

## Overview Scrutiny Committee

Thursday, 13 February 2020

7.30 pm

### Present:

Cllr Jordan Meade (Chair)  
Cllr Steve Thompson (Vice-Chair)

Councillors: Conrad Broadley  
Leslie Hills  
Emma Morley  
Elizabeth Mulheran  
Alan Ridgers  
Christina Rolles  
Peter Scollard

**Note:** Cllr Lee Croxton (Cabinet Member for Operational Services) and Cllr Dakota Dibben were also in attendance

Stuart Bobby Director (Corporate Services)  
Kevin Burbidge Director (Planning and Development)  
Sarah Parfitt Assistant Director (Corporate Services)  
Chris Wakeford Committee Services Officer (Scrutiny) Minutes

### 132. Apologies

No apologies were received.

### 133. Minutes

The minutes of the meeting held Thursday, 16 January 2020 were signed by the Chair.

### 134. Declarations of Interest

Cllr Jordan Meade declared an 'other' interest in Item 5 Call in – Corporate Peer Challenge Feedback Report in that he provides advice, in a non-financial capacity, on policy for government technology and digital inclusion.

### 135. Call ins

The Director (Corporate Services) advised that the last GBC Peer Challenge had taken place in 2013 and it is best practice to have one every 5 years. On this occasion the Council decided to postpone the Peer Challenge until after the May 2019 Borough Election.

In October 2019, the Council welcomed a Peer Challenge Team onsite in order for them to undertake a Local Government Association (LGA) Corporate Peer Challenge of the Council. The team was onsite for three days (between 15 October and 17 October) and undertook a

number of interviews and focus groups with various officers, Members, residents and external partners of the organisation.

The purpose of the Peer Challenge was to focus on the five core areas of business that make up a Peer Challenge:-

- understanding of the local place and priority setting;
- leadership of place;
- financial planning and viability;
- organisational leadership and governance; and
- capacity to deliver.

In addition, the team was also asked to consider additional areas of scope identified by the Council, in the areas of housing and housing delivery and planning and the planning service.

The Peer Challenge team had prepared a report setting out their findings and key recommendations; the report was attached at appendix two of the report for Members' information.

In addressing each of the key recommendations, a detailed action plan had now been developed and was attached at appendix three of the report for Member review and approval.

It was also proposed that a report be brought back to the Cabinet in 12 months' time (February 2021) to provide an update on progress against the action plan. In addition, the LGA Peer Challenge process included a follow-up visit from the LGA. The purpose of the visit will be to assess the impact of the peer challenge and to review the progress that has been made in delivering the action plan. The follow-up visit will be in two years' time (February 2022).

The Chair explained that he had called in the item to provide Members with an opportunity to evaluate the effectiveness of Appendix 3 - GBC's Response to the LGA Corporate Peer Challenge Key Recommendations (January 2020) with a particular focus on Section Two of Appendix 3 - "Introduce a clear improvement plan for Planning"

The Director (Planning & Development) highlighted the relevant section of Appendix 3 in relation to Planning:

<b>Introduce a clear improvement plan for Planning</b> , which is jointly developed and owned by Cabinet and Management Team, to establish clear targets and deadlines for improvement. This should include member training about their role in planning, inviting in the Planning Advisory Service (PAS) and improving processes and procedures			
4.	Complete the internal business process review project that is currently underway within the planning service.	Director (Planning & Regeneration)	June 2020
5.	Develop a service improvement plan as part of the internal business process review process and include provisions for subsequent monitoring and review.	Director (Planning & Regeneration)	August 2020
6.	Member Training – explore the opportunities presented from the Planning Advisory Service in respect of the training opportunities.	Director (Planning & Regeneration)	March 2020

The Director (Planning & Development) advised the Committee of the following:

- The Planning service was not evolving and performance was dipping, and so officers focused on clearing the backlog - the service provision to customers was suffering.
- Processes and procedures were reviewed and the following put in place:
  - Recruitment: new staff members have improved the situation with new ideas and a fresh approach.
  - Improved report preparation / summarising
  - Made sure policy framework is being analysed
  - Considered the pre-application service.
  - Looked at cost recovery – set a fee that permits a service consistent with need.
  - Improved team working
  - Invested in technology – Microsoft Surface Pros for staff to facilitate mobile working / gone paperless
  - Looking at improving the planning section of the GBC website so more information is available to customers at any given time.
  - Consultation on local validation list – moving forward in April 2020
  - Consultation on design guides
  - Working with the Corporate Change Team to help the department work more efficiently
  - Consideration of a Peer Review of the Planning Committee
  - This will all be carefully monitored and reviewed on a regular basis with reports coming back to Members on progress.

The Director (Planning & Development) and Director (Corporate Services) fielded questions from the Committee and highlighted the following:

- The deadlines on the action plan are ‘backstops’ and it is envisaged that the actions will be implemented at the earliest opportunity.
- It is envisioned that the service improvement plan will go through the Committee system.
- The Peer Challenge recommendations re-affirm that GBC is moving in the right direction and formalises the actions that the Council was already pursuing. The Peer Challenge did not find anything fundamentally wrong with GBC which the Council should be very

proud of. The Peer Challenge Group also took away some good ideas / best practice from GBC.

- The pre-application service starts from approximately £60 for householder development advice. It is a good service at a realistic rate.
- There was no direct Member request for the planning process review but it does tackle some of the issues Members have raised (e.g. more concise reports).
- In-house Member Training is effective but external training can be beneficial when dealing with specialised subjects/skills.
- The 'Planning Portal' is run by central government and not controlled by GBC.

The Committee thanked the officers for their good work on this matter.

**Resolved** that the findings from the Local Government Association's (LGA) Corporate Peer Challenge report be noted along with the actions plan developed by the Council in response to the recommendations.

### **136. General Fund Revenue and Capital Estimates 2020/21**

The Assistant Director (Corporate Services) presented the Committee with the draft revenue and capital estimates for General Fund services in 2020-21 together with the recommended level of council tax to be levied for 2020-21.

The Assistant Director (Corporate Services) advised that, on 20 December 2019, the Provisional Local Government Finance Settlement for 2020-21 only was announced by the Ministry for Housing, Communities and Local Government (MHCLG). This set out an inflationary increase in the Business Rates Retention Baseline Funding Level of 1.63%, in line with the September 2019 CPI inflation figure, as well as confirming that the government would be eliminating negative RSG amounts in 2020-21.

The Council had also secured indicative New Homes Bonus funding for 2020-21 of £603,010; this was above the level of funding that was previously in the Medium Term Financial Plan (MTFP) with the increase principally due to there being a net increase in the housing stock of the borough of 309 units between October 2018 and October 2019. This was above the national baseline of 0.4%, or 180 net additional homes. The government had stated that funding of New Homes Bonus beyond 2020-21 will be subject to the 2020 Spending Review.

The Kent Business Rates Pool will continue to operate in 2020-21. Modelling of anticipated business rates to be generated in the year (including the projected benefit of membership of the Kent Pool) indicated a benefit to Gravesham of £529,650 beyond that previously expected and reflected in the MTFP.

The current Medium Term Financial Strategy (MTFS) covered the period 2016-17 to 2019-20. Given the current lack of clarity from the government around the future funding of local government, the S151 Officer and the Council's Senior Management Team agreed that it would be prudent to put in place a one year MTFS for 2020-21. The strategy was attached at appendix three of the report.

In response to the 2020 pay claim, the National Employers indicated that they would not be in a position to respond to the claim until the outcome of the General Election was known. In the absence of any agreed pay claim, the proposed revenue budget for 2020- 21 reflects a

2% pay award for all staff; this is in line with the pay award assumptions of other council's whose pay negotiations are also managed by the National Employers.

