# CANNOCK CHASE COUNCIL

## MINUTES OF THE MEETING OF THE

## **CORPORATE SCRUTINY COMMITTEE**

### HELD ON MONDAY 21 JANUARY 2019 AT 4:00 P.M.

### IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK

### PART 1

#### PRESENT: Councillors

Foley, D. (Chairman) Sutton, Mrs. H.M. (Vice-Chairman)

Cartwright, Mrs. S.M. (substitute)Lyons, Miss O.Davis, Mrs. M.A.Snape, P.A.Dudson, Miss M.J.Startin, P.D.Grice, Mrs. D.Sutherland, M.Johnson, T.B.Woodhead, P.E.

#### 14. Apologies

Apologies for absence were submitted for Councillors Miss J. Cooper and A. Dudson.

Councillor Mrs. S.M. Cartwright was in attendance as substitute for Councillor A. Dudson.

#### 15. 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.

## 16. General Fund Revenue Budget 2019-20 to 2021-22

Consideration was given to the Report of the Deputy Managing Director and Head of Finance (Item 3.1 - 3.29 of the Official Minutes of the Council).

The Deputy Managing Director advised that in accordance with the Budget and Policy Framework, the Corporate Scrutiny Committee was consulted on any budget related proposals from Cabinet. As part of producing a rolling Medium Term Budget Strategy, balanced budgets were set over a 3 to 4 year period, thereby mitigating the need to make savings each year. The former Customers & Corporate Scrutiny Committee was consulted in October 2016 as part of the Financial Recovery Plan (FRP) process. A balanced budget was proposed for the period 2019-20 to 2021-22, however a great deal of uncertainty existed for the financial years 2020-21 and 2021-22 as the future funding regime for local government had not yet been determined by the Government. The key issues still to be resolved were; 75% Business Rates retention, New Homes Bonus (NHB) regime, funding/resources split for two-tier areas, and the reset of Business Rates growth levels.

The proposed budget for 2019/20 accounted for known changes in respect of Business Rates and New Homes Bonus (NHB) funding as set out in the Draft Local Government Finance Settlement that was published in December 2018. Cabinet, at its meeting to be held on 7 February 2019, would be formally considering its budget recommendations for submission to Council on 20 February 2019.

A Member queried if the views of district councils on the funding review were being consolidated through the Local Government Association (LGA). The Deputy Managing Director advised that this Council was providing its own views directly, as well as giving feedback via the District Councils' Network (DCN) and the LGA.

Another Member queried if inflation rates had been built into the draft 2019/20 budget. The Deputy Managing Director replied that a 2% CPI rate had been accounted for, but in-year adjustments would need to be made rates linked to external contracts.

A Member queried if the redevelopment of the Rugeley Power Station (RPS) site had been factored into the budget. The Deputy Managing Director replied that at this stage no assumptions had been included due to the timescales involved with demolition and clearance of the site.

Another Member queried if the proposed Business Rates reset would be good or bad for the Council. The Deputy Managing Director replied that it would likely be a bad outcome, as district councils were expected to receive the least benefit from any redistribution of Business Rates monies.

A Member noted that the incentive for Business Rates growth would put pressure on green spaces being used as employment land due to such land being limited in availability. Another Member further noted that brownfield sites would eventually run out, and investment in transport infrastructure over the years had not been sufficient enough to support development and regeneration projects.

A Member queried how work was progressing on development of the Engineering Academy with the Cannock Chase Skills & Innovation Hub. The Deputy Managing Director replied that the plans appeared to be progressing well so far as South Staffordshire College wanted the Hub site to be a success.

Another Member noted that it was important for the Council to have a robust Local Plan in place to make clear its position on future development in the District and protect itself from housing pressures arising in the wider Birmingham and Black Country areas. Additionally, infrastructure was key to future drivers of growth, therefore the local rail network needed to be fit for purpose.

A Member queried if there was any particular Brexit risks for the Council. The Deputy Managing Director replied that lack of business investment was a key risk,

particularly at sites such as Kingswood Lakeside where occupants were awaited.

Members noted that as the future funding position was unknown, it would be necessary to note the budget as proposed, but continue to apply pressure through the appropriate bodies for more information on what was likely to change. Furthermore, the work of Councillor and Officers to keep services maintained when compared to neighbouring areas was also noted.

A Member commented that County Councillors had been lobbying their respective MPs to try and secure better funding deals for their local areas.

Another Member then thanked the Deputy Managing Director for leading the work on behalf of all Staffordshire local authorities to be a part of the Government's 75% Business Rates pilot for the 2019/20. The Deputy Managing Director replied that the support of all Leaders and Chief Executives across the County had been crucial to the application being successful.

The same Member then further raised that growth potential still needed to be looked at where able to do so. The Deputy Managing Director replied that Leadership Team would be developing relevant options for Cabinet and Council to consider once the future funding position was better known.

Another Member then queried if the new crematorium site in the District would be liable for Business Rates. The Deputy Managing Director replied that Business Rates would have to be paid unless any exemptions applied.

RESOLVED:

That the Committee notes the Cabinet's strategy for the 2019-20 to 2021-22 budget process of delivering its Corporate Plan 2018-23 based upon the maintenance of current service provision as a minimum.

The meeting closed at 4:32 p.m.

CHAIRMAN