

**CANNOCK CHASE COUNCIL**  
**MINUTES OF THE MEETING OF THE**  
**CORPORATE SCRUTINY COMMITTEE**  
**HELD ON TUESDAY 14 JANUARY 2020 AT 4:00 P.M.**  
**IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK**

**PART 1**

PRESENT:  
Councillors

Allen, F.W.C. (Chairman)  
Hughes, R.J. (Vice-Chairman)

Buttery, M.S.	Startin, P.D.
Davis, Mrs. M.A.	Sutherland, M.
Jones, B.	Todd, Mrs. D.M.
Layton, Mrs. A.	Witton, P.T.
Newbury, J.A.A.	Woodhead, P.E.

**15. Apologies**

Apologies for absence were submitted for Councillor P.A. Fisher.

**16. Declarations of Interests 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.

**17. General Fund Revenue Budget 2019/20 to 2022/23**

The Head of Finance advised Members that a balanced budget was being proposed for the 2020/21 financial year, and as such, the purpose of this meeting was to provide an update on matters in respect of the General Fund Revenue Budget and Capital Programme and the Housing Revenue Account (HRA). The last time a full budget consultation process had been undertaken was during the production of the Financial Recovery Plan (FRP) in 2016. Members were then taken through a presentation that covered the following:

- General Fund Revenue Budget;
  - 2019/20 Status of Financial Plan – Recap;
  - Budget Strategy;
  - Relative Needs – Formula;
  - 75% Business Rates Retention & Reset;
  - Reset – Consultation;
  - New Homes Bonus;

- 2020/21 Local Government Finance Settlement – Technical Consultation;
- Financial Plan 2020/21 to 2022/23;
- Approved Variations;
- Budget Issues;
- 2020/21 Provisional Local Government Finance Settlement;
- Impact of Financial Regimes;
- Proposed Budget Strategy.
- General Fund Capital Programme;
  - Financial Plan;
  - 2020/21 Budget Issues / New Bids;
- Housing Revenue Account:
  - Business Plan;
  - Housing Investment Fund;
  - 2020/21 Rent Increases.

In respect of the impact of financial regimes, a Member queried what level of funding had been set aside to cover the worst case scenario. The Head of Finance replied that £3m had been set aside, which would provide a two-year window for Working Balances, the aim was still however to achieve a balanced budget by 2023/24.

Another Member asked if the delay in reform of the Business Rates regime would have a negative impact with regards to the impending opening of the Designer Outlet Village (DOV). The Head of Finance replied that the same question had been asked of the Government. An immediate reset of Business Rates would result in no benefit being received by the Council from the DOV opening. Growth should be able to be retained for five years, so problems would be created after that period was up, but hopefully by then Phase 2 of the DOV and the Rugeley Power Station site redevelopment would be up and running. Assurance was needed from the Government that the Council would benefit from the DOV.

The Head of Finance then advised that it was intended to be able to present to Members in December 2020 an updated financial position as more details became available throughout the course of the year on some of the issues outlined in the presentation.

In respect of the Capital Programme, Members asked for details of what funding was being provided for the following (figures and further information provided by the Head of Finance shown in brackets):

- All Terrain Pitch (ATP) at Rugeley (£822,000 – all external funding);
- Car Park Strategy (£200,000 – works related to Beecroft Road and Avon Road car parks were on hold pending decisions regarding future redevelopment of Cannock Town Centre);
- CCTV Cameras (£55,000 had been provided for the first phase of the scheme to replace the cameras, with a similar amount required for the

- second phase);
- IT Infrastructure (this was for the replacement of all existing hardware, but rollout was delayed pending the outcome of an IT / Digital Strategy review currently underway).

Another Member queried if the Car Park Strategy included the provision of machines that accepted cashless payments. The Head of Finance replied that this matter was currently being considered by Cabinet and the Promoting Prosperity Scrutiny Committee.

In respect of the proposed rent increase for 2020/21, a Member queried as to how much additional income the Council would receive. The Head of Finance replied that a 1% increase would secure £190,000 of income.

The Chairman thanked the Head of Finance for his presentation, and then asked if there were any particular concerns on the horizon for Members to be aware of.

The Head of Finance replied that in respect of 2020/21, Business Rates volatility was a concern (e.g. the closure of a major business in the District). A balanced budget was however proposed with no service reductions. With regards to 2021 onwards, the true funding position was not yet known, but the opening of the DOV would provide a way forward and address nearly all the financial losses that occurred following the early closure of Rugeley Power Station in 2016. Greater Business Rates retention meant greater volatility for local authorities, but linked to this, the Government was trying to reduce the financial impact of Business Rates appeals. More information about the future funding position should be known in September / October 2020, with all local authorities in the same uncertain position at present. It was however expected that there would be a redirection of resources to those councils that had responsibility for delivering social care services.

The meeting closed at 4:48 p.m.

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CHAIRMAN