

TO:- Overview & Scrutiny Committee

Councillor Mike Davies , Councillor Philip Davis , Councillor Andrew Adams , Councillor Helen Adams , Councillor Penny Allen , Councillor Jeff Ashley , Councillor Meg Barrow , Councillor Barry Bond M.B.E. , Councillor John Brindle , Councillor Gary Burnett , Councillor Val Chapman , Councillor Bob Cope , Councillor Steph Dufty , Councillor Robert Duncan , Councillor Sue Duncan , Councillor Christopher Evans , Councillor Mark Evans , Councillor Warren Fisher , Councillor Sam Harper-Wallis , Councillor Dr Paul Harrison M.B.E. , Councillor Diane Holmes , Councillor Fiona Hopkins , Councillor Matthew Jackson , Councillor Victor Kelly , Councillor Dan Kinsey B.E.M , Councillor Vincent Merrick , Councillor John Michell , Councillor Rob Nelson , Councillor Martin Perry , Councillor Ray Perry , Councillor Gregory Spruce , Councillor Christopher Steel , Councillor Wendy Sutton , Councillor Sue Szalapski , Councillor Bernard Williams , Councillor Kath Williams

Notice is hereby given that a meeting of the Overview and Scrutiny Committee will be held as detailed below for the purpose of transacting the business set out below.

Date: Tuesday, 23 January 2024

Time: 18:30

Venue: Council Chamber, Council Offices, Wolverhampton Road, Codsall, South Staffordshire, WV8 1PX



D. Heywood
Chief Executive

AGENDA

Part I – Public Session

- | | | |
|----------|--|---------------|
| 1 | Minutes
To approve the minutes of the Overview and Scrutiny Committee meeting of 14 November 2023. | 1 - 2 |
| 2 | Apologies

To receive any apologies for non-attendance. | |
| 3 | Declarations of Interest

To receive any declarations of interest. | |
| 4 | The Councils Medium-Term Financial Strategy 2024/25 - 2028/29 and 2024/25 Budget
Report of the Director of Finance (and Section 151 Officer) and Finance Team Manager | 3 - 32 |

(and Deputy Section 151 Officer)

- | | | |
|----------|---|----------------|
| 5 | UK Shared Prosperity Fund and Rural England Prosperity Fund
Report of the Assistant Director Enterprise and Growth | 33 - 42 |
| 6 | Update on Member Working Groups 2023/24
Report of the Member Working Groups Chairmen and Vice-Chairmen | 43 - 46 |
| 7 | Work Programme 2023/24
Report of the Corporate Director of Governance | 47 - 50 |
| 8 | Exclusion of Press and Public

To resolve that the Press and Public be excluded from the meeting during consideration of the following items on the grounds that they are likely to involve the disclosure of exempt information as defined in paragraph 3 and 5 of Part 1 of Schedule 12(A) to the Local Government Act 1972. | |
| 9 | Future Waste Recycling Provision 1st April 2025 - 31st March 2026
This item is exempt in accordance with Schedule 12A Local Government Act 1972 <ul style="list-style-type: none">• Information relating to the financial or business affairs of any particular person (including the authority holding that information);• Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings; | |

RECORDING

Please note that this meeting will be recorded.

PUBLIC ACCESS TO AGENDA AND REPORTS

Spare paper copies of committee agenda and reports are no longer available. Therefore should any member of the public wish to view the agenda or report(s) for this meeting, please go to www.sstaffs.gov.uk/council-democracy.

Minutes of the meeting of the **Overview & Scrutiny Committee** South
Staffordshire Council held in the Council
Chamber Community Hub,
Wolverhampton Road, Codsall, South
Staffordshire, WV8 1PX on Tuesday, 14
November 2023 at 18:30

Present:-

Councillor Jeff Ashley, Councillor Meg Barrow, Councillor John Brindle, Councillor Gary Burnett, Councillor Bob Cope, Councillor Mike Davies, Councillor Philip Davis, Councillor Steph Dufty, Councillor Robert Duncan, Councillor Sue Duncan, Councillor Christopher Evans, Councillor Mark Evans, Councillor Sam Harper-Wallis, Councillor Dr Paul Harrison, Councillor Diane Holmes, Councillor Fiona Hopkins, Councillor Matthew Jackson, Councillor Victor Kelly, Councillor Dan Kinsey, Councillor Vincent Merrick, Councillor John Michell, Councillor Rob Nelson, Councillor Martin Perry, Councillor Ray Perry, Councillor Gregory Spruce, Councillor Christopher Steel, Councillor Wendy Sutton, Councillor Bernard Williams

17 **MINUTES**

RESOLVED: That the minutes of the meeting of the Overview and Scrutiny Committee held on 26 September 2023 be approved and signed by the Chairman.

