

**Agenda Item No:** 6  
**Report To:** Cabinet  
**Date of Meeting:** 24 February 2022  
**Report Title:** Report of the Budget Scrutiny Task Group  
**Report Author & Job Title:** Abi Moffatt  
Policy and Scrutiny Officer  
**Portfolio Holder** Cllr. N Shorter  
**Portfolio Holder for:** Finance and IT



<b>Summary:</b>	The Overview and Scrutiny Budget Scrutiny Task Group has scrutinised the council's draft 2022/23 budget over four meetings. The Task Group have made a number of recommendations to Cabinet to consider when making final budget proposals to recommend to Council.
-----------------	---

**Key Decision:** NO

**Significantly Affected Wards:** None specifically

**Recommendations:** **The Overview and Scrutiny Committee recommends to the Cabinet that:**

- I. The council's draft budget for 2022/23 is sound and that mitigation plans are in place for any increases to borrowing interest rates during 2022/23.
- II. The council's reserves position is sufficient to manage the economic risks to the 2022/23 budget.
- III. The Task Group support Cabinet's recent decision to have regular monitoring of delivery against Service savings targets, through the quarterly budget monitoring reports in 2022/23.
- IV. It be noted that the Task Group have concerns over the ability to deliver the savings target in the Planning and Development Service for the next budget year
- V. It be noted that delivery of the Henwood project needs to be timely in order to meet the savings targets in the next financial year

- VI. It be noted that the Task Group supports the invest-to-save approach regarding homelessness prevention proposals following the service review in 2021/22.

<b>Policy Overview:</b>	Under the council's Constitution the O&S Committee has a duty to scrutinise the council's draft Revenue and Capital Budgets.
<b>Financial Implications:</b>	As noted in the report
<b>Legal Implications</b>	As Policy Overview above
<b>Equalities Impact Assessment</b>	Not required as appended to main budget report
<b>Other Material Implications:</b>	As noted in the report
<b>Exempt from Publication:</b>	<b>NO</b>
<b>Background Papers:</b>	<b>Draft 2022/23 budget</b> , report to Cabinet 25 November 2021 <b>O&amp;S Budget Scrutiny Task Group Minutes</b> for the following dates: 01/12/21, 20/12/21, 21/12/21, 11/01/22
<b>Contact:</b>	Abi Moffatt, Policy and Scrutiny Officer abi.moffatt@ashford.gov.uk – Tel: (01233) 330394

## **Report Title: Report of Budget Scrutiny Task Group**

### **Introduction and Background**

1. In accordance with the council's Constitution, it has a duty to scrutinise the council's draft Capital and Revenue Budgets. The Committee constituted a Task Group made up of five Members to undertake this work, and presents its findings of the draft Budget for 2022/23 within this report.

### **Report of the Chairman of the Budget Scrutiny Task Group**

2. The draft budget documents were considered by the Task Group and detailed how the council intends to fund its services and initiatives for the next municipal year. Although there may be some financial uncertainties during the next year, sufficient reserves were identified to mitigate the potential risks.
3. Members raised concern regarding the proposed savings targets, in particular for the Planning and Development Service. In light of this, savings targets should be looked at prudently when reviewed in the quarterly budget monitoring reports.
4. I would like to thank the Members of the Task Group and all of the Officers who were involved with scrutinising the proposed budget for 2022/23. The Group were grateful for the hard work and time that officers had taken to prepare various presentations and reports regarding their service. I would also like to thank the Portfolio Holders and other Members who attended the meetings.

### **Summary**

5. The Overview and Scrutiny Committee would like to thank all the Officers, Portfolio Holders and Lead Members who attended the Task Group meetings. The sessions yielded much information on the financial and resource challenges facing the authority and the Task Group focused on a number of key risks relating to the achievability of next year's budget.
6. The draft budget for 2022/23 was presented to the Task Group at its first meeting; this included all service budgets and financial risks. The purpose of this session was to assist Members in determining which areas to dedicate additional scrutiny time, these included the following:
  - a. The Port Health Service
  - b. The council's reserves positions and forecast
  - c. Savings and recharges
  - d. Planning and Development Service and the achievability of their savings target.
  - e. Details on expected borrowing interest rate increases.

