

OVERVIEW AND SCRUTINY PANEL

MONDAY, 13 JANUARY 2020 - 1.30 PM



PRESENT: Councillor A Miscandlon (Chairman), Councillor A Hay (Vice-Chairman), Councillor M Cornwell, Councillor M Humphrey, Councillor D Mason, Councillor A Maul (substitute) Councillor M Purser, Councillor R Skoulding, Councillor D Topgood and Councillor F Yeulett

APOLOGIES: Councillor G Booth, Councillor A Bristow and Councillor Wicks

OFFICERS IN ATTENDANCE: Anna Goodall (Head of Governance and Customer Services), Peter Catchpole (Corporate Director and Chief Finance Officer), Izzi Hurst (Member Services & Governance Officer), Paul Medd (Chief Executive), Carol Pilson (Corporate Director and Monitoring Officer), Mark Saunders (Chief Accountant) and David Wright (Policy & Communications Manager)

GUESTS: Jo Andrews (Anglia Revenues Partnership), Paul Corney (Anglia Revenues Partnership), Adrian Mills (Anglia Revenues Partnership), Councillor I Benney, Councillor C Boden, Councillor S Clark, Councillor J French, Councillor S Hoy, Councillor P Murphy, Councillor C Seaton, Councillor S Tierney.

OSC28/19 PREVIOUS MINUTES.

The minutes of the meeting of 11 November 2019 were confirmed and signed, subject to the following comments;

1. Councillor Cornwell highlighted an error in relation to the declaration of interest he made (OSC26/19). The declaration should read; 'Councillor Cornwell declared an interest by virtue of the fact that his son is an employee of Freedom Leisure and took no part in the discussion for this agenda item.'

OSC29/19 UPDATE ON PREVIOUS ACTIONS.

Members were provided with an update on the status of actions raised at previous meetings of the Overview and Scrutiny Panel.

OSC30/19 ANGLIAN REVENUES PARTNERSHIP (ARP) UPDATE.

Members considered the Anglia Revenues Partnership (ARP) Update report presented by Paul Corney.

Paul Corney informed members that ARP currently have no intention of increasing the number of partners and this would only be considered in the future if there was a strong business case to support this.

He explained that whilst initially the introduction of Universal Credit (UC) had increased processing times, this has now improved significantly. He added that the introduction of UC had allowed additional resource to be allocated to the processing of Council Tax and this approach has been extremely successful. He confirmed that all partners are in a strong position and have generated significant savings since joining ARP.

Peter Catchpole agreed and informed members that ARP and the Council are currently working on a major project to improve the 'customer journey' and enhance the service further. He explained that the project will explore improvements to the online services available to customers and drive efficiency in this process.

Members asked questions, made comments and received responses as follows;

1. Councillor Hay referenced 2.13 of the report and asked what discussions have taken place between the Council and Cambridgeshire County Council (CCC) in relation to their withdrawal of funding for the fraud initiative. Councillor Mrs French explained that discussions are ongoing with CCC and the Council will be continuing recovery work whilst working to produce a business case to present to CCC. She confirmed that members will be updated accordingly.
2. Councillor Hay stated that the figures provided in relation to 'Single Person Discount Fraud' shown in 3.7 of the report, are confusing and asked for further clarification on this. Paul Corney explained that if ARP apply a Single Person Discount and then, through fraud work, identify that this needs removing, the charges are automatically charged from that point and they are billed for that period. He explained that ARP do not seek any future savings and only claim for that financial year. He confirmed that if a person was to apply for a future discount, these are reconsidered by the team too.
3. Councillor Cornwell referenced 1.3 of the report and highlighted that the area covered by ARP is one of the more rural areas within this national list. He asked if ARP is in danger of growing 'too big too quickly' and losing their local focus. Councillor Mrs French explained that the ARP Joint Committee agrees with this view and as a result, no further partners have joined since 2015. She stated that the emphasis has been on service delivery being improved and offering partnerships in specific areas where there will be no impact on delivery, such as Enforcement, where ARP (and all the partner councils) can gain resilience.
4. Councillor Yeulett referenced 1.9 of the report and asked if all partners benefit from the ARP Enforcement Agency Service. Jo Andrews confirmed that this service is available to all partner authorities and in addition, South Norfolk Council and Norwich City Council. She explained that any fees collected above the cost of the service, are issued back to partners. She stated that the service is extremely customer focused and as a result receives very few complaints.
5. Councillor Yeulett asked for further information in relation the 'significant financial savings' referenced in 1.13 of the report. Jo Andrews explained that excess income is shared between partners based on the number of liability orders issued by the Courts. She stated that this income fluctuates year on year and if more liability orders are granted, the larger the share of surplus income. She explained that the surplus income is in the region of £800,000 and the Council's share of this is approximately £90,000.
6. Councillor Yeulett asked that the information provided in 2.13 of the report is quantified for members. Jo Andrews explained that in relation to further recovery, ARP continue to enforce a small amount of cases against persistent debtors for the Council however this has not been carried out as routinely due to the funding issue with CCC. She explained that this has generated approximately £5,000 for the Council in the past year. She explained that Charging Orders generate income over later years as once a charge is registered to a property, it will not be repaid until this property is sold which can take several years.
7. Councillor Yeulett asked for further information on the appeals to the VOA referenced in 2.12 of the report. Jo Andrews explained that Business Rate payers can appeal against their rateable value and if successful, refunds can often total a large amount of money as they are backdated. She informed members that there is a provision in the Accounts for this.
8. Councillor Miscandlon asked the process ARP use to 'write-off' claims and the cost implications for doing this. Jo Andrews explained that recovery of Council Tax and NNDR follows a statutory process and every available action is taken to recover this debt. However in some instances this is not possible, for example if a debtor absconds, if a debtor is

