

**Extract from the Minutes of a meeting of Scrutiny Committee for Leader,
Deputy Leader and Housing and Customer Service
held on Wednesday, 11 January 2023
at 7.00 pm**

6 DRAFT CORPORATE PLAN AND BUDGET 2023/24.

The Chairman introduced the item and reminded Members of the Councils' priorities when considering the report. The Leader highlighted the challenges faced by the Council, including the rise of inflation and cost of living crisis. He noted that despite these pressures the Council continued to deliver value for money services to support communities. He noted the proposal for the Treasury Management income be used to close the Budget deficit, recognising that the external pressures driving rising costs also drive our Treasury Management income. He highlighted the rise in Council Tax and confirmed that the draft Budget had been modelled on the lower increase of 2.75%.

Kathryn Hall, Chief Executive, introduced the report noting that since its publication the Local Government Financial Settlement (LGFS) had been announced. She noted the three main areas for debate; confirmation of the proposed 2.75% Council Tax rise as outlined at paragraph 13, the modest increase to Fees and Charges, and the proposed use of Treasury Management income. She also highlighted that this was the first Budget to be considered since pandemic restrictions had been fully lifted.

Section 1: Introduction and Financial Context

Members discussed in detail the key areas. In response to a Member query regarding the Efficiency Programme, the Chief Executive advised that the market had been unable to respond to the Council's procurement of public realm services and that work is underway to explore an alternative procurement approach given the current difficult market. Members discussed inflation and the Director of Resources and Organisational Development reminded Members the rates were cumulative for the medium term plan and that the key focus was on the budget for the coming financial year (2023/24).

A Member asked for clarity regarding inflation on utilities, the Chief Executive confirmed these were prudent estimated figures, which had been provided by the suppliers. She confirmed that subscriptions had been scrutinised thoroughly. Discussion was held on the cost of postage and ways to reduce costs. For example, a Member raised a point of having Councillor payslips sent electronically which Members agreed was a good idea. The Chief Executive agreed to consider this suggestion and confirmed there had been a huge shift to digitalise services and to provide them online, but reiterated the Councils services must be inclusive and accessible to all.

Members discussed Business Rates Revaluations, noting it was difficult to estimate the impact this would have on business rates due to regional variations. The Director of Resources and Organisational Development noted that these revaluations are not carried out locally but are instead carried out by the Valuations Office nationally. In addition, there is an Appeals process which makes the timing of any financial impact difficult to determine. A Member asked officers to consider issuing a report which considers ways to protect and increase reserve funds.

Section 2: Service Plans

Members discussed the Service Plans and Summary Budget tables, with the Director for each area providing a summary introduction.

Judy Holmes, Deputy Chief Executive noted on p.16 paragraph 1, should read 'to protect the Council'. She highlighted achievements over the past financial year, including the adoption of the Site Allocations District Plan Document (Sites DPD), a Sustainable Economic Strategy including set Net Zero targets, delivery of affordable housing and community grants and the installation of an Air Quality monitoring station in East Grinstead. The significant projects for 2023/24 included review of the district plan and review of public protection orders.

Simon Hughes, Director of People and Commercial Services, highlighted achievements which included the work of the Revenues and Benefits service on grants, the reduction of the number of residents in Temporary Accommodation and the introduction of the 1-2-3 food waste collection trial. In response to a Member query about housing, he said work on Housing Allocations is scheduled in the service plan for the coming year. A Member raised concern around the expansion of the 1-2-3 food waste collection trial. The Chief Executive noted this was challenging and complex work. The Council will continue to work with the disposal authority and partners to deliver the service.

Members discussed the increase of the bulky waste and garden waste collection. Officers advised both were very popular services. Increasing the level of access to both services would meet current demand and anticipated need over the next 5 years.

Members raised questions regarding the scheduling of improvements to parks across the villages in the district. Simon Hughes advised the Parks Improvement Programme assessed parks across the whole of the district including villages.

Members discussed the Leisure draft budget and the digital and technology roll out. Simon Hughes advised negotiations were ongoing with Places Leisure which were commercially sensitive. He advised the long-term strategy for digital services remained to migrate to cloud-based services where the market delivers value for money and agreements to mitigate vendor/data lock-in. He confirmed there was a contingency plan in place and insurance to mitigate financial risks associated with cyber security.

