

**Cannock Chase Council**  
**Minutes of the Meeting of the**  
**Financially Resilient Council Scrutiny Committee**  
**Held on Thursday 3 February 2022 at 6:00pm**  
**In the Council Chamber, Civic Centre, Cannock**  
**Part 1**

**Present:** Councillors

Hughes, R.J. (Chairman)	
Adamson, G. (Vice-Chairman)	
Jones, P.G.C.	Smith, C.D.
Kruskonjic, P.	Sutton, Mrs. H.M.
Lyons, N. (substitute)	Woodhead, P.E.
McMahon, J.B.	

Invitee: Councillor Mrs. O. Lyons, Leader of the Council.

Also in attendance as observers:

- Councillor Mrs. A.A. Fitzgerald - Housing, Heritage & Leisure Portfolio Leader
- Councillor P.M. Hewitt - Innovation and High Streets Portfolio Leader
- Councillor J.P. Johnson - Environment and Climate Change Portfolio Leader
- Councillor Mrs. V. Jones - Community Engagement, Health & Wellbeing Portfolio Leader
- Councillor M. Sutherland - District Development Portfolio Leader

**17. Apologies**

Apologies for absence were submitted for Councillors F.W.C. Allen, Mrs. M.A. Davis, M.W.A. Hoare, A.M. Muckley, and P.D. Startin.

Councillor N. Lyons was in attendance as substitute for Councillor Startin.

**18. Declarations of Interest of Members in Contracts and Other Matters and Restrictions on Voting by Members and Party Whip Declarations**

No declarations of interests or party whip declarations were received.

**19. Consultation on 2022/23 Budget**

The Leader of the Council advised that at the Cabinet meeting held the previous day, an additional budget recommendation was agreed that a “full review of the Capital Programme be undertaken, commencing immediately”. The purpose of doing so was because the Cabinet had initiated a review of the Corporate Plan and it was considered that the Capital Programme should dovetail with the Plan to provide a longer-term strategic view of the Council’s priorities.

The Interim Head of Finance then introduced in turn each of the budget related reports as included with the agenda, setting out key points / issues for the Committee:

- General Fund Revenue Budget and Capital Programme 2022-25 (Item 7.1 - 7.59)

A Member queried if there were concerns about the increased pressure placed on the Council because of the one-year Government funding settlement, proposed deficits in 2023/24 and 2024/25, and planned borrowing to support the Levelling Up Fund work. The Interim Head of Finance emphasised the uncertainty of the indicative 2023/24 and 2024/25 budgets given the Government's future position on local government funding was still unknown. Abolition of New Homes Bonus (NHB) funding had been assumed although there was no detail on what may replace it. Furthermore, should the Government decide to implement a long transition period for the review and reset of Business Rates funding with less of a financial impact in earlier years then this would improve the figures as currently set out. Aside from this, there was also a need to start developing savings options from the Council's own budgets to be implemented from April 2023.

Another Member referenced the potential savings requirement and the need to start that work now if to be implemented in time for April 2023, so queried why nothing in this regard had been identified in the budget report. The Interim Head of Finance advised that initial work was already underway, and Officers would be developing ideas and proposals to discuss with Members to meet Corporate Plan priorities and account for external factors. Relevant discussions had already started as it was recognised that relying solely on the rollout of further shared services would not deliver all the required savings. The aim was to make changes in a considered and consultative way to ensure that service delivery was not diminished. It was considered there was enough time from now to plan and deliver some savings from April 2023, whilst acknowledging that some may take longer than 12 months to do so.

The same Member then referenced the Council Tax rebate for properties in bands A to D announced by the Chancellor earlier in the day, noting an issue had been raised whereby those on low incomes living in rental properties may miss out on the rebate if it was passed directly to the landlords, and so queried if those affected could be identified by the Council to make them aware of the rebate. The Chief Accountant replied that officers were awaiting details from the Government about how the rebate should be administered, but this issue would be considered once the instructions and guidance had been received.

The report was noted.

- Rent Setting Policy - April 2022 (Item 8.1 - 8.12)

The report was noted, with no comments / questions being raised.

- Housing Revenue Account Budgets 2021/22 to 2024/25 (Item 9.1 - 9.6)

The report was noted, with no comments / questions being raised.

- Housing Revenue Account Capital Programmes 2021/22 to 2024/25 (Item 10.1 - 10.6)

A Member highlighted that the fully funded programme as set out had been agreed by the previous Administration as part of the 2021/22 budget, and then queried how it would be delivered given concerns raised about staffing resources. The Head of Housing and Partnerships replied there had been issues with recruiting technical staff, particularly due to posts not being financially attractive enough for applicants. A new service manager had been appointed in the last two years to deliver the programme, and as new to the role, consultancy support was being provided. Furthermore, no tenders had been received for the 'external envelope' works contract, so proposals were being reviewed with a longer-term focus and existing job roles redesigned. A further issue had been new staff trained for succession planning purposes but then transferring to other services within the Council. The under-delivery of the programme had been recognised and performance had improved during quarter 3 of 2021/22.

The same Member then queried if it was considered the backlog in works could be addressed within a reasonable time. The Head of Housing and Partnerships replied that discussions had taken place about the procurement difficulties for the external envelope works, noting that Officers were being expected to deliver a large work programme whilst procuring contracts, therefore a rethink was needed on how to deal with this moving forward.

Another Member then queried why a sum of circa £3 million borrowing had been included in the programme for 2023/24. The Chief Accountant advised this was because the Housing Revenue Account used General Fund resources, therefore the sum was 'internal' borrowing. It was not intended to draw on the funding until the resources were in place to deliver the relevant works.

The report was noted.

- Treasury Management Strategy, Minimum Revenue Provision Policy, and Annual Investment Strategy 2022/23 (Item 11.1 - 11.34)

The report was noted, with no comments / questions being raised.

The meeting closed at 6:34 p.m.

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**Chairman**