

HEALTH AND HOUSING SCRUTINY COMMITTEE

Wednesday, 11 January 2023

PRESENT – Councillors Mrs H Scott (Chair), Heslop, Layton and McEwan

APOLOGIES – Councillors Newall, Preston and Wright

ABSENT – Councillors Dr. Chou, Mills and Sowerby

OFFICERS IN ATTENDANCE – Penny Spring (Director of Public Health), Anthony Sandys (Assistant Director - Housing and Revenues), Brett Nielsen (Assistant Director Resources), Claire Gardner-Queen (Head of Housing), Lisa Soderman (Head of Leisure), Victoria Cooling (Public Health Registrar) and Hannah Miller (Democratic Officer)

HH37 DECLARATIONS OF INTEREST

There were no declarations of interest reported at the meeting.

HH38 MEDIUM-TERM FINANCIAL PLAN

The Assistant Director Resources submitted a report (previously circulated) requesting that Members give consideration to the Medium Term Financial Plan (MTFP) for 2023/24 to 2026/27, which had been approved by Cabinet at its meeting on 13 December, as a basis for consultation.

In introducing the report, the Assistant Director Resources reminded Members of the MTFP Briefing that was delivered to Members in December outlining the overall position of the MTFP, and requested that Members of this Scrutiny Committee now consider those services and finances specifically within the remit of this Scrutiny Committee to enable a response to be formulated and forwarded to the Economy and Resources Scrutiny Committee for consideration at its meeting scheduled to be held on 19 January 2023.

The Assistant Director of Resources provided an update on the Local Government finance settlement, which had been received on 19 December 2022, subsequent to the approval of the draft MTFP by Cabinet, and advised on the impact this settlement had on the assumptions made within that approved draft MTFP.

The submitted report stated that in recognition of the significant pressures facing local authority budgets and to help partially meet the pressures faced in Adult Social Care, the proposed Council Tax and Adult Social Care Precept levels had increased for 2023/24, at 2.99 per cent and 2 per cent respectively in line with Government changes to the referendum limits.

It was reported that the Public Health and Housing Revenue Account were the two main funding streams within the remit of this Scrutiny Committee; these were both ring fenced grants; that the 2023/24 Public Health Grant allocation had not been received yet and was currently included at the 2022/23 allocation of £8.831M.

Members entered into discussion regarding scenario planning, the Local Government finance settlement and potential impact of additional monies on future funding; and following a question Members were advised that due to an additional estimated £6.3M funding from the Local Government financial settlement, a fundamental review into services was unlikely to be required in 2023/24.

RESOLVED – (a) That the Economy and Resources Scrutiny Committee be advised that the majority view of this Scrutiny Committee is :-

- i. That the report be noted; and
 - ii. That it be noted that whilst additional funding from the Local Government finance settlement has improved the position of the MTFP for 2023/24, Members remain concerned regarding the medium to long term and the potential requirement for a review of service provision.
- (b) That the Economy and Resources Scrutiny Committee be advised that the minority view of this Scrutiny Committee is that the Council Tax increase of 2.99 per cent plus a 2 per cent Adult Social Care Precept, and the Schedule of Charges be accepted.
- (c) That the Members in attendance at the meeting, in consultation with the Lead Scrutiny Officers supporting this Scrutiny Committee, be given authority to agree the Minutes of this Meeting of the Committee, to enable the Minutes to be considered at a Special Meeting of the Economy and Resources Scrutiny Committee, scheduled to be held on 19 January 2023.

HH39 HOUSING REVENUE ACCOUNT - MTFP 2023-24 TO 2026-27

The Assistant Director Housing and Revenues submitted a report (previously circulated) requesting that Members give consideration to the Housing Revenue Account (HRA)– MTFP for 2023-24 to 2026-27 (also previously circulated).

The Assistant Director Housing and Revenue provided an update on the key decisions within the HRA for 2023-24 which included a proposed revenue expenditure of £26.557M, a proposed Capital Programme of £24.585M and a proposed weekly rent increase of 5 per cent.

It was reported that Councils had the discretion to inflate rents by CPI plus 1 per cent, which would mean a rent increase of 11.1 per cent for 2023-24. Members were advised that a decision was made to cap social housing rent increases at 7 per cent, and taking into account the current economic pressures faced by tenants and balancing this with increased costs of maintaining and improving Council housing and the need to deliver the Councils ambitious capital and energy efficiency programmes, an increase of 5 per cent was recommended which equated to an average £3.69 increase in weekly rents. Members were also informed that Cabinet recommended that service charges be increased by an appropriate inflationary amount.

Reference was made to the consultation exercise undertaken with the Tenants Panel; the Panel fully supported the proposed increase on the annual rent charge, were in support of the spending priorities and energy efficiency work to help reduce tenant's energy bills.

Discussion ensued regarding the service charges with particular concern raised in relation to the increases. The Assistant Director Housing and Revenues informed Members that over 70 per cent of Council tenants had their rent and most service charges covered by Universal Credit or Housing Benefit payments, and that a mid-year review of the service charges for gas and electricity would be undertaken.

RESOLVED – (a) That this Scrutiny Committee supports the average weekly rent increase of 5 per cent for 2023/24, increases to the garage rents and services charges, the budget, Housing Business Plan and capital programme, as appended to the submitted report.

(b) That Members concerns regarding the increases in service charges and the impact on residents and concerns in relation to the Council's Housing Revenue Account subsequent to 2023-24 be noted.