- f. Housing Service and delivery of savings target.
- g. The risks around the maintenance of assets.
- h. Risks linked to the commercial property portfolio.

**Consultation**

7. The council’s Management Team have since seen the recommendations made by the Task Group and a summary of their advice to the Cabinet has been tabled below:

No.	Recommendation	Summary	Management Team Advice
I	The council’s draft budget for 2022/23 is sound and mitigation plans are in place for any increases to borrowing interest rates during 2022/23.	The Task Group agreed that at this current time the council’s draft budget is sound. It was advised that increases to borrowing interest rates were expected next year and some increases were factored into the budget. Members were confident that increases above forecast could be mitigated by flexing the borrowing strategy.	MT support the recommendation.
II	The council’s reserves position is sufficient to manage the economic risks to the 2022/23 budget.	Members were informed that the council were in a good position with its reserves going forward but there was a need to be mindful. Sufficient reserves were in place to mitigate different risks including economic risk. Additionally, reserves will look to be increased over the 2022/23 year.	MT support the recommendation.
III	The Task Group support Cabinet’s decision to have regular monitoring of Service savings targets through the quarterly budget monitoring reports in 2022/23.	<p>It was advised that most savings had been delivered up to now, however, some savings originally identified for 2022/23 may not be delivered as intended, although it is necessary to still deliver these savings to support the MTFP. Therefore, the Task Group agreed that the savings target does pose some risk to the budget.</p> <p>Members supported the recent Cabinet decision in the draft budget report to review progress of savings targets within the quarterly budget monitoring reports.</p> <p>Members were also advised that the economic resilience reserve will cover risks related to the delivery of savings, although this should be seen as the last resort.</p>	MT support the decision to monitor savings targets during the year.

## Agenda Item No. 6

IV	It be noted that the Task Group have concerns over the ability to deliver the savings target in the Planning and Development Service for the next budget year.	<p>Members were concerned over the ability of the Planning Service to deliver the savings target of £100,000 relating to the new system implementation included in the budget for 2022/23. The Task Group highlighted that there was a risk to the quality of service provided in light of the pressures around achieving savings targets this year.</p> <p>Members recognised an ongoing risk around recruitment of senior professional planners, with competition coming from the private sector.</p> <p>The use of consultants were a significant cost to the service for both 'specialist' and 'day to day' support although generally funded from existing budgets and salary savings.</p>	MT note the concerns from the Task Group regarding savings targets. MT agreed that options for income growth will be explored.
V	It be noted that delivery of the Henwood project needs to be timely in order to meet the savings targets in the next financial year.	The Task Group identified some risk around delivering the Henwood project linked to ongoing issues at Stodmarsh. Members were informed that options were being considered regarding Stodmarsh, however, assurance was given that the scheme would be delivered within set timescales.	MT agreed that the delivery of the Henwood Project was a priority for the Housing Service.
VI	It be noted that the Task Group supports the invest-to-save approach regarding homelessness prevention proposals following the service review in 2021/22.	Members were advised of the Housing Service's intention to focus on homelessness prevention which will help achieve further savings.	MT endorse the council's approach toward homelessness prevention.

### Wrap Up

8. To conclude the Budget Scrutiny sessions, the Chairman of the Budget Scrutiny Task Group gave the opportunity for Members to discuss any outstanding issues regarding the budget and a summary presentation was shown to Members to relay some of the key findings of the last few budget scrutiny meetings.

