



SCRUTINY COMMITTEE

REMOTE MEETING

Thursday, 11th February, 2021 at 6.30 pm

PRESENT

MEMBERS

Councillors A Tatchell (Chair), M Johnstone (Vice-Chair), H Baker, P Campbell, T Commis, D Ferrier, A Fewings, B Foster, S Khan, G Lishman, M Lishman, T Martin, L Mehanna, A Newhouse and C Towneley

OFFICERS

Mick Cartledge	– Chief Executive
Lukman Patel	– Chief Operating Officer
Rob Dobson	– Head of Policy and Engagement
Howard Hamilton-Smith	– Head of Finance and Property
Richard Brown	– Community Safety Officer
Christine Wood	– Democracy Officer
Chris Gay	– Governance Manager
Mark Hindman	– Graphic Designer

IN ATTENDANCE

Cllrs M Townsend, S Graham, L Pate and D Roper

63. Apologies

Apologies were received from Councillor Ann Royle

64. Minutes

The minutes of the remote meeting held on Monday, 7th December 2020 were approved as a correct record.

65. Additional Items of Business

The Committee was advised that there were no additional items of business.

66. Declarations of Interest

Councillor Andy Fewings declared another interest in agenda items 10 (Revenue Monitoring Report 2020/21 – Quarter 3 (to 31st December 2020), 11 (Capital Monitoring Report 2020/21 – Quarter 3 (to 31 December 2020) and 14 (Capital Budget for 2021/22 and Capital Investment Programme 2021-26). Councillor Fewings remained in the meeting during discussion and determinations of the items until technical difficulties prevented from doing so.

67. Exclusion of the Public

There were no items requiring the public to be excluded from the meeting.

68. Public Question Time

No questions had been received.

69. Notice of Key Decisions and Private Meetings

Following enquiries from the Chair, Lukman Patel advised that a report in relation to the Burnley Leisure Trust Loan Facility Agreement would not be presented to the Executive in February 2021 and would be presented to a later meeting.

The Chair requested that a report relating to Burnley's Tree Management Policy be presented to a future meeting of the Scrutiny Committee.

IT WAS AGREED

That the 28-day Notice of Key Decisions and Private Meetings be noted.

70. Community Safety Report 2020-2021

Richard Brown presented the Community Safety Report 2020-21 updating on Burnley's community safety performance as part of the required statutory duty, in accordance with the Crime and Disorder Act 1998.

The Strategic priorities for 2018-2021 were outlined to the Committee along with Community Safety Projects, Activity and proposed activity in Burnley 2021/21.

Members made the following points and received the following responses:

Suggestion of relocation of the Knife Amnesty bin from the current location outside the Calico building in Burnley Town Centre.

The Committee was advised that the issue of relocation could be reviewed if it was felt there were more appropriate locations.

Reduction Rates in Burglary, Are Burnley rates higher than neighbouring boroughs previously?

Burnley does have higher rates of burglary previously. It sits at the upper end of league tables for Lancashire. Across the county burglary and most crime statistics have been

falling consistently over the previous 10 years or so. There has been year on year reductions with a particularly marked reduction this year. Burnley's acquisitive reductions have been much greater.

Town Centre Offending Group. It is linked about high-risk offenders being targeted. What happens with people who are given orders? It states about putting them into different services. Are they both linked?

TCOG has been operating for several years in Burnley identifying priority offenders. It is attended by partners from multiple agencies. There is a holistic approach. Some individuals are in the hard-to-reach category. There are no quick fixes. It is a combination of using legislation and court orders to encourage and compel engagement in services as well as the human aspect.. MOSOVO project has developed over the last 18 months to two years. It is a county wide project run by the Police. There are four. East Lancashire is far in advance of the others. What compels them to offend? What can support services provide to remove the blockers from stopping offending? That is the approach that is taken. Enforcement is still an option. We have a range of civil powers through the Council or through the Police. We coordinate and look at how best to deal with each individual.

Could the Domestic Violence Theatre Group be opened up to Councillors and delivered to staff jointly. This would keep our awareness raised and at the forefront of our minds, particularly with Covid.

We will be looking at this again to see how we continue the programme.

IT WAS AGREED

That the report be noted.

71. Strategic Plan 2021

During consideration of this item, Councillor Andy Fewings experienced technical difficulties in accessing the meeting. The Chair requested that Rob Dobson respond to Cllr Fewings questions separately.