The Kent Superannuation Fund has recently undergone its triennial revaluation and the draft results have been shared with key stakeholders. The review will set the ongoing employer's contribution rate from 1 April 2020 as well as the level of back funding contributions. The draft figures represent 2020-21 employer contributions for Gravesham being some £54,000 more than 2019-20 levels, with the balance between future services contribution and back funding having been adjusted. This has been incorporated into the proposed budget. A Vacancy Allowance of £350,000 has been retained for the General Fund.

£4.2million of bridging the gap / balancing the budget activity has been implemented and reflected in the MTFP

In relation to the council tax to be levied, Members were advised that the provisional settlement announcement confirmed the continued flexibility for district councils in setting council tax levels by permitting district councils to raise council tax by 2% or up to and including £5 (whichever is higher) without triggering the requirement for referendum. Taking the decision to freeze council tax in 2020-21 rather than implementing a 2.44% increase would see total council tax income reduced by £1,697,660 across the plan period. A 2.44% (£4.95) increase in Council Tax in 2020-21 would equate to 10 pence per week for a Band D property, with the total annual charge being £208.08.

The Assistant Director (Corporate Services) advised that the delivery of the proactive strategy to respond to the financial pressures first identified by the Council in 2016 had enabled the 2020-21 budget proposals to be presented alongside a MTFP which required no additional savings to be delivered in the plan period to 2028-29. After a decade of significant and sustained cuts to local government funding and the increased focus on financial governance that comes with such circumstances, the Council was now in a position to bring forward the ambitions set out in the Corporate Plan 2019-2023 to deliver a Gravesham to be proud of, specifically supporting:-

- the delivery of a new Leisure Centre for the residents of the borough in 2025;
- a fully-funded replacement programme for Council-owned play sites in the borough from 2020-21;
- the delivery of new housing in the borough;
- an improved town centre street scene;
- seed-funding of £500,000 for taking forward the Council's actions to deliver against its commitment to do what was within its powers and resources to become carbon neutral by 2030 and to work with partners on this.

The Director (Corporate Services) advised the Committee that for the first time the Council has a 10 year MTFP that does not have a budget saving. This is the most sustainable MTFP of any district council in Kent in terms of matching annual expenditure with annual income over the period.

The Capital Programme for 2020-21 (estimated at £14.4million) is largely a continuation of the schemes approved in 2019-20 and previous years, with the below new projects coming on line. New schemes include:

- Town Centre Improvements – a programme of activity has been established to deliver an improved street scene with enhanced cleanliness of Gravesend Town Centre.
- Replacement Waste Freighters – Waste collection freighters have a 7-10 year expected lifespan. The oldest vehicles in the current fleet are now reaching the end of their useful life and the cost of replacing these machines in 2019-20 has been added to the capital programme.
- IT Infrastructure Projects – the council needs to reinvest in its telephony and network infrastructure to ensure that these remain technologically up to date and fit for purpose.

The Director (Corporate Services) and Assistant Director (Corporate Services) fielded questions from the Committee and highlighted the following:

- The Council tax increase of £4.95 does not include the increase from KCC and the Kent Police and Crime Commissioner. The Assistant Director (Corporate Services) will confirm the official figure with Members but it is expected to be around £1,840.00 for a band D property with the Councils element of the charge being about 11%
- This item is brought to the Overview Scrutiny Committee to allow further in-depth understanding and transparency ahead of a decision at Full Council on 25 February 2020. The Finance Team will also be attending both Group meetings next week with a budget briefing paper and to answer any further questions Members may have.
- Negative Revenue Support Grant (RSG) arose as part of the four year settlement from 2016/17 to 2019/20. It is defined as a 'downward adjustment of an authority's business rates top-up and tariff'. It occurs when an authority's required reduction in core funding exceeded the available amount of RSG for that authority meaning that the reduction has to be sought from their retained business rates share.  
Negative RSG is not an expense the Council has had to incur.
- Business Rates are set by central government; the Council's role is to collect them. The Council collects £25million in business rates and gets to keep £3million.  
Around 500 of the 2200 businesses in the Borough benefit from small business rate relief.
- There should be a review of membership of the Independent Members Remuneration Panel every 5 years. It is down to the individual Member if they accept an increase.

