

**SCRUTINY COMMITTEE held at COUNCIL CHAMBER - COUNCIL OFFICES,
LONDON ROAD, SAFFRON WALDEN, CB11 4ER, on TUESDAY, 4
FEBRUARY 2025 at 7.00 pm**

Present: Councillor N Gregory (Chair)
Councillors R Gooding, R Haynes, S Luck, J Moran, A Reeve
and G Sell

Officers in attendance: R Auty (Director of Corporate Services), C Edwards (Democratic
Services Officer) G Robinson (Interim Director of Finance,
Revenues and Benefits) and A Webb (Strategic Director of
Finance, Commercialisation and Corporate Services).

Also in attendance: Councillor J Evans (Portfolio Holder for Planning), Councillor N
Hargreaves (Portfolio Holder for Finance and the Economy),
Councillor P Lees (Leader of the Council) and N Reeve
(Portfolio Holder for Environment and Climate Change).

Public speaker: Mr B Deane-Bowers

SC37 PUBLIC SPEAKING

Mr Ben Deane-Bowers gave a statement to the meeting, a summary of his
comments have been appended to the minutes.

The Chair thanked Mr Deane-Bowers and said that the issues raised would be
circulated to the relevant Cabinet members to be addressed.

Councillor Sell said that this topic should be collectively revisited in the future.

The Chair said that the precise concerns needed to be understood, as on the
recent site visit he had been impressed by the care and diligence taken while the
works were being carried out.

Councillor Sell said that over Christmas the storms had caused damage to the
fabric of the buildings and both himself and Councillors Dean and Gooding were
not impressed with the sub-contractor.

The Chair said that concerns could be raised within Scrutiny but their role was
not to manage how sub-contractors were performing.

The Leader said that the proper route was through Councillor Dean and Housing
Board.

The Chair agreed that due process was through Housing Board and if this was
not concluded satisfactorily there was a right of appeal to Scrutiny.

SC38 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors Ahmed, Bagnall, Criscione and Donald.

There were no declarations of interest.

SC39 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 4th December 2024 were approved as an accurate record.

SC40 CABINET FORWARD PLAN

The Cabinet forward plan was noted.

In response to Members' questions the following comments were made:-

- The Portfolio Holder for Planning said that the revocation of article 4 in Hatfield Heath related to a piece of land that had been sub-divided into a paddock and fencing, which was no longer required.
- The Leader said that there would be regular Local Government reform updates but she was not aware of any decisions that Cabinet would need to make currently.

The Chair noted that there were three significant items going to the 27th March Cabinet meeting, which were:-

- Corporate Core Targets
- CIL Project and
- Peer Review.

The Leader said that the CIL project had been commissioned in June 2024 and a public consultation was planned in September 2025.

Councillor Gooding joined the meeting at 7.15pm

SC41 SCRUTINY WORK PROGRAMME

The Scrutiny Work Programme was noted.

The Chair highlighted the following:-

- The Task and Finish Operational Resilience item would be deferred to the Scrutiny Committee in March as both Councillors Criscione and Donald who were leading the item were not able to attend the meeting.
- An update from the Community Safety Partnership was due to come to the next meeting or the first meeting of the new municipal year. There had been concerns about noncompliance for a while so a progress report would be welcome.

- Although Local Government Reform would be going ahead in the background, the Chair did not see it as being an integral part of the Committee's remit and the focus would remain on Uttlesford residents.

Members expressed concern about the North Essex Parking Partnership (NEPP) and asked if it could be added to the work programme. The Chair said that it could, but with some restrictions on the focus due to Officer time required and future Local Government arrangements.

Councillor Hargreaves said that it was difficult to make any changes currently due to the planned Local Government Reform and the uncertainty about whether NEPP would exist in the future. He said that NEPP policies were on their website.

The Leader suggested a Members Workshop on NEPP.