### Conclusion

9. The Overview and Scrutiny Committee recommends to the Cabinet that:

- I. **The council's draft budget for 2022/23 is sound and that mitigation plans are in place for any increases to borrowing interest rates during 2022/23.**
- II. **The council's reserves position is sufficient to manage the economic risks to the 2022/23 budget.**
- III. **The Task Group support Cabinet's recent decision to have regular monitoring of delivery against Service savings targets, through the quarterly budget monitoring reports in 2022/23.**
- IV. **It be noted that the Task Group have concerns over the ability to deliver the savings target in the Planning and Development Service for the next budget year**
- V. **It be noted that delivery of the Henwood project needs to be timely in order to meet the savings targets in the next financial year**
- VI. **It be noted that the Task Group supports the invest-to-save approach regarding homelessness prevention proposals following the service review in 2021/22.**

### **Contact and Email**

10. **Abi Moffatt, Policy and Scrutiny Officer  
abi.moffatt@ashford.gov.uk – Tel: (01233) 330394**

# **Ashford Borough Council: Notes of a Meeting of the Overview and Scrutiny Task Group – 20<sup>th</sup> December 2021 (Budget Scrutiny 2)**

## **Present:**

Cllr. Ovenden (Chairman);

Cllrs. Chilton, Harman, Ledger.

## **Apology:**

Cllr. Shorter

## **Also Present:**

Cllrs. Bartlett, Blanford, Burgess

Head of Finance and IT, Head of Service Port Health, Head of Planning, Port Health Manager, Accountancy Manager, Policy and Scrutiny Officer, Member Services Officer.

## **1 Declaration of Interest**

1.1 Cllr Bartlett declared an Interest since he lived close to the Inland Border Facility.

## **2 Port Health Presentation**

2.1 The Head of Service Port Health gave a presentation to the Task Group, which outlined the purpose of the Border Control Post (BCP) and provided detailed information on the types of products checked, fees set, calculation of charges and IT systems in place.

2.2 The item was opened up to the Task Group and the following responses were given to questions/comments:

- The Chairman asked how long the Government subsidy funding was expected to be available for. The Head of Service Port Health confirmed that they were beholden to government, who were promising to underwrite all of the funds. The lease for the BCP building had been agreed with a peppercorn rent and a bid had been submitted for another funding round. The risks to budget were more probable in years 2 and 3 when the BCP would be fully operational. A reserve had been built into the budget.
- The Official Controls Regulation (OCR) provided the opportunity to set charges on a sliding scale between low tonnage up to 44 tonnes. The intention was to encourage hauliers to be more efficient and load to the full 44 tonnes. The timeframe for decanting the Lorries had been accounted for and had no cost implications, only breaking the freight could result in

extra costs. Extra time would be required for sampling but the goods would then be released away from Sevington under a Customs Bond, and the owner would be responsible for arranging the transport in that situation.

- In response to a query regarding an upcoming plastic tax on all imported goods, it was confirmed that the checks for this would come under HMRC Customs Control.

2.3 The Chairman thanked the Head of Service Port Health and Port Health Manager and said that he was confident that there was no current risk to this year's budget from the Service.

**Resolved:**

**That the points discussed above be considered further in formulating the Task Group's final report on its Scrutiny of the Council's Budget for 2022/23.**

### **3 Finance**

3.1 The Accountancy Manager introduced the three Finance Reports – Reserves Position & Forecasting, Savings Identified and Recharge Methodology. He gave a brief run through the papers and stated that the Reserves were in a good position and offered protection from different aspects of risk.

3.2 The item was opened up to the Task Group and the following responses were given to questions/comments:

#### **Reserves Position & Forecasting**

- The Section 31 Grant showed a decreasing balance by the end of the financial year. A Member asked whether this should be increased in light of possible further Covid restrictions and it was confirmed that more contribution was expected into that reserve at year-end, as Government distribute relief and further Section 31 Grant. This was different to statutory relief that offered exempt business rates periods. The Accountancy Manager said that Reserves were sufficient and would be reviewed in March 2022, and it was helpful to remember that the Council shared responsibility with Government for collection rates.