18 **APOLOGIES**

Apologies for non-attendance were submitted on behalf of Councillors A Adams, H Adams, P Allen, B Bond, V Chapman, W Fisher, S Szalapski and K Williams.

19 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

20 **CUSTOMER EXPERIENCE IMPROVEMENT PROGRAMME UPDATE**

The Committee received a presentation from the Assistant Director Business Transformation and Digital Technology.

RESOLVED: That the Overview and Scrutiny Committee note progress on the Customer Experience Improvement Programme.

21 **CUSTOMER EXPERIENCE**

The Committee received a report from the Corporate Director - Chief Operating Officer and Corporate Support Team Manager presenting a newly produced 'Our Customer Promise To You' policy document.

RESOLVED: That the Overview and Scrutiny support the Our Customer Promise to You and note the recommendations for roll-out.

22 **PEER REVIEW PROGRESS UPDATE**

The Committee received the update of the Corporate Director - Chief Operating Officer on the Peer Review progress meeting feedback from the Local Government Association peer review team.

RESOLVED: That the Overview and Scrutiny Committee note the content

of the Peer Review Progress Report.

23 **MEMBER WORKING GROUPS UPDATE**

The Committee received an update from the Member Working Groups Chairmen and Vice Chairmen.

RESOLVED: That the Overview and Scrutiny Committee note the progress to date of the Member Working Groups on the Council Plan, Community Engagement, and, Climate Change.

24 **WORK PROGRAMME**

The Committee received a report from the Corporate Director of Governance.

RESOLVED: That the Overview and Scrutiny Committee note the report.

The Meeting ended at: 19:25

CHAIRMAN

SOUTH STAFFORDSHIRE COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE – 23 JANUARY 2023

THE COUNCIL'S MEDIUM-TERM FINANCIAL STRATEGY 2024/25 – 2028/29 AND 2024/25 BUDGET

REPORT OF THE DIRECTOR OF FINANCE (AND SECTION 151 OFFICER) AND FINANCE TEAM MANAGER (AND DEPUTY SECTION 151 OFFICER)

LEAD CABINET MEMBER – COUNCILLOR ROGER LEES, LEADER OF THE COUNCIL

1. Summary

- 1.1 This report sets out the Medium-Term Financial Strategy (MTFS) for the period 2024/25 to 2028/29, projected revenue expenditure for 2023/24, and the Capital Programme for 2024/25 to 2028/29.
- 1.2 The proposals presents a three-year balanced budget achieved through the use of General Fund reserves until 2026/27.
- 1.3 The provisional Local Government Finance Settlement was announced on 18 December 2023 and this report incorporates the detail provided within the statement.
- 1.4 It is proposed that, subject to the final Local Government Finance Settlement, Members agree to increase Council Tax by £5 and utilise **£1.548m** of General Fund reserves in 2024/25.

2. Recommendations

- 2.1 It is recommended that Members scrutinise the proposals, in particular:
 - a) Members support this report together with the draft Medium-Term Financial Strategy (MTFS), revenue estimates and capital programme for the 2024/25 budget for consultation with stakeholders. In particular:
 - b) Members note the updated draft MTFS position and the revised revenue estimates for 2023/24 and 2024/25;
 - c) Members note the reconciliation for the previous approved MTFS to the updated draft MTFS;
 - d) Members support the revised capital programme;
 - e) Members support that the minimum level of general fund reserves is maintained at £1.5m;

- f) Members note that the Leader of the Council be authorised to make any necessary amendments to include any late information or to correct any errors or omissions