Councillor Sell agreed but said that he wanted to know how the service was operating and said there was a role for Scrutiny despite what was happening in the future.

The Director of Corporate Services said that the Hatfield Forest Governance item could be delayed until May or June but he would make sure it was on the relevant agenda before it went to Cabinet for approval.

SC42 **CORPORATE PLAN 2025/26**

The Leader of the Council presented the report. She made the following comments:-

- This was the plan for the third of a four year cycle, starting in April 2025.
- The four priority areas were:
 - Protecting & Enhancing Our Environment
 - Encouraging Economic Growth
 - Building Strong Communities
 - Putting Residents First
- The plan had been developed before the Local Government Reform was announced and therefore Officers were looking to ensure that there was enough capacity to carry out the work. She said that the changes were likely to be minor but a revised plan would return to Scrutiny halfway through the year.

The Leader highlighted key actions:-

- Decarbonisation of the housing stock – a successful bid meant that 200 Council homes would be improved.
- Improving recycling services through a pilot scheme to collect small electrical equipment and the introduction of food recycling.
- Following the confirmation of the national policy, 'simpler recycling', there would be a workshop for Members in the spring.
- Community Strategy for 2025-28 was in the process of being published.
- Implementation of the Housing Repairs contract.
- Implementation of the new Tenant Engagement Strategy by May 2025.

- The Housing 5 year capital programme and Housing Revenue 30 year business plan would both be completed by June.
- To set out the delivery of new Council Housing by September 2025, before Local Government reform to lock in delivery as much as possible.
- Annual report of Commercial Investments by April.
- After consultation with Members the Member Development Strategy would be presented to Council in May.
- Implementation of CIL.
- Examination of the Local Plan by the middle of the year.

In response to questions from Members, the Leader of the Council and Portfolio Holders made the following comments:-

- Relevant Officers had confirmed that all deadlines would be met within the timescales set out in the report.
- The recycling deadlines were on track and would be delivered on time.
- Biodiversity measurements would be carried out as it was important to show the progress made.
- The budget provided for the recruitment of an Ecologist who would provide professional advice regarding biodiversity.
- It was noted that there was nothing in the plan on the historical environment.

The Chair commended the Administration for the Corporate Plan which now had clear actions and accountability.

SC43 **BUDGET 2025/26**

The Chair asked that within the presentation any additional costs relating to Local Government re-organisation were highlighted.

The Portfolio Holder for Finance and the Economy presented the report. He made the following comments:-

- The Government had provided details of funding late and final confirmation had only been received yesterday.
- Across the five-year Medium Term Financial Strategy (MTFS), Government funding had dropped by £5.4 million. Funding had moved away from rural areas to urban areas and areas of deprivation.
- Despite assurances from the Government that they would cover the rise in National Insurance, the additional cost was £169k and the Government had so far provided extra funding of £5k.
- The budget was prudent and pessimistic in order to ensure as many eventualities as possible had been considered.
- There were monies within the budget for Social Housing delivery for 2025/26.
- The Council had been successful in getting decarbonisation grants to fund the greening and insulation of Council stock.
- Staff costs were budgeted for a 5% increase.
- Car park increases were running above budget and footfall in Saffron Walden had increased by 13% in the year 2023/24.

- The Commercial Strategy had been agreed through the Investment Board.
- The value of the Council's investments was £274 million and external borrowing £211million which was a good position.
- The MTFS had a deficit of £854k which would need to be funded from reserves in order to balance the books.
- £2.75million of reserves had been set aside towards the cost of the Local Government re-organisation.
- A triage process was taking place to look at all Council activities, deciding what needed to continue, what things to carry on with at a lower level and what would be stopped.
- Interest rates forecasted at 4.75% for this year, with inflation at 2.5%.
- In table 3 the Environmental Services and Climate Change 2025/26 figure included a waste grant of £1.4million given by the Government which has made the costs for the following years look substantially larger.
- In table 9 the two lines, New Homes Bonus and National Insurance Reimbursement had been transposed.
- The Housing Revenue Account was more certain as the levels of rental income and expenditure were known.
- Blueprint Uttlesford had produced savings and benefits.
- The approval ratings showed that climate change only had 45% of respondents saying it was 'very or fairly important.' On satisfaction, determining planning applications received a 77% approval rating, Council spending, 89% and bin collection 99%.
- Fees and charges were not all going up, some remained the same and taxi charges were coming down.
- Business Rate Relief related to the Council implementing Government policy including charging VAT to private schools and also Business Rates.