#### **Savings Identified**

- The Accountancy Manager highlighted a possible concern within the savings report - £640,000 was still to be identified. The approach had been agreed that the Council would remain ambitious so inevitably this encompassed risk, and it was felt appropriate to leave it on the budget report as some savings may not necessarily be delivered as originally intended.
- In response to a query asking whether cuts may be necessary in light of the savings for 22/23 having not been met, it was explained that a large portion of the target savings had already been met in 2021/22. Some projects had been delayed owing to Covid and so Management Team had been asked



to look at ways in which they could make shorter-term savings, some of which may roll across different years. In addition Cabinet had made formal recommendations to monitor progress against the savings.

- A Member said that it was important for the Task Group to note that the saving target had not been met and that looking ahead it was inevitable that the Council would need to look at setting reasonable targets, and making additional savings. The Head of Finance added that within the MTFP, no Government grants had been included, so they were confident that from 2023/24 the Council would no longer be reliant on Government funding.
- The Chairman queried what impact not meeting the savings would have. The Economic Resilience Reserve held approx. £9 million set aside to fund the pressures within the MTFP. In addition, plans and ideas for making savings had already been considered by Heads of Service and would be put into action as and when necessary. It would form part of the quarterly budget monitoring reports.
- In response to a query regarding a change to the senior structure of the Council, the Chairman advised that a briefing could be arranged after Christmas for the Task Group.

**Resolved:**

**That the points discussed above be considered further in formulating the Task Group's final report on its Scrutiny of the Council's Budget for 2022/23.**

## **4 Planning and Development**

- 4.1 The Head of Planning gave a presentation to the Task Group which covered the four main issues they had highlighted for review, which were risks around recruitment & administration, cost of consultants, digitalisation & the new planning system and major appeals.
- 4.2 The item was opened up to the Task Group and the following responses were given to questions/comments:
- A Member questioned if savings within the Planning budget were realistic, given the challenges that the service had, and still faced. He acknowledged that improvements to the department e.g. the new Planning IT system would take time to bed in before results could be measured.
  - Planning application fees set by Central Government had recently risen. The Head of Planning was keen to focus on the fees that ABC could control for non-statutory parts of the application process, in terms of application and pre-application work, but was mindful that the service to customers also had to improve in line with the fee increase.
  - The enhanced graduate scheme was agreed to be a good scheme for the Council. The aim being that within a couple of years, candidates would be ready to progress up into vacant posts as they became available.

- A Member asked whether the removal of consultants and their fees would enable a higher salary to be paid to permanent staff in the hope of retaining them at ABC. The Head of Planning explained that it was important to acquire the right balance between showing Ashford as a desirable place to live and work, in concurrence with a respectable salary. From a budget perspective, he said that removing Consultants from the equation too soon would only serve to put extra pressure onto the Service and exacerbate the problem of staff retention. He acknowledged that the salary scale did contain limitations, in particular with the ability for senior Officers to progress into higher roles. The Chairman highlighted this concern and identified that this was an ABC wide issue that could be reviewed by the wider O&S Committee in the coming year.
- The cost of training for the new Planning IT system had already been factored in to the whole cost, and training would be made available for all.
- A Member spoke about how the experience of quality of service stayed with the public, and she asked whether there were ways that the workload could be streamlined, to ensure better time management. Part of the approach to open up capacity had already been implemented and some functions had moved across to the Business Support Team; they now had responsibility for validating applications, which freed up time for Planning Officers.
- In response to a question about graduates, the Head of Planning agreed with Members that Officers already working within the Council often already held the local knowledge about the Borough that was so valuable, and he himself had worked his way up to Head of Service. Sourcing the right opportunities for Officers was vital, and retention was just as important as recruitment. The idea of a central pool of graduates across several LA's was suggested, which would increase opportunities and there would be more chance of someone being available for LAs when a position arose.
- Projects could sometimes place a strain on staff, and so it was important to choose involvement wisely. Officers were currently involved with the digital mapping project led by Central Government and had received funding to work on this. The capacity for staff to be involved in all projects was not available, and therefore ABC had to decipher what they would gain from each project before committing to it. Additionally though, it was beneficial to be on the 'inside' of projects to gain knowledge and insight.
- It was confirmed that legal costs, including situations where external legal advice was sought, were re-charged back to Planning.
- The Chairman asked whether there was a maximum number of cases that Officers could have open at any one time, in relation to utilising Consultants to support with everyday work. The Head of Planning advised that it was a delicate balancing act, but an average of fifty cases would be deemed manageable. The Chairman added that it was prudent to continue to use Consultants until the backlog had been cleared and Officers were handling a more manageable range.
- The Chairman highlighted the savings figure in the Planning budget and asked whether this was realistically deliverable. The Head of Planning confirmed that it would be difficult to deliver those savings in the short term. The Service needed to get back on its feet and that would necessitate time and funds, but once this