deceased or is bankrupt. She explained that ARP expects to collect 99.5% over the lifetime of the debt. Since the Council joined the partnership in 2014/15, the Council Tax debt raised was £45.5m. She confirmed that 99.28% of this debt has been collected and the recovery process is still underway. In relation to 'write-offs' only £165,000 has been written off since 2014/15 which is equivalent to 0.36% of the debt. The Council's share of this 'write-off' is approximately 15% or £25,000.

9. Councillor Miscandlon asked how many 'non-partners' are currently utilising ARP's services and why is this not being transacted through the ARP Trading Company. Paul Corney explained that the ARP Trading Company was originally set up to trade in areas outside of the partnership group however following legal advice, much of these additional services can be offered through a partnership arrangement and therefore the ARP Trading Company is not currently in use. He confirmed that ARP currently carries out work for Norwich City Council and South Norfolk Council. Work is also undertaken on behalf of some Housing Associations as they do not have the powers ARP have to enforce using statutory powers afforded to them by the Courts.

Members thanked Jo Andrews, Paul Corney and Adrian Mills for their attendance at today's meeting.

The Overview and Scrutiny Panel noted the Anglia Revenues Partnership (ARP) Update report.

OSC31/19 DRAFT BUSINESS PLAN 2020-21.

Members considered the Draft Business Plan 2020-21 presented by Councillor Boden.

Members asked questions, made comments and received responses as follows;

1. Councillor Yeulett asked a question on behalf of Councillor Booth. He stated that the metrics of the Business Plan do not align with the priorities set therefore this makes it difficult to ensure the plan has been delivered. In particular, additional metrics are required in relation to; health and wellbeing, recycling rates and how these can be improved, how the Council successfully measures the promotion of culture and heritage, community safety, regeneration and inward investment (currently this only shows the number of planning applications) and the delivery of infrastructure (no milestones are given to measure against the projects discussed). Councillor Boden thanked Councillor Booth for his question and agreed that it is very important that these objectives can be successfully measured. He explained that in many cases there are no direct measures that can be quantified and welcomed member's suggestions on this matter. He explained that the Council only have marginal control of certain outcomes for example; health and wellbeing are largely influenced by other organisations. He added that the Business Plan is concise in nature as it is a public document that shows performance data. He confirmed that recycling rates are contained within the report. In relation to infrastructure, he is open to alternative metrics available to measure the delivery of these projects.
2. Councillor Yeulett asked how the Council measure the public's quality of life and satisfaction with the district. He suggested the Overview and Scrutiny Panel could assist with investigating this further. Councillor Boden said whilst this would be useful, the Council have only a marginal impact on the health and wellbeing of residents, as much of the work is outside of the Council's functions.
3. Councillor Cornwell stated that the Business Plan only focuses on Council services in relation to the 'Environment' priority and asked that further focus is put on the wider aspect of the environment. For example the effects of air pollution, tree planting etc. which will in turn improve the health and wellbeing of residents. Councillor Boden said whilst this is a useful comment, the principle of the Business Plan is to show the Council's direct impact on the environment and how it can directly effect this. He explained that individual Service

Plans concentrate on the finer details of the wider impact on the environment. In relation to air quality, the Council do have a responsibility for the monitoring of air quality and whilst they can advise and lobby for further improvement, the impact we have on this is once again limited. Councillor Miss Hoy added that the air quality in the district is one of the best in the Country and the Council have legislative powers in place to monitor this, for example the implementation of Air Quality Management Zones. She informed members that there were previously three Air Quality Management Zones within the district however these are in process of being revoked due to significant improvements.