In response to questions from Members the following comments were made:

- There was a lot of work involved in putting up car park charges therefore it was not something that would be carried out each year.
- The Minimum Revenue Provision (MRP) had already been fine-tuned and was being calculated using an annuity basis.
- Some savings from Blueprint Uttlesford especially the potential sale of an asset or assets had been pushed into future years in recognition of the level of risk that it presented. There were significant contingencies to deal with the level of risk and if necessary, in the short term reserves could be used.
- Garden waste had not been charged last year because of the problems with collection. This year the charges had been raised by 60p per collection.
- Negotiations were on going regarding the sale of an asset and therefore it was more likely that this would be finalised mid 2025.
- If asset values decreased there were contingencies to cover this within the MRP there was also £0.5million a year set aside for void periods and maintenance.

- Table 6 showed that there was a cost in 2025/26 attributable to the investment properties but this becomes a profit in the next and future years.
- The contingency budget and other similar items was 4.7% of the overall budget in 2025/26 and was there to cover specific issues including higher interest rates and the risk of the Housing Benefit subsidy gap increasing.
- The Extended Producer Responsibility funding from Government is shown in table 9, External Funding. There was no guarantee that this level of funding would continue or whether the full amount would have to be spent within the financial year, the budget reflected this. Therefore it had been assumed for the future that it would be received and all of it spent within the relevant year.
- The Rural Services Delivery Grant had been cut and there was no replacement. This did not affect the delivery of any services; it had just reduced the overall level of funding. The Government said that this would be taken into account within the overall level of funding.
- The Strategic Director of Finance, Commercialisation and Corporate Services said that the Rural Services Delivery Grant of nearly £400K had been cut and the Government had put the money from all over the Country into a new pot that was distributed based on deprivation, Uttlesford District Council (UDC) did not receive any funding.
- The £8.5million deficit in 2029/30 was a cumulative figure.
- New Council Housing was not dependent on the sale of an investment asset.
- There was an aspiration to build new Council Houses, the budget for this year was set at nil, but if necessary the Section 151 Officer could bring forward budget once the Housing Revenue Accounts were reviewed in March.
- An asset would not be put forward for sale if the value now was lower than the value at purchase. There were five criteria that had to be satisfied before an asset was recommended for sale.
- The monies loaned for further development at Chesterford Research Park were on the basis that the market for science buildings remained strong and there was high demand within the area and a shortage of suitable space.
- The Portfolio Holder for Environment and Climate Change was content that the amount in the budget for bin lorries was sufficient to meet statutory requirements.
- The amounts set aside for Local Government reorganisation of £250k for three years was reallocated from a transformation budget of £400k which now only had £150k available and the £2million from reserves was a starting point for this process. There would need to be more money found in the future.
- There was a process underway to look at all fees to make sure that there was no missing income and similarly to check that all costs were included in the calculation of cost recovery charging.

The Chair thanked the Finance Team for the report and the rigour and detail that had been provided.

The Committee voted unanimously to agree the recommendations below and in the report.

