advised that a remediation proposal called a geogrid was initially thought to be suitable with a car park in addition upgrading the station being originally planned. A review by the network rail mining specialist led to the decision of a more extensive intervention including investigation works. Changes in the Coal Authority Permit also included a longer process.

Cllr Stubbs asked about HS2 fundings and if the Government paper relating to it could be made available as requested by one of the local MPs.

The Regeneration Manager responded that the initial reference document for the promise of additional funding from the cancellation of HS2 was called the Network North document and was publicly available and featured Kidsgrove train station although there was no mention of figures.

The Chair read paragraph 62 of the Network North document stating that an unprecedented uplift in funding would be provided for 13 local authorities in the Midlands. The total investment would be of £2.2 billion and would be funding schemes such as refurbishment of stations in Longport and Kidsgrove. While it was frustrating that things were not moving faster this was down to national bodies like the UK Coal Authority and Network Rail which were not accountable to the Council.

Cllr Stubbs asked why the Canal project which started 18 months ago had not been signed off and allowed to move forward as well as why, on a separate note, had members not been made aware of the changes to the Shared Service Hub.

The Regeneration Manager said there had been a change in personnel in the Canal and River Trust which were responsible for the delivery on the Canal footpaths and that works were now scheduled to start in January. On the funding issue a performance return was to be sent to the government. The Council had indicated that they wish to take the option of fundings to be renewed for Newcastle and Kidsgrove from March 2025 onwards to ensure sufficient well-planned consideration for those projects.

Cllr Stubbs wondered if there was any plan B in the event of the HS2 funding failing to materialize.

The Regeneration Manager responded that contingency plans were in process with lobbying of the local MP and the County Council to benefit from the Local Transport Funding scheme, Kidsgrove being a top priority.

The Chair recommended liaising with the local MP and quoting paragraph 62 and 63 of the Network North document.

Cllr Waring commented that ideally the funding required would come from the government but once the ground investigation works would be done it would be possible to see where the costs should be allocated. In relation to the Canal and

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River Trust this was a relatively short programme which would impact on the March 26th deadline. The Shared Service Hub's works could be done by then and therefore any notifications to the government would be a safety precaution however the best way to spend the money for residents was constantly being monitored and the projects other than the Railway should be completed within the timescale.

Cllr Stubbs wished to hear from officers about the Shared Service Hub.

The Regeneration Manager said this was currently being reviewed by a subgroup of the Town Deal board which would be meeting in January for which the proposals would need to be consistent with the Town Investment Perspective and meet government requirements.

Cllr Grocott asked the whole town development and if any expressions of interest had been received regarding the hotel as well as if money had been secured for the Chesterton projects in terms of section 106.

The Deputy Leader responded that it was likely there would be money coming from section 106 to be spent on the local area and exact amounts would need to be checked out against previous planning papers.

The Chair concluded on Cllr Stubbs initial comment by saying that Kidsgrove was mentioned seven times in the report compared to Newcastle which only appeared six times when taking of the heading and Knutton four times.

Resolved: That the report on the delivery of the Town Deal and Future High Street Funds projects be noted.

[Watch the debate here](#)

7. WORK PROGRAMME

Resolved: That the work programme be noted.

8. PUBLIC QUESTION TIME

There were no questions received from members of the public.

9. URGENT BUSINESS

There was no urgent business.

10. DATE OF NEXT MEETING

Resolved: That the next meeting be scheduled on 16th January 2025.

**Councillor Mark Holland
Chair**

Meeting concluded at 8.28 pm