4. Councillor Yeulett thanked Councillor Boden and Councillor Miss Hoy for their responses. He drew their attention to a recent Cambridgeshire and Peterborough Combined Authority (CPCA) document which had highlighted March High Street as being an area of high pollution. Councillor Miss Hoy explained that there had been an issue with idling cars in March High Street however this was improving. Councillor Mrs French added that as part of the consultation for the March Transport Strategy, this had been highlighted as an issue and is being seriously considered. She confirmed that they were exploring short, medium and long term solutions to tackle the issue of pollution on March High Street.
5. Councillor Mason asked if there was data available in relation to the footfall of visitors to 'places of interest' and events that could be used to measure the success of heritage and culture. Paul Medd confirmed that footfall is recorded for events such as 'Golden Age Fayres' and other Council run events however as many of the museums and historical buildings in the area are independently run, the Council do not have access to data in relation to these areas.
6. Councillor Cornwell asked if the Council have the power or duty to provide electric charging points for vehicles in the district. Councillor Boden confirmed that he believes whilst the Council may have the powers to install these, it is not a legal requirement. He highlighted that the topic of electric vehicles is a much wider debate that faces significant dispute as to its wider detrimental effect on the environment.
7. Councillor Cornwell asked for an update on the Biosphere application. Councillor Boden explained that the Council are offering appropriate support to partners however there is no update to report to members at this time.
8. Councillor Yeulett queried the statistic on page 29 of the agenda pack in relation to 50% of the UK's Grade 1 Agricultural Land being located in Fenland. Councillor Boden agreed that this statistic seemed too high and agreed to investigate this further.
9. Councillor Yeulett highlighted that the Business Plan aims to promote and enable housing growth. He asked how the Council plan to achieve this and how the new Local Plan will assist. Councillor Boden explained that the Council have an annual target of new homes to be delivered which are set by Central Government. He explained that one of the key issues in the district is sites that have been identified for housing, are not being delivered by developers. He informed members that the Local Plan will consider options available to the Council in order to tackle this problem.
10. Councillor Miscandlon agreed and reiterated that one of the main reasons for non-delivery of housing lies with developers, which in turn effects the Council's compliance with the national targets set. He hoped the new Local Plan will offer a solution to allow delivery of these sites.
11. Councillor Mason agreed and highlighted the need for appropriate infrastructure to support housing growth. Councillor Boden agreed and stated that both economic growth and infrastructure are required to support this too and assured members that the promotion of economic growth in the district will be an integral part of the new Local Plan.
12. Councillor Cornwell asked why the statistic showing '200 miles of beautiful waterways' has been included in the Business Plan introduction (page 29 of the agenda pack) when the benefits of this are not discussed elsewhere in the report. Councillor Boden confirmed that this section of the Business Plan offers a broad outline of the Fenland area and includes additional unique and statistical facts that are not always included in the Business Plan.
13. Councillor Cornwell suggested that the Business Plan should include how the Council can take advantage of these statistics. Councillor Boden said that it was felt appropriate to keep

the Business Plan to a concise length.

14. Councillor Miscandlon asked that all future reports considered by the Overview & Scrutiny Panel are kept concise and succinct. Paul Medd agreed to consider this further.
15. Councillor Tierney agreed and stated that the Business Plan has been developed with this in mind.
16. Councillor Tierney explained that the Council are currently undertaking many transformational projects and the impact of these will be shown in future Business Plans. He urged members to approach Cabinet with any comments or suggestions they have in relation to potential new projects.

The Overview and Scrutiny Panel commented on the Draft Business Plan 2020-21.