Rob Dobson advised of and presented a report to the Committee which was also to be presented to the meeting of the Executive on 15th February 2021 and was seeking endorsement of the Strategic Plan, as attached to the report at appendix 1.

Rob highlighted the changes to plan that had previously been adopted by Full Council, outlining the impact of the pandemic and the commitment that the Council has made in the Economic Community Recovery Plan to assist the Borough and businesses in the recovery process.

The Executive was requested to recommend the Strategic Plan to Full Council.

Grounds for the recommendation were outlined within the report.

Members made the following points and received the following responses:

Long term empty properties. What do we commit to long term? Will this come under PL3 or does it need to be more focussed. I would like to see an action on that to come up with a solution, as this causes a lot of distress in our communities.

When the Executive Member for Housing reports on what is being delivered under that commitment, reference will always be made to actions under the empty homes scheme. I will report to the Executive as to if they feel it would be appropriate to have a separate commitment under that.

Prosperity, Promoting Burnley as an investment opportunity and by improving travel connections. What do we commit to? There are still areas of the train station that are not as good as they could be? We need that to be at the top to attract people.

Under PR2 the Executive Member for Economy and Growth will report on the progress being made. I am aware that Manchester Road is a priority for Members. I will investigate the possibility of a commitment under the time period of this plan.

Manchester Road Station – There is a project there under development around the platform and disabled access. We are doing more work on costings and levelling up funding that will be coming out from the Government. That is a potential project.

Performance, Delivering the digital strategy. Becoming more efficient. There will always be people who struggle with digital technology. We always need to have someone to assist. There are still many residents who do not own a mobile phone which is required to receive Covid-19 lateral test results.

There are no plans to reduce the current ways in which residents can contact the Council. There will always be a face-to-face telephony service. We have seen a huge increase in residents transacting on-line. Approximately 75% of transactions have been completed via the website.

Contract with Liberata commits them to maintain the face-to-face service. During the pandemic we have maintained the Town Hall front facing service being open. We recognise how important it is for residents who do not have access to key services. This has been a great effort from our colleagues.

Please pass on our thanks at the way that the reception area has remained covid safer and open. This has been much appreciated by many people.

PF4 – Delivering organisation development strategy, embedding hybrid working patterns to improve productivity. Is that about different elements of working? Is this all about different aspects of working patterns now?

This is to consider continuing to deliver remote meetings, legislation permitting, if Members find this an efficient way of working. If we can get officers to work in partnership with other districts/County Council via the internet, it is a much more efficient way of doing business, working from home/office wherever the most productive place to be is.

IT WAS AGREED

That the report be noted.

72. Revenue Monitoring Report 2020/21 - Quarter 3 (to 31st December 2020)

Howard Hamilton-Smith advised of and presented a report to the Committee which was also to be presented to the meeting of the Executive on 15th February 2021 reporting the forecast outturn position for the year as at 31st March 2021 based upon actual spending and income to 31st December 2020.

The report advised that the Executive would be requested to:

- a) Note the projected revenue budget forecast position of a net overspend of £1.09m (excluding potential collection fund losses). An estimated £1.04m is to be received through the sales, fees and charges income compensation scheme which would reduce the forecast net overspend of £49k, as summarised in Table 1 and detailed in Appendix 1 as attached to the report.
- b) Note that the in-year collection fund losses will not impact on the current financial year but will be spread over the next three financial years (2021/24) in line with the Government's proposed change to legislation. Burnley's share of the current in year collection fund loss is estimated at £1.1m.
- c) Note that the Council, along with other District Council's and industry groups continue to lobby Central Government for additional funding.

The Executive would also be requested to seek approval from Full Council for:

- d) The latest revised net budget of **£15.693m** as shown in Table 1,
- e) The net transfers to earmarked reserves of **£1.334m** as shown in Appendix 2.

Howard advised that £135,000 New Burdens Funding had recently been received and that assessment of the resources that would need to be met from this funding and would be included in the outturn report.

Grounds for the above recommendations were outlined within the report.

Members made the following points and received the following responses:

Green spaces and amenities – Salary savings? Two vacant posts to be cut out. Also stated that there have been agency costs?

There have been some vacant posts during the year. One has been replaced and the other remains vacant. Agency staff relates to seasonal staffing because they are not required all year round. Additional cover has been brought in to offset those vacant posts.

IT WAS AGREED

That the report be noted.