- a) To make recommendations to Cabinet on the budget
- b) To note the consultation on the budget
- c) To note the following recommendations for Cabinet to approve to council:
 - i. To note and have regard to the section 25 report in Appendix A when considering the budget for 2025/26
 - ii. To approve the commercial strategy of 2025/26 detailed in Appendix B
 - iii. To note the key risks and assumptions set out at paragraph in the Medium Term Financial Strategy detailed in Appendix C
 - iv. To approve the Medium Term Financial Strategy 2025/26 to 2029/30 detailed in Appendix C
 - v. To agree the revenue growth bids as detailed in the Appendix C paragraph 65
 - vi. To approve the Treasury Management Strategy Statement 2025/26 detailed in Appendix D
 - vii. To approve Capital Strategy 2025/26 detailed in Appendix E
 - viii. To approve the Capital Programme 2025/26 to 2029/30 detailed in Appendix F
 - ix. To agree the capital growth bids as detailed in Appendix F
 - x. To delegate to the Section 151 Officer to increase the Capital budget to match the 30 Year HRA Programme once it is approved to enable the delivery of new homes in the HRA.
 - xi. To approve the Housing Revenue Account Budget as detailed in Appendix G
 - xii. To approve the General Fund budget as detailed in Appendix H
 - xiii. To note the Government's intent to provide forward certainty over the HRA rental increases allowed to be 1% above CPI, which is an increase of 2.7% for 2025/26. (Appendix G)
 - xiv. To recommend the 2.7% increase in social housing revenue rents within the Housing Revenue Account. The average increase in HRA weekly rents would be £3.52, leading to an average weekly rent payable by council tenants of £129.61. (Appendix G)
 - xv. To recommend the council tax increase of 2.99% council tax for 2025/26. The Band D equivalent (for Uttlesford's share of the bill) would be £182.02, which would be an increase of £5.28 (Appendix H).
 - xvi. To note the provisional council taxbase of 40,552.16 and the continued assumption of a maximum increase in the council tax of 2.99% over the lifetime of the Medium Term Financial Plan to 2029/30 (Appendix H)
 - xvii. To approve the Council Tax requirement for 2025/26 of £7.381m (Appendix H)
 - xviii. To approve the fees and charges schedule as set out in Appendix K
 - xix. To approve the Minimum Revenue Provision Statement 2025/26 detailed in Appendix L
 - xx. To resolve that the council tax premium of 100% shall be charged to properties that have been empty and furnished for one year or more, with effect from 1 April 2025 (Appendix M). Page 36
 - xxi. That Council approves the implementation of a second homes council tax premium of 100% from 1 April 2025. (Appendix M)
 - xxii. To approve the Ethical Investment Policy (Appendix N)
 - xxiii. To note the change in the discretionary rates policy

The meeting ended at 8.46pm

MINUTE ANNEX

Summary of Mr Ben Deane-Bowers statement to the Committee

Mr Deane-Bowers made the following comments on a number of topics:-

- There was a triage of data outstanding with regards to severe damp and mould and a back log of long standing complaints.
- Mr Deane-Bowers suggested that Scrutiny should look at the damp and mould reports and decide whether they should be added to the work programme.
- He said he had already requested that Manor Road was added to the work programme as it was not currently included at Scrutiny or Housing Board.
- He asked if the Council had self-referred to the Regulator and Housing Ombudsman regarding the situation at Manor Road.
- Three or four leaseholders had expressed an interest in the Council procuring their properties back, but he understood there was not the money available.
- A risk assessment at number 40, which had been flooded, should be added to the work programme and included in the records.
- The flooding at number 3 in December, and reported at the Scrutiny meeting, had not been followed up by Norse.
- He said that there should be a third party investigation to assess whether Norse should contribute through a compensation scheme, he thought that they were liable as a third party.
- The tenant at number 40 had not had their carpet replaced.
- Scrutiny should undertake a leaseholder exercise regarding damp and mould.
- In terms of the sale of Chesterford Research Park he noted that there was an embargo on public loans board which put a strain on finances.
- He asked that the Finance Director provided figures on how far behind the major works were on a yearly and cumulative basis within planned preventative maintenance.
- Why was the asset register business case plan being delayed until June.