OSC32/19 REVISED GENERAL FUND BUDGET AND CAPITAL PROGRAMME 2019/20; DRAFT GENERAL FUND BUDGET ESTIMATES 2020/21 AND DRAFT MEDIUM TERM FINANCIAL STRATEGY (MTFS) 2020/21 TO 2024/25; CAPITAL PROGRAMME 2020 - 2023.

Members considered the Revised General Fund Budget and Capital Programme 2019/20; Draft General Fund Budget Estimates 2020/21 and Draft Medium Term Financial Strategy (MTFS) 2020/21 to 2024/2; Capital Programme 2020-2023 report, presented by Councillor Boden.

Members asked questions, made comments and received responses as follows;

1. Councillor Yeulett asked a question on behalf of Councillor Booth. He stated that the MTFS shows an increase to the Net Service Expenditure to 2024/25 of £1.448m. He highlighted that page 58 of the agenda pack states that there is a 0% general inflation rate for this period and asked what the increases represent. He added that if the Council are to be more 'business like' in how they run, the Council should work to not automatically increase budgets each year and absorb increases such as pay rises and pension contributions within the budget setting process. He stated that this would assist in helping the Council find the savings required. Councillor Boden disagreed with the some of the points raised in Councillor Booth's question and said focus should not be on the increase in net service expenditure but instead on the gross service and corporate expenditure. He drew member's attention to page 57 of the agenda pack and highlighted that the forecast spend for coming years shows a lower spend. He explained that the MTFS shows less expenditure for coming years however each year's expenditure is boosted by the spending of unaccounted for government grants. These cannot be budgeted for however they are shown as an increase in expenditure. Councillor Boden explained that the primary reason for increases are due to salary increases and their related costs and these must be reflected in the MTFS as they are a known change.
2. Councillor Yeulett asked for confirmation that the Fair Funding Review will consider the income generated by Councils from car parking charges and as the Council currently does not charge for parking, if this could have a detrimental impact on the Council's future funding level. Councillor Boden explained that the consultation proposals so far indicate that income generated by Councils through 'fees and charges' will be a factor in the resources element of the review however it is not possible to forecast at this time the overall impact this will have on the Council.
3. Councillor Yeulett asked what impact changes to the New Homes Bonus (NHB) could have on the Council. Councillor Boden explained that the NHB is a significant resource for authorities nationally and the new housing incentive proposals will be subject to intense scrutiny. Until these are exemplified, it is not possible to forecast the impact on the Council. He explained that the Council currently receives 'Legacy Payments' and will continue to receive these however the amounts under the new incentive scheme are unknown. He added that the MTFS prudently shows a reduction in these over the next four years.
4. Councillor Yeulett asked if consideration would need to be given to increasing Council Tax

as a result of the potential impact these schemes could have. Councillor Boden explained that currently a surplus is being generated by the Council and whilst it would be imprudent to make a commitment to not increase Council Tax, the assumption of a 0% increase has been included in the budget. He explained that as Leader of the Council his aim is to not increase this however this will be reconsidered if required. He stated that currently, he feels confident that there will be no need to increase Council Tax.

5. Councillor Cornwell highlighted that Internal Drainage Board (IDB) levies are collected via Council Tax and not via Business Rates and this could be seen as a funding imbalance. He asked for further information on this. Councillor Boden said it was incorrect to say that IDB levies are collected via Council Tax. IDB levies form part of the Council's net budget requirement which is then funded by Council Tax and Business Rates. There is no hypothecated funding, Council Tax and Business Rates fund all Council services to some degree so it is not possible to say which services are funded by Council Tax and which by Business Rates. He explained that the district has a large number of IDBs and this can be a significant financial burden to the Council. Reforms to the current system have been discussed over a number of years as IDBs tend to generate and retain large balances due to the possibility of future high-cost capital expenditure.
6. Councillor Miscandlon highlighted that many IDBs raise their precept annually and asked if the Council ever challenge this. Councillor Boden confirmed that not all IDBs increase their precepts but the current system promotes drainage boards to do this in order to build reserves but agreed that this is open to scrutiny.

The Overview and Scrutiny Panel considered the draft budget proposals for 2020/21 and the updated capital programme.

OSC33/19 REVIEW OF FEES AND CHARGES 2020/21.

Members considered the Review of Fees and Charges 2020/21 report presented by Councillor Boden.