73. Capital Monitoring Report 2020/21 - Quarter 3 (to 31 December 2020)

Howard Hamilton-Smith advised of and presented a report to the Committee which was also to be presented to the meeting of the Executive on 15th February 2021 to provide an update on capital expenditure and the resources position along with highlighting any variances.

The Committee was advised that the Executive would be requested to:

- a) Recommend to Full Council, approval of net budget changes totalling a decrease of £2,902,750 giving a revised capital budget for 2020/21 totalling £14,476,665 as detailed in Appendix 1 as attached to the report; and
- b) Recommend to Full Council, approval of the proposed financing of the revised capital budget totalling £14,476,665 as shown in Appendix 2 as attached to the report; and
- c) Note the latest estimated year end position on capital receipts and contributions showing an assumed balance of £1,531,092 at 31 March 2021 as shown in Appendix 3 as attached to the report.

Grounds for the above recommendations were outlined within the report.

Howard advised that the decrease in Council budget, as referred to in paragraph a above, was mainly due to two schemes that would be reprofiled into next year, the North West Burnley Growth Corridor and the Building Infrastructure Works, the majority of which related to Towneley Hall and Crematorium roof works.

IT WAS AGREED

That the report be noted.

74. Medium-Term Financial Strategy - 2022/23 to 2025/26 Incorporating the Reserves Strategy

Howard Hamilton-Smith advised of and presented a report to the Committee which was also to be presented to the meeting of the Executive on 15th February 2021 to consider the longer-term financial outlook within the context of a Medium-Term Financial Strategy covering the financial years 2022/23 to 2025/26, highlighting uncertainties, underlying risks and make recommendation to Council.

The Committee was advised the Medium-Term Financial Strategy should be read in conjunction with the Revenue Budget 2021/2 and the associated statutory report of the Chief Finance Officer.

The Committee was advised that the Executive would be requested to recommend to Full Council:

- a) Approval of the latest Medium-Term Strategy as attached to the report; and
- b) Approval of the Reserves Strategy, as appended to the Medium-Term Financial Strategy; and
- c) Note that a refreshed document would be provided when required as an aid to monitoring the continued delivery of an annually balanced budget.

Grounds for the above recommendations were outlined within the report.

IT WAS AGREED

That the report be noted.

75. Revenue Budget 2021/22

Howard Hamilton-Smith advised of and presented a report to the Committee which was also to be presented to the meeting of the Executive on 15th February 2021 to consider the estimates of revenue income and expenditure for 2021/22 and to make recommendations to Full Council about next year's Revenue Budget.

The Committee was advised that the Executive was recommended to adopt the following resolution:

That Full Council be recommended to:

- I. Endorse the approach that has been adopted in developing budget proposals that reflect the Council's Strategic Objectives for 2021/22; and
- II. Approve the proposals contained in the report; and
- III. Set a Council Tax Requirement of £7,266,131 for the financial year 2021/22; and
- IV. Set a Net Budget Requirement of £15,415,612 for 2021/22.
- V. Receive and consider the statutory report issued by the Head of Finance and Property under the Local Government Act 2003; and
- VI. Authorise the Chief Operating Officer/Heads of Service to progress action plans to deliver the 2021/22 budget; and
- VII. Approve a Council Tax (Band D) figure of £312.28 for this Council for the year commencing 1st April 2021 and adopt the statutory resolution to set the full Council Tax for the year. This is equivalent to a 1.99% Council tax increase.

Howard advised that in relation to recommendation VII as detailed above, the final Budget Settlement had been announced by the Government since publication of the report in which there was a £52.00 difference from the provisional Budget Settlement and as a result there would be no change to the 1.99% proposed Council tax increase as detailed above.

Grounds for the above recommendations were outlined within the report.

Members made the following points and received the following responses:

Capital element of budget – revenue implications – Post Covid, there will be a recession. Significant effect on unemployment in Burnley. Anything we can do to put emphasis in capital projects and spending on initiatives that create jobs ought to be a high priority. Please take this into account.

Area covered by Economic Recovery Strategy puts emphasis on innovation attracting new business so on. Important to have flexibility within overall budget to ensure that Officers of Council and Lead Executive Members are not financially constrained from seeking new investment and support particularly in terms of jobs within Burnley. There ought to be that flexibility.

Business Hardship Fund for first furlough period. How will support be provided, grant, loan or investment in a company? I feel we should consider all the options. Are we at the stage of considering these options?

