



SCRUTINY COMMITTEE

BURNLEY TOWN HALL

Thursday, 14th September, 2023 at 6.30 pm

PRESENT

MEMBERS

Councillors G Barton (Chair), B Horrocks (Vice-Chair), H Baker, G Birtwistle, H Bridges, M Brindle, J Broughton, M Hurt, N Kazmi, S Kazmi, J Launer, J McGowan, P Reynolds, C Sollis and F Wild

OFFICERS

Rob Dobson	– Chief Operating Officer
Howard Hamilton-Smith	– Director of Resources
Pete Milward	– Principal Planner
Gerwyn Baker	– Liberata
CJ Walmsley	– Democracy Officer

159. Apologies

Apologies for absence were received from Councillor Whitaker.

160. Minutes

The minutes of the meeting held on 10th August 2023 were approved as a correct record and signed by the Chair.

161. Additional Items of Business

There were no additional items of business to be considered.

162. Declarations of Interest

No declarations of interest were received.

163. Exclusion of the Public

Exclusion of press and public was as set out in the agenda.

164. Public Question Time

No questions, statements or petitions had been received from members of the public.

165. Notice of Key Decisions and Private Meetings

Members were asked to note the Notice of Key Decisions and Private Meetings (NKDPM) published on 21st August 2023, with the exception that Article 4 Direction: Houses in Multiple Occupation was now a public report and the Social Care Projects using the disabled facilities grant allocation from the Better Care Fund was now going to the October Executive.

It was also reported that the Chair had been notified of a late public Executive report on Burnley Green Activities Project.

Members were reminded that should they wish the Committee to consider any items on the NKDPM, they should inform the Chair.

RESOLVED – That the NKDPM of 21st August 2023 and the updates be noted.

166. Revenue Monitoring 2023/24 Quarter 1

A report was submitted on the forecast outturn position for the year ending 31 March 2024 based upon actual spending and income to 30 June 2023. Members were also asked to note the financial impact of the ongoing cost of living crisis. In view of the current economic challenges, forecasts remained under review and were subject to change as the impact of the economy unfolds. Updates would be provided to Members through the established quarterly budget monitoring process.

In relation to the risks to income associated with temporary closure and reduction of available car parking spaces as a consequence of continued Capital Investment within the Town Centre, it was highlighted that the current forecast at Q1 was a shortfall in income of £40k associated with Pioneer Car Park. This was slightly more than anticipated due to delays. With Pioneer Place now being open, there should be no loss in revenue as there were 50 more car parking spaces. Sunday parking remained free with no proposals for change.

In relation to the market shortfall, it was queried what impact full occupancy would have on the figures. Whilst this was difficult to determine specifically, there should be an overall improvement.

With regards anti-social behaviour on the market, whilst there was collaborative working with the Police, it had been necessary to increase security, which had also contributed to the overspend.

RESOLVED – That the report be noted.

167. Capital Monitoring 2023/24 Quarter 1

A report was submitted which provided Members with an update on capital expenditure and the resources position, along with highlighting variances. The report requested Executive approval to recommend to Full Council, approval of net budget changes totalling a

reduction of (£1,235,466) giving a revised capital budget for 2023/24 totalling £39,190,265. Full Council approval was also sought of the proposed financing of the revised capital budget totalling £39,190,265, as outlined in the report. Lastly, it was requested that the latest estimated year end position on capital receipts and contributions showing an assumed balance of £3,769,351 as at 31 March 2024, be noted.

RESOLVED – That the report be noted.

168. Revenue Budgets 2024-27 - Latest Position and Savings Proposals

A report was submitted that provided the latest position regarding balancing the Council's 2024/27 revenue budgets, and also outlined proposed savings for recommendation to Full Council.

The revised MTFs position as at September 2023 was highlighted. The latest review had resulted in a reduction to the estimated budget gap of £0.5m, with the cumulative budget gap now estimated at £1.0m, equal to 6.1% of the 2023/24 revenue budget of £16.267m (£16.094m excluding parish precepts).

Clarification was sought with regards additional risks and it was reported that with regards salary costs, the 2023/24 pay award was currently under negotiation with the employer's side offering a one year pay agreement of £1,925 across all pay points, with the exception of Chief Officers where the offer of a 3.5% pay award has been accepted. This equated to an average 5.04% increase. It had been assumed for the purpose of MTFs that this pay award would be agreed. An annual pay increase of 5% had been factored into the budget assumptions for 2024/25, reducing to 3% from 2025/26 onwards.