Members asked questions, made comments and received responses as follows;

1. Councillor Miscandlon asked if consultations are carried out with service users in relation to increases in fees and charges. For example, do we consult with tenants of business premises? Councillor Boden confirmed that the Council do not consult tenants when revising rents, fees and charges. The nature of 'fee setting' for the Business Premises Estate is subject to many external factors, including local market activity. The Council operates the Business Premises Estate to provide start-up employment space, but needs to do so on a sustainable financial footing. It would therefore not be appropriate to apply a simple inflationary increase to rents, fees & charges. Most factors affecting rental levels are beyond the control of the Council and will include: comparable market rents the supply and demand of premises within a given area or the age and suitability of the property to perform its function, etc. The business centre rents are largely all inclusive, so increases or decreases in utility charges also need to be included in the rent setting process.
2. Councillor Yeulett asked a question on behalf of Councillor Booth. He stated that the fees and charges relating to the Port do not reference the results of the Overview & Scrutiny Panel's Economic Development Review which determined that the maintenance and capital costs of the Port are generally the cause of the service not being cost neutral. He asked officers to confirm if these costs will be included in the charging structure for the Port. Councillor Boden said it was incorrect to state that the maintenance and capital costs are the sole cause of the Port not running at a profit but explained that the Council are not commercially able to levy further charges to the Port and the service is not run as a commercial business.
3. Mark Saunders explained that the Port at Wisbech is in direct competition with both Ports at Boston and Kings Lynn and therefore the Council must remain competitive with its fees and

charges. He explained that the Council cannot increase the charges to the level required and only aim to recover the statutory costs. He confirmed that as the Statutory Port Authority, closure of the Port would require authority from Central Government and therefore there will always be a deficit on the Port accounts.

4. Councillor Boden added that depreciation costs are included for accounting purposes only.
5. Councillor Hay stated that the report infers that cemetery and burial costs have risen purely because other Local Authorities have increased their charges. Councillor Boden clarified that the Council currently charge less than neighbouring authorities. He explained that the charges allow a balanced budget but the Council do not seek to make a profit in this service area. Councillor Hay stated that the report could be amended to reflect this.
6. Councillor Skoulding reported a complaint he had received from a local undertaker in relation to delays with the Council's burial services. Carol Pilson explained that the current ground maintenance contract does limit the number of daily burials allowed in the district however this is to ensure a high quality service for such a sensitive service area. She agreed to look into this complaint further.
7. Councillor Mrs French confirmed that she too had received complaints from undertakers in relation to this.
8. Councillor Cornwell stated that discussions should be encouraged between the ground maintenance contractors and undertakers.

The Overview and Scrutiny Panel considered the proposals contained in the report and at Appendix A and recommended to Cabinet the Fees and Charges to be included in the final budget proposals for 2020/21.

(Councillor Cornwell declared an interest by virtue of the fact that he is a Berth Holder at Wisbech Yacht Harbour).

OSC34/19 MARCH FUTURE HIGH STREET FUND BID.

Councillor Boden informed members that following a recent decision made by Cabinet, it had been necessary to remove the call-in power due to an urgent deadline that had to be met.

He explained that there is a provision contained within the Constitution to allow urgent decisions to be made removing the power for the Overview and Scrutiny Panel to call-in this decision. Exercising this power must be agreed by the Chairman of the Overview and Scrutiny Panel.

He informed members that a decision had been made by Cabinet in relation to a bid for funding concerning the March Future High Street Fund (CAB11/19). The application deadline for the bid is Wednesday 15 January 2020 and therefore given the timescale, it was not practical to allow a call-in period for this item. He confirmed that the Chairman of the Overview and Scrutiny Panel had agreed to allow this due to the urgency of the application deadline.

OSC35/19 FUTURE WORK PROGRAMME

Members agreed the Future Work Programme subject to the following comments;

1. Members proposed that the meeting scheduled to take place on Monday 10 February 2020 commence at an earlier time of 1.30pm subject to the availability of external guests.
2. Councillor Cornwell proposed that the Overview and Scrutiny Panel initiate a review in to ARP and set up a review group to undertake this work. It was agreed that the review would take place over a period of three months and consist of three members with two substitutes. Members asked that an initial meeting is arranged with members of the review group, substitutes and officers for February 2020 to decide the scope and objectives of the review. The review group will consist of the following members;

- Councillor Cornwell
- Councillor Hay
- Councillor Mason
- Councillor Skoulding (substitute)
- Councillor Wicks (substitute)

Izzi Hurst agreed to arrange this.

4.26 pm

Chairman