A Member asked for an update on facilitating the redevelopment of Burgess Hill Town Centre. The Chief Executive reassured Members that officers remained committed to this and there was a further Levelling Up bid in the process of being assessed.

Louise Duffield, Director Resources and Organisational Development, highlighted the work to deliver communications and marketing activity that supports the Councils priorities and effective operation of Council services, including the delivery of the Local Government Elections in May 2023.

Regarding HR and Organisational Development, a Member asked for a KPI on staff induction and training. The Chief Executive confirmed officers were committed to supporting and investing in training for staff as there was a high demand for skills in the public sector. In terms of the Community Engagement grants and how these are assessed and allocated, the Chief Executive advised that a range of grants are available, however, given the current climate, demand outweighs the core funding available.

Members discussed the provision of the Local Government Elections and the cost to the Council to implement the Voter ID scheme. The Director of Resources and Organisational Development advised that the Council had received a grant from Central Government to support implementation however, unlike the previous trial scheme which MSDC had participated in, this was a national change and thus would have significant support from the Electoral Commission which would, of course, be supported by the relevant teams and staff working locally.

A Member sought clarity on the Strategic Core Draft Budget, the Chief Executive confirmed this included staffing costs for Directors, Assistant Directors as well as other staffing costs.

Section 3: Capital Programme & Revenue Projects

The Director of Resources and Organisational Development provided an update on the Capital Programme which outlined the Capital Strategy framework and the Council's 5-year rolling planned programme of works. She emphasised some of the projects were already underway and reiterated that the programme is dynamic in its approach.

Members discussed the Councils' Capital Programme and Revenue Projects in detail. A Member noted the Petanque Rink construction, Marle Place Recreation Ground, Burgess Hill on p.45 of the separate report under Contracts & Services, had been incorrectly listed. Officers confirmed this would be updated to Petanque Rink construction, Fairfield Recreation Ground, Burgess Hill. A Member asked for an update on Bedelands site which the Chief Executive advised, due to the sensitivity of the scheme, would be provided privately to the Ward Members.

Regarding Temporary Accommodation schemes, a Member asked for an update on Swan Mead East Grinstead. The Director of People & Commercial Services advised a feasibility study was underway and it was a priority of the Council to provide its own Temporary Accommodation, hence this work was being conducted.

Regarding the Parks Improvement Plan, a Member asked when the revenue figures would be available for St. John's Park, Burgess Hill Master Plan. The Director of People & Commercial Services advised the feasibility study for this scheme was underway and on completion, details of the budget would be provided. In response to a Member enquiry regarding Belmont Recreation Ground, Hassocks, not being included in the programme, the Director for People & Commercial Services confirmed information on this would be provided following the meeting.

A Member raised concerns about the condition of the Martlets Car Park, Burgess Hill. The Director of People & Commercial Services reminded Members officers will await the outcome of the Car Park condition survey to prioritise spend. This will ensure capital is prioritised according to need. In response to Member queries regarding the Martlets Temporary Urban Park, the Director confirmed the consultation and design process were complete, procurement would take up to 12 weeks. He confirmed the revenue allocated for the project would be ring fenced to this project and rolled over into the programme if not completed in this financial year.

A Member remarked on the cost of the Oaklands refurbishment in relation to the working patterns of officers and use of Oaklands. The Chief Executive noted hybrid working remains in place, which is both productive and competitive in the recruitment market and reminded Members a pilot is due to commence on different ways of utilising office space to support collaborative working.

A Member proposed an increase to Council Tax, to the highest possible increase of 2.99%, to protect the Councils assets. As there was no seconder to this proposal, the Chairman took Members to the vote on the recommendations as set out in the report, which were agreed unanimously.

RESOLVED

The Committee considered the proposals for 2023/24 set out in the appended Corporate Plan and Budget 2023/24 report and agreed any comments or recommendations that it wishes to make to Cabinet on:

- (a) The financial outlook facing the Council over the medium term;
- (b) The proposed increase in Council Tax
- (c) The strategy to use Treasury Management income and then, if needed, General Reserve to balance the budget over the medium term;
- (d) Updates to the Capital Programme and strategy; and
- (e) The service commentaries and supporting summary budget tables for each service area.

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