position was achieved then the opportunity would arise to make savings and grow income, hopefully beyond the budget expectations. The Chairman noted that the savings figure within the budget papers was £100k, and other savings (listed as income generating) totaled around £60k. He deduced that the savings were unlikely to be met and asked the Head of Planning whether he thought the budget (without the savings) was sufficient to get the Department back on track and maintain the service at the level it was currently being delivered at. The Head of Planning responded that a slower build was necessary, and he wanted to reach the point where the Service could be reviewed with the new structure in full operation, to be able to ascertain whether further work was required, and budget amendments were required. The Head of Accountancy added that service contingency was available, and it was to the Head of Planning's credit that he had considered alternative ways that savings could be delivered, in line with the current targets. Removal of those targets could run the risk of them being lost for the future, so he felt it better to keep them within the budget to keep them on the radar. The Chairman agreed with the points made, but said that it was important to recognize that there was not always scope to make savings.

**Resolved :**

**That the points discussed above be considered further in formulating the Task Group's final report on its Scrutiny of the Council's Budget for 2022/23.**

## **5. Final Meeting**

- 5.1 The Policy & Scrutiny Officer advised that she would compile a slide show for the final wrap up meeting. The Chairman suggested an extra short session would be beneficial, and this could also incorporate the senior staff restructure that had been mentioned earlier in the meeting.

**Post Meeting Note: This is now confirmed for Tuesday 11th January 2022 at 6pm.**

Councillor Ovenden (Chairman)  
Overview & Scrutiny Task Group – Budget Scrutiny

Queries concerning these minutes? Please contact [membersservices@ashford.gov.uk](mailto:membersservices@ashford.gov.uk)  
Agendas, Reports and Minutes are available on: [www.ashford.gov.uk/committees](http://www.ashford.gov.uk/committees)

# Ashford Borough Council: Notes of a Meeting of the Overview and Scrutiny Task Group – 21<sup>st</sup> December 2021 (Budget Scrutiny 3)

## Present:

Cllr. Ovenden (Chairman);

Cllrs. Chilton, Harman, Ledger.

## Also Present:

Cllrs. Blanford, Iliffe, Wright.

Head of Finance and IT, Head of Housing, Head of Corporate Property and Projects, Accountancy Manager, Policy and Scrutiny Officer, Member Services Manager.

## 1 Finance

1.1 The Accountancy Manager introduced his papers which responded to Members questions about current borrowing levels and gave an update on the new Prudential Code and the changes to PWLB funding issued the previous day. The report on borrowing focused on both the Capital Financing Requirement and funding and how to best structure the Council's loan portfolio.