We are looking at how the Hardship Fund will be delivered. It will be reviewed as we go along.

Identified key areas of risk. Should also identify the key indicators related to each of those major areas and to be a way of measuring what is happening in relation to those risks with a trigger point to Full Council/Scrutiny Committee to look at those changes in the overall risk level as things continue to develop. It is going to be a very big challenge. It is important that we have access to early, thorough and immediate access to information which draws out major risks as they develop and occur.

Risks are picked up by the Audit and Standards Committee, monitored, flagged, reviewed and reported regularly as a matter of course throughout the year.

Agree with 1.99 precept. We are chronically underfunded for an authority with the responsibilities that we have.

Much uncertainty in the budget going forward. The increase is required to provide funding for economic and community recovery initiatives in addition to enabling the Council to deal with ongoing financial pressures within the budget next year. With regard to Government funding, Burnley fares badly against the England average This is reflected by the fact that the Government has provided the Council with some one-off funding within the Budget Settlement to ensure that the Council hasn't received less funding than it did last year.

IT WAS AGREED

That the report be noted.

76. Capital Budget for 2021/22 and Capital Investment Programme 2021-26
--

Howard Hamilton-Smith advised of and presented a report to the Committee which was also be presented to the meeting of the Executive on 15th February 20201 recommending approval of the capital budget for 2021/22.

The Committee was advised that the Executive would be recommended to recommend to Full Council:

- a) Approval of the 2021/2022 Capital Budget, totalling £18,792,347, as set out in Appendix 1 as attached to the report; and
- b) Note the 2021/26 Capital Investment Programme as set out in Appendix 2 as attached to the report; and
- c) That subject to the above, the Executive approve the release of capital scheme budgets including slippage from 2020/21, subject to compliance with the Financial Procedure Rules and that there will be full compliance with Standing Orders for Contracts.
- d) Approve the Capital Strategy 2021/26 as set out in Appendix 4 as attached to the report;

Grounds for the above recommendations were outlined within the report.

Howard advised that consideration of the proposed budget had included all schemes that had been reprofiled from the current year.

IT WAS AGREED

That the report be noted.

77. H2021/22 Treasury Management Strategy and 2021/22-2023/24 Prudential and Treasury Indicators

Howard Hamilton-Smith advised of and presented a report to the Committee which was also to be presented to the meeting of the Executive on 15th February 2021 to:

- a) Comply with the amended Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management 2011; and
- b) Outline a treasury management strategy statement for the financial year 2021/22; and
- c) Set out prudential indicators for the financial years 2021/24 in line with the CIPFA's Prudential Code 2017; and
- d) Seek approval of the Council's Minimum Revenue Provision (MRP) Policy Statement for the financial year 2021/22 in accordance with Government regulations.

The Committee was advised that the Executive would be recommended to approve to Full Council of:

- a) The treasury management strategy statement as set out and attached to the report at appendix 1; and

- b) The prudential and treasury indicators for 2021/22 to 2023/24 as attached to the report at appendix 2 including the authorised limit for external debt of £61.103m in 2021/22; and
- c) The list of Counterparties for Deposits outlined within Appendix 3 as attached to the report; and
- d) The Council's MRP Statement for 2021/22 as set out and attached to the report at Appendix 4.

Grounds for the above recommendations were outlined within the report.

IT WAS AGREED

That the report be noted.

78. Scrutiny Review Groups

Housing/Calico Working Group

Councillor Marcus Johnstone advised the Committee that Mark Beach, Managing Director, Calico Homes had agreed to attend a meeting of the working group in March 2021.

Progress would be reported to future meetings of the Scrutiny Committee.

Burnley Market Hall Review Group

The Chair requested members of the Committee to volunteer to attend a meeting of a Scrutiny Working Group to set the criteria for a review of Burnley Market with a view to a report being presented to the next meeting of the Scrutiny meeting on 17th March 2021.

The Chair advised that an email would be circulated from the Democracy team inviting Committee members to volunteer to be on the working group.

IT WAS AGREED

That an email would be circulated from the Democracy team inviting Scrutiny Committee Members to attend a meeting of the working group to look at the review of Burnley Market Hall; and

That a draft scope report will be submitted to the next meeting of the Scrutiny Committee to be held on 17th March 2021.

79. Work Programme 2020/21

IT WAS AGREED

That the Scrutiny Work Programme be noted.