Work was currently ongoing on the Pioneer Place and Manchester Road development which represented significant long term costs for the Council and would require a significant amount of borrowing over 50 years, with payback very dependent on the successful income levels of the scheme. This carried significant financial risk for the authority and was an important element of the financial horizon of the Council. There were robust models behind the capital schemes, and reserves had been set aside to deal with risks.

A concern was raised in relation to the impact of the loss of income from the closure of Wilko. It was reported that discussions were underway regarding filling the unit. It was also reported that the transfer of the old cinema site to a new supermarket was less than a month away.

The issue of energy costs was raised and it was reported that an additional £700k was built into the 2023/24 budget to help mitigate the impact of the increased costs. Monitoring suggested an underspend for the current year.

RESOLVED – That the report be noted.

169. 2023/24 Treasury Management Q1

A report was submitted on treasury management activity for the first quarter of 2023/24 covering the period 1 April 30 June 2023. The report had been written in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (2021).

A question was put regarding risk, given the national picture of Councils in bankruptcy. As Burnley was risk-averse, reserves had been increased to mitigate risk of large schemes.

RESOLVED – That the report be noted.

170. Article 4 Direction: Houses in Multiple Occupation (HMOs)

A report was submitted which recommended that the Executive approve the making of a non-immediate Article 4 direction to remove permitted development rights for changes of use from individual dwelling houses to smaller houses in multiple occupation, with 12 months' notice. The report also requested that the Director of Economy and Development be authorised to prepare the necessary documentation and carry out consultation as required by Regulations, prior to the confirmation of an Article 4 Direction.

It was not considered that there was a strong justification to apply an Article 4 Direction borough-wide, and it was unlikely to be supported by the Secretary of State. However, evidence showed that it would be appropriate to consider introducing an Article 4 Direction covering nine wards in the borough. Councillor McGowan requested that the Executive also consider including Hapton with Park ward with those proposed.

It was pointed out that this would work alongside a suite of other powers in relation to development control and licensing.

Overall, the Committee welcomed the report and the change proposed.

RESOLVED – That the report be noted.

171. Liberata Contract Director Presentation

Gerwyn Baker from Liberata gave a presentation which provided a partnership update on what had been achieved together so far; service line delivery for revenues and benefits, customer services, transformation shift, ICT and property services; key initiatives; and 2023 and beyond.

Members posed the following questions: -

Was there anything else Liberata could do in terms of improvement? It was felt that the digital team could be improved and the website more streamlined. It was pointed out that ModGov was a separate website linked into the Council website.

In relation to revenues and benefits, was fraud awareness training undertaken? There were designated fraud officers and fraud initiatives were part of the assessment process. Tools were used to identify fraud and then action taken.

What affect does A.I. have on staffing? A.I. was used for mundane tasks and staff were deployed onto more complex and interesting work.

Were there issues with staff retention levels? There had been staff retention problems in the past but these had now been addressed over the last couple of years. New leadership, infrastructure, pay rises etc. The pay settlement for TUPE staff would be the same as Council staff.

How would the chatbot work for people where English was not their first language? It was intended that the chatbot would be multi-lingual.

RESOLVED – That the presentation be noted.

172. Council Tax Support Scheme 2024/25 and 2025/26

A report was submitted which sought approval from the Executive to commence a public consultation on the plans to temporarily revise Burnley Borough Council's Council Tax Support Scheme for 2024/25 and 2025/26. This was a 2 year scheme with the option to revise.

The cost of increasing the Council Tax Support subsidy for working age claimants from a maximum of 85% to a maximum of 95% in 2024/25 and 90% in 2025/26 was estimated to cost £80k and £40k respectively. If the scheme was approved to be taken forward, it was proposed that the one-off cost in each financial year is funded from the Cost of Living Reserve.

RESOLVED – That the report be noted.

173. Scrutiny Review Groups

It was reported that there had been a working group meeting on 11th September and therefore an update would be provided at the next meeting.

RESOLVED – That the information be noted.

174. Work Programme 2023/24

The Committee received the updated work programme for 2023/24 and was advised of the addition of Alley Gating PSPO to the October meeting.

RESOLVED – That the updated work programme for 2023/24 be noted.

Members determined to exclude the public from the meeting before discussion took place on the following items on the grounds that in view of the nature of the business to be transacted if the public were present there would be a disclosure to them of exempt information within the meaning of Schedule 12A of the Local Government Act 1972.

175. Building Control IT Procurement

Members considered a report which sought approval from the Executive to procure a new IT system for the building control service.

RESOLVED – That the report be noted.