1.2 The item was opened up to the Task Group and the following responses were given to questions/comments: -

- Recent changes in interest rates and base lending rates would increase borrowing costs, but were not considered to be a significant risk to the budget. They were still within the anticipated envelope for 2022/23 and there were always options to switch some of the long term borrowing back in to short term borrowing, in-year, to cut costs and negate exposure.
- “Unsupported borrowing” was a slightly old accounting term, but it basically meant that no other body (including Government) would be supporting that funding – it was purely borrowing from the market or internally, and repayments would not be supported by others.
- It was confirmed that Officers were very mindful of restrictions and consequences moving forward if the Council was to consider ‘debt for yield’ opportunities.

1.3 If Members had any further questions on these papers they were encouraged to contact the Accountancy Manager separately.

## 2 Housing

2.1 The Head of Housing gave a presentation picking up on the areas of clarification that the Task Group had requested from her draft budget. The focus was on Housing Options and homelessness which were areas that were consistently a pressure on the budget year on year, and the presentation gave details of the wider background, the 2021 review of the Service and the Service Improvement Plan.

2.2 The item was opened up to the Task Group and the following responses were given to questions/comments: -

- The majority of grant funding to fund the three new posts had been confirmed for three years so there was certainly no significant risk to this year's budget. It would be important to use that time to implement the actions identified in the review to drive down the costs of temporary accommodation. It would be a much more sensible long-term strategy to get those costs under control and then the monies could be reinvested into keeping costs at a stable level. Areas in question would be prevention and working with individuals more closely at the beginning of the homelessness process. If grant funding stopped at some stage in the future they would have to 'cut their cloth accordingly' and make decisions at that stage, but having this opportunity now provided a good base to get costs down and spend the money more wisely.
- The facility at Henwood, whilst important, was only one of the measures to help reduce temporary accommodation costs. Increasing prevention work, better procurement, as well as Christchurch House, Christchurch Lodge and the Rough Sleeper Accommodation Project properties and better 'Move-On' arrangements, would all also help to save money. There was a risk with Henwood as it was subject to the planning process and the wider Stodmarsh issue. It was hoped that it would go through planning in early 2022 and, if approved, could be delivered relatively quickly because of its modular nature. Therefore Officers were optimistic that it could begin to deliver significant savings in the second half of the next financial year. There was concern from the Task Group though, as Henwood formed quite a large part of the overall savings for the next financial year.
- The bid for funding for a new post working with Probation Services had been a joint bid with Folkestone and Hythe District Council. Each Authority had its own dedicated worker, but it was a joint bid.
- Ashford had been particularly successful as a Borough at dealing with homelessness at source and placing individuals in to accommodation. It was important though to determine their circumstances and where they had come from. If individuals had come from other areas it may be necessary to relocate them back to their area because Ashford did not

have a duty to them. It was a complex area and a balance between welfare and potentially becoming an 'open door for Kent' and this approach was supported by homelessness legislation.

- Assumptions of homelessness levels for the coming year had been carefully assessed and a lot of work had been targeted around private landlords and tenants already in arrears. They were hoping to make some real headway with their prevention work and had tried not to be too pessimistic, which would massively increase budgets.

## **Resolved**

**That the points discussed above be considered further in formulating the Task Group's final report on its Scrutiny of the Council's Budget for 2022/23.**

## **3 Corporate Property and Projects**

3.1 The Head of Corporate Property and Projects gave a presentation picking up on the areas of clarification that the Task Group had requested from his draft budget. The presentation was split in to two parts: - the first focusing on Asset Management (Management and Maintenance of the Corporate Estate); and the second focusing on the Commercial Property Portfolio.

### **Asset Management**

3.2 The first part of the presentation introduced the Service, including the different teams within it, the general approach and gave further details of risk areas. This included: - regeneration; procurement and contracts; the recent Service Review and proposed additional resources; the carbon agenda and the large amount of work associated with that; the asset management budget itself; and planned works to 2024.