**Resolved** that the Committee note the General Fund Revenue and Capital Estimates 2020/21

### **137. Housing Revenue Account Estimates and Housing Capital Programme 2020/21**

The Assistant Director (Corporate Services) presented the Committee with the draft revenue and capital estimates for Housing Revenue Account Services in 2020-21 together with the determination of the level of rents and service charges for 2020-21.

The Original Estimate for 2020-21 represents a balanced budget position, though this has only been achieved through drawing £1,389,600 from the HRA General Reserve as expenditure in the year is anticipated to exceed the income generated in the year.

In February 2019, the Government confirmed its intention to set a long term rent deal for social housing landlords in England. The new policy will permit annual rent increases on both social rent and affordable rent properties of up to consumer price index (CPI) plus one percentage point from 2020, for a period of at least five years. The subsequent Rent

Standard issued by the Regulator of Social Housing in respect of 2020-21 confirmed that rents could increase by CPI+1% from 1 April 2020 (where CPI is measured at September 2019). Dwelling Rents for 2020-21 will therefore increase by 2.7%. The authority's average social rent will increase to £89.96 per week in 2020-21 compared to £87.17 per week in 2019-20. The average affordable rent will increase to £159.41 per week (the average social rent increase will not be exactly equal to 2.7% due to re-letting of void properties and additions of properties during the year).

The Assistant Director (Corporate Services) advised that service charges were also levied on Council dwellings to cover a range of services including caretaking services and maintenance of communal areas and communal assets, such as lifts and gardens. Service charges were generally eligible to be met by Housing Benefit, with the exception of charges to individual homes such as heating or lighting within a dwelling. The Council's average capped service charge will be £3.63 per week for 2020-21. The capped service charge had been increased by 2.7% (based on CPI at September 2019 +1).

Rent levels and service charges for 2020-21 had been determined by the Assistant Director (Housing) and the Director (Corporate Services), in accordance with the Housing Act 1985 and under delegated authority as set out at Annex 1.13B.83 of the Constitution.

The Assistant Director (Corporate Services) advised that this will be the first time in four years since social rent had increased.

The Director (Corporate Services) and Assistant Director (Corporate Services) fielded questions from the Committee and highlighted the following:

- There will be a year on year requirement to borrow in order to fund the new build programme but this will be met by the increase in rent.
- Council owned garages were considered as part of the balancing the budget proposals. There will be a re-allocation of income and expenditure relating to  $\frac{1}{3}$  Housing Revenue Account and  $\frac{2}{3}$  General Fund.
- The Local Authority Trading Company will own the properties that are built as part of the Reef development and rent them out privately to members of the public.

**Resolved** that the Committee note the General Housing Revenue Account Estimates and Housing Capital Programme 2020/21

### **138. Scrutiny Review of GBC's Maritime Strategy - Oral Update**

The Chair updated the Committee on the Maritime Strategy Review Group:

- A comprehensive tour of Rochester Riverside Plaza took place on 7 February 2020. The tour was very useful and highlighted areas that worked well and some areas that didn't. One takeaway that Gravesham should consider is getting shops / amenities secured in new developments before the residents move in.
- The Chair has arranged to meet the following clubs on 14 February 2020:
  - Gravesend Sailing Club
  - Gravesend Rowing Club
  - Gravesend Regatta Society
- The Chair has arranged to meet the Young People from the Youth Democracy Scheme to discuss the Maritime Strategy Review on Friday 21 February 2020.

The Committee recommended that the review consider the following:

- The night time economy – connection with the river
- Heritage Assets along the river (engage National Trust / English Heritage)

The Chair advised the Committee that he was happy to take the two suggestions on board and incorporate them into the review.

The Chair clarified that the upcoming meetings are open to all Members of the review group but there had been some difficulty finding dates that all parties could make.

**Resolved** that the Committee noted the update on the Maritime Strategy Review.

The Chair advised the Committee that he had spoken with the Chief Executive about training opportunities for Members of the Overview Scrutiny Committee.

### **Close of Meeting**

The meeting ended at 9.06pm