

Extract of the minutes of the Overview and Scrutiny Committee – 29 January 2017

5. REPORT OF THE OVERVIEW AND SCRUTINY REPORTING AND MONITORING WORKING GROUP - GENERAL FUND MTFP 2018/2019 - 2023 AND 2018/2019 DRAFT BUDGET PROPOSALS

The Chair introduced the report of the Overview and Scrutiny Reporting and Monitoring Working Group - General Fund MTFP 2018/2019 - 2023 and 2018/2019 Draft Budget Proposals, advising that the Working Group had considered the budget proposals in detail and had decided that the following required budget scrutiny:

<ul style="list-style-type: none"> • Increased income – Car parking
<ul style="list-style-type: none"> • Reduction in events programme
<ul style="list-style-type: none"> • Environmental Services Contract – Net budget stream for the Environmental Services vehicles
<ul style="list-style-type: none"> • Challenges on temporary accommodation and homelessness budgets
<ul style="list-style-type: none"> • HRA stock loss and mitigation through a new build programme

Councillor Mike Hallam, Cabinet Member for Environment and Councillor Anna King, Cabinet Member for Community Safety and Engagement together with Paul Hymers, Strategic Finance Business Partner, Paul Loveday, Senior Finance Business Partner, Phil Harris, Head of Housing and Wellbeing and Derrick Simpson, Town Centre Manager provided further details:

Paul Hymers set the scene for the draft General Fund, (GF) MTFP 2018/2019 to 2022/2023 and 2018/2019 Draft Budget Proposals from both the national position and then the local perspective. He highlighted the key elements contained within the report and emphasised that the reduction in Government funding and pressures on budgets, in particular the Environmental Services contract impacted upon the funding gap.

It was confirmed that the Council had a draft balanced budget for 2018/2019 and 2019/20 but gaps beyond this are the best estimates at this stage but become increasingly uncertain into the future.

The Chair advised that the Committee was very pleased that a draft balance budget for 2018/2019 had been arrived at.

Increased income – Car parking

- Derrick Simpson apprised that parking in the multi storey car parks within the town are monitored and weekly figures provided. Over the last three years, the £2 charge would have very little change on Saturdays, as this is a busy period. Free, two hours parking, will remain Monday to Friday.

- Parking statistics in relation to service car parks are not available. However, 7 years ago, around 100,000 vehicles used the service car parks.
- On street parking on Sundays is currently free, however, as part of NCC's draft budget proposals are included to introduce on street parking charges for Sundays.
- Blue badge holders and motorcycles will still be able to park for free

The Committee asked questions, made comment and heard:

- In response to a query regarding the effect the proposed increase could have on commuters; the Committee heard that the charges were proposed to increase from £7 to £8 per day.
- £2 parking charge would apply for all day Saturday

Reduction in events programme

Derrick Simpson advised that the proposed reduction in events budget was over a number of budget heads, for example it is proposed to charge for all commercial activities, reduction in the music festival by providing £10000 of funding rather than £15000, and not providing any support to the town festival, a reduction in the Christmas budget. The Council has enough artificial Christmas trees to last for the next 4-5 years.

The Committee asked questions, made comment and heard:

- The performance of bands in the park is oversubscribed, however, putting on bands in the park on Bank Holiday Mondays is being investigated
- In response to a query whether assistance could be provided to the Irish Festival, Derrick Simpson advised that the organisers could apply for small grant funding if they so wished.
- It was confirmed that there is an oversupply of trees for Christmas and Officers are working with other within the Christmas community

Environmental Services Contract – Net budget stream for the Environmental Services vehicles

The Chair advised that the specific query that the Working Group had posed had been around the costs to the Council of purchasing the vehicles for the environmental services contract and leasing them back to the Council over 10 years.

Councillor Hallam and Paul Loveday advised that the winning bidder will be in a good position to have access to the supply chain and the Council has better access to funding. By purchasing vehicles this way, the cost of the contract is reduced. The contractor will have expertise in purchasing the vehicles and the Council will be able to access better interest rates. The Council will lease the vehicles to the contractor. All vehicles have a replacement schedule included in the contract.

The Committee asked questions, made comment and heard:

- The contractor is contracted to do the job and is therefore responsible for all maintenance costs of the vehicles. Details such as emissions, maintenance and repairs will be included in the finer details of the contract.
- The vehicles have a 10 year life span. Over ten years the vehicles will depreciate. At the end of the contract, a re-provision process will commence and will include new vehicles.

Challenges on temporary accommodation and homelessness budgets

Phil Harris, Head of Housing and Wellbeing advised that over the last two years homeless applications to the Council has doubled, in the same period, households in temporary accommodation has trebled and social housing has decreased which has led to an increase in those in temporary accommodation. The Housing Officer's caseloads has significantly increased which in turn had increased the number of outstanding decisions. For example, Officers had around 50 cases outstanding (the norm being 15); the backlog had increased and by September 2017 had peaked at 200 plus, with 150 families in temporary accommodation. The number of people living in bed and breakfast accommodation had trebled; with a number living outside the borough. An action plan was produced and 130 decisions were outsourced to a Residential Group that had helped to relieve the pressure. From September to December 2017, homeless applications had decreased from 205 to 66. Housing Officers caseloads reduced from 59 to 18 and the average wait time to see a Housing Officer reduced from 4 weeks to a few days. Further statistics were provided. This approach, through a series of Policy changes, had worked very well as it had reduced the backlog, reduced workloads etc. The Team is coping much better now but cost is a challenge. Funding from central Government is only a fraction of the actual cost to the Authority.

The Committee asked questions, made comment and heard:

- In response to a query regarding potential evictions, Phil Harris advised that people are urged to make contact with Housing Officers as soon as possible. However a lot of people do present on the day of eviction. An additional officer has been engaged to deal with those individuals that turn up as homeless. Face to face discussions are held which has proved useful in preventing homelessness.
- Demand has not reduced but has become more manageable.
- Work is ongoing with the Private Sector Letting Agency regarding reducing the cost of temporary accommodation.
- The Committee conveyed its thanks and congratulations to the Housing Team for all its work on this

HRA stock loss and mitigation through a new build programme

Phil Harris apprised that a report to Cabinet is scheduled that will set out ways of maximising supply of new homes. NPH had submitted a proposal for up to

1000 homes to be built over the next ten years. Capita had been instructed by the Council to consider the proposals and put forward recommendations. Conclusions had been that the proposal of NPH had been sub optimum and their conclusions had been shared with NPH. Revised proposals had been submitted that addressed some of the concerns regarding sub optimum. The report to Cabinet will identify these. HRA will be made the most of regarding the provision of new homes. It is estimated that 940 Council homes are likely to be sold; from Right to Buy receipts, the Council could replace 500 of these. This will be a major step forward but it will only slow the rate that Council houses are being sold off.

The Committee noted the details provided by Phil Harris and asked no further questions.

The Cabinet Members and officers were thanked for attending the meeting and providing comprehensive details to the Committee enabling it to undertake budget Scrutiny on the five issues referred from the Reporting and Monitoring Working Group. The Committee was content with the responses and information