3.3 This part of the item was opened up to the Task Group and the following responses were given to questions/comments: -

- In relation to the 'just in time' approach that had been adopted, planned maintenance was set yearly and potential projects reviewed on an annual basis and pushed back if unnecessary. They did however have to be aware of their responsibilities and obligations, particularly where tenants were paying rent. Requests were managed via a scoring mechanism in the agreed Asset Management Strategy.
- Carbon neutrality underpinned everything the Service did, from repairs and renewals, improvements, procurement, contract management etc.
- International House had a planned request for £1.25m for roof repairs in 2023/24. A review of this was part of the ongoing Stock Condition Survey work. There was however no impact for the coming financial year.

## **Commercial Property Portfolio**

- 3.4 The second part of the presentation addressed the specific points raised around risks to the Commercial Property Portfolio and performance information.
- 3.5 The Commercial Property presentation was then opened up to the Task Group and the following responses were given to questions/comments: -
- Changing working practices (home/hybrid) and the future need for office space were big considerations. A number of companies were holding over on their leases as a result of this and once things had all become a bit clearer, there would be a need to consider options for longer term use of buildings and/or individual floors. It was an unknown at the moment but if a significant drop in demand did come to pass, there would have to be a wider options appraisal for assets such as International House.
  - In terms of the coming financial year, with the companies holding over, there was always a risk of withdrawals. Early indications were that most would like to retain some office space and there were also other companies still expressing an interest in taking on space if it became available. It was really however too early to have any certainty at this stage. Block B of International House (the DWP) was signed up to 2028 so that income was secure.
  - Debt collection/income from industrial units had remained fairly strong, despite the ongoing pandemic. However the Council was not afraid to intervene if necessary and there had been evictions due to non-payment of rent. It was after all a commercial portfolio.
  - Assets were marketed as widely as possible via local agents and as part of digital transformation work, the Service had created an on-line estate agency window to promote and advertise available space and allow people to express an interest. There was also an element of 'word of mouth' and a good reputation for tenancy management.

### **Resolved**

**That the points discussed above be considered further in formulating the Task Group's final report on its Scrutiny of the Council's Budget for 2022/23.**

## **4 Wrap Up**

- 4.1 It was confirmed that an extra meeting was going to be arranged in the New Year to undertake the Wrap-Up.

**Post Meeting Note: This is now confirmed for Tuesday 11<sup>th</sup> January 2022 at 6pm.**

Councillor Ovenden (Chairman)  
Overview & Scrutiny Task Group – Budget Scrutiny

Queries concerning these minutes? Please contact  
[membersservices@ashford.gov.uk](mailto:membersservices@ashford.gov.uk)

Agendas, Reports and Minutes are available on: [www.ashford.moderngov.co.uk](http://www.ashford.moderngov.co.uk)



# Ashford Borough Council: Notes of the Overview and Scrutiny Task Group Wrap Up meeting – 11<sup>th</sup> January 2022 (Budget Scrutiny 4)

## **Present:**

Cllr. Ovenden (Chairman);

Cllr. Ledger.

## **Apologies:**

Cllr. Chilton, Harman.

## **Also Present:**

Cllrs. Blanford, Burgess, Clokie, Shorter, Wright.

Chief Executive, Deputy Chief Executive, Head of Finance and IT, Accountancy Manager, Development Partnership Manager, Compliance and Data Protection Manager, Policy and Scrutiny Officer, Member Services Officer.

## **1 HRA Business Plan**

- 1.1 The Accountancy Manager introduced this item, following a request by the Task Group Members to review the plan.
- 1.2 In response to a query regarding Other Appropriations and Appropriated Out figures on Page 39, this related to repayment of borrowing and affected the revenue element, so observed repayment of debt.

### **Recommendation:**

**The Task Group noted the report.**

## **2 Wrap Up & Recommendations**

- 2.1 The Policy and Scrutiny Officer gave a presentation that summarised the key points discussed at each Budget Scrutiny meeting, and listed six recommendations that the Task Group would recommend to Cabinet, and one recommendation for the O&S full Committee.
- 2.2 The item was opened up to the Task Group and the following responses were given to questions/comments:-

- The Deputy Chief Executive discussed the issue of Stodmarsh, and he

explained that ABC had identified the need to deliver approximately thirty hectares of wetland to allow the continuation of planning approvals. The Head of Corporate Property & Projects had been trying to identify sites in the Borough and negotiate with landowners, but had not yet been successful in acquiring any land. The Project Green scheme with an area of land near the Designer Outlet had been identified as a potential location. The problem with procurement of this type of land was that there was not an established market, and therefore prices for land for nutrient neutrality were an unknown, and prices could consequently fluctuate quite drastically. Another complication was that farmland could often be held in family or commercial trust, so the process was often long and drawn out. A number of Members met routinely to monitor the delivery of the mitigation land. The Development Partnership Manager added that the Minister for Housing had been made aware of the Stodmarsh situation and the topic was expected to feature on BBC South East today in the coming weeks.

- A Member highlighted the imminent commissioning of the Planning IT system and the prospect of potential mitigation to that risk. The Chairman agreed but explained that the Head of Planning had stated in his presentation that the new IT system would not deliver the £100k savings outlined in the report. He had gone on to say that some opportunities would arise to create revenue, which would go some way to provide savings, but there was still a shortfall of unidentified savings. This raised concerns that there was a hole in the Planning budget going forward. The Chairman's view was that Planning should have some leeway, although he understood that this could be deemed unfair on other Departments, therefore the recommendation was that the Task Group note the concerns, and note that it was a monitoring budget.
- The Chief Executive mentioned the Senior Staff restructure proposals that were currently out for consultation with staff. This looked at potentially making changes, only once feedback had been received from staff. The Consultation Paper would then have to go to Joint Consultative Committee, Cabinet and then Council, so it was still in the very early stages. It was intended that there would be only minimum pressure on any budgets, and particularly not on the 2022/23 budget resulting from the structure review. Further budget pressures could possibly be felt owing to incremental salary increases, which was often the case in other Local Authorities. The final report would be available for the O&S Committee to review.
- The settlement figure from Central Government had been received, and Ashford had not been awarded any additional funding, but in effect had received a real terms reduction. The Government confirmed that it would compensate for NI contributions, but by compensating for the £200k cost, they had then lowered the Lower Tier Grant, which cancelled out the £200k compensation. As a consequence, ABC now had a pressure on the budget of £500,000 which was proposed to be funded from reserves, since it was a one off pressure for this year only. Ashford

had received more New Homes Bonus (NHB), but this was still within the core spending power, so effectively had just been moved from grants into NHB. No NHB was placed into the budget, and the Leader of the Council agreed this funding be split between the Carbon Reduction Project, and Corporate Projects. ABC would respond to the Consultation to state that they, along with some other Kent Authorities, felt penalized and felt that a number of factors should be considered including the EU exit and introducing the Inland Border Facility, the Syrian Refugee Settlement Scheme and Stodmarsh.

- 2.3 The Policy and Scrutiny Officer confirmed the next step was to write the Final Report, which would be submitted to the next O&S Committee Meeting on 8<sup>th</sup> February 2022, and then be submitted to Cabinet on 24<sup>th</sup> February 2022.

### **Resolved**

**That the Recommendations be submitted to the next O&S Meeting on 8<sup>th</sup> February 2022.**

Councillor Ovenden (Chairman)  
Overview & Scrutiny Task Group – Budget Scrutiny

Queries concerning these minutes? Please contact  
[membersservices@ashford.gov.uk](mailto:membersservices@ashford.gov.uk)

Agendas, Reports and Minutes are available on: [www.ashford.moderngov.co.uk](http://www.ashford.moderngov.co.uk)