3. Summary Impact Assessment

POLICY/COMMUNITY IMPACT	Do these proposals contribute to specific Council Plan objectives?	
	Yes	The budget is the financial expression of the Council's priorities and therefore underpins the Council Plan.
	Has an Equality Impact Assessment (EqIA) been completed?	
	No	Budget / MTFS assumptions and forecasts do not impact on equality issues.
SCRUTINY POWERS APPLICABLE	Overview & Scrutiny Committee on 23 January 2024 – the final decision will be taken at Council on 20 February 2024.	
KEY DECISION	No – Council decision	
TARGET COMPLETION/ DELIVERY DATE	March 2024	
FINANCIAL IMPACT	Yes	As set out in the report.
LEGAL ISSUES	Yes	<p>The Council has a legal obligation to set a balanced budget (s32 of the Local Government Finance Act 1992) and must make three calculations namely:</p> <ul style="list-style-type: none"> • an estimate of gross revenue expenditure; • an estimate of anticipated income; and • a calculation of the difference. <p>The amount of the budget requirement must be sufficient to meet the Council's budget commitments and ensure a balanced budget. The 2024/25 budget requirement must leave the Council with adequate financial reserves. The level of budget requirement must not be unreasonable having regard to the Council's fiduciary duty to its Council Tax payers and non-domestic rate payers.</p> <p>Section 151 of the Local Government Act 1972 places a general duty on local authorities to make arrangements for 'the proper administration of their financial affairs'.</p>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	<p>The relevant risk (per the Strategic Risk Register) is:</p> <ul style="list-style-type: none"> • Budget pressures, increased income volatility and uncertainty as to the future of local government finance – The budget, the MTFS and the financial stability of the Council is severely impacted by reductions and/or changes in the way in which local government is financed.
IMPACT ON SPECIFIC WARDS	No	

4. Background

- 4.1 The aim of the Medium-Term Financial Strategy (MTFS) is to pull together all known factors affecting the financial position and financial sustainability of the Council over the medium term. The MTFS balances the financial implications of objectives and policies against constraints in resources and provides the basis for decision making. This MTFS covers 2024/25 to 2028/29 and highlights the various financial challenges facing the Council over this period.
- 4.2 The Local Government Finance Policy Statement was issued on 5 December 2023 and confirmed the following:
- Business Rates baseline funding levels and compensation (Section 31) grants will be increased by CPI
 - Revenue Support Grant will increase by CPI
 - Council Tax referendum limit of 3% or £5 for shire district councils
 - Minimum Funding Guarantee will ensure that all authorities see a 3% increase in core spending power before any decision on organisational efficiencies, use of reserves and council tax levels
 - New Homes Bonus will continue in 2024/25
 - Services Grant will reduce and the remainder to be distributed using the Settlement Funding Assessment distribution methodology
- 4.3 There continues to be significant levels of uncertainty around when the 'Business Rates Reset' or funding reform will be implemented and what impact this may have. The intention of this will be for the baseline need for local authorities to be re-assessed which will affect the amount of Business Rates that the Council is able to retain. This is a significant strategic risk for the Council.
- 4.4 Despite this uncertainty, the Council is still required to prepare an MTFS and therefore must use several assumptions in doing this. These assumptions are set out later in the report.
- 4.5 The state of the economy continues to be volatile and provides a challenging environment in which to set the budget. Although local government has largely recovered from the impact of COVID-19, some behaviours have changed in the long-term and this continues to affect some councils. There is also the 'cost of living' crisis, exacerbated by the war in Ukraine and the potential impact of conflict in the Middle East.

5. Annual Budget Setting Cycle and Timetable

- 5.1 The construction of the budget and the MTFS involves a number of key stages designed to ensure the budget is robust:
- Identification of budget issues as part of budget monitoring which is reported to Corporate Leadership Team and Cabinet on a quarterly basis;
 - Assembly of savings, efficiencies and additional budget requirements (Oct – Dec);
 - All member Resource Planning and Prioritisation Briefing Session (Dec 2023);
 - Decision on Draft Budget – (Cabinet 9 January 2024);

- Consultation with Stakeholders (10 January 2024 – 26 January 2024);
- Overview and Scrutiny Committee consider the draft budget – (23 January 2024);
- Cabinet Review of Final Budget – (Cabinet 6 February 2024);
- Approval by Council – (20 February 2024);

6. **2024/25 Budget and Updated MTFS 2024/25 – 2028/29**

6.1 The MTFS has been updated for the period 2024/25 to 2028/29 and is summarised below:

Table 1: Updated MTFS and Annual Revenue Budgets

	2023/24		2024/25	2025/26	2026/27	2027/28	2028/29
	ORIGINAL BUDGET	PROJECTION (Q2)					
	£000	£000	£000	£000	£000	£000	£000
Total Service Expenditure	19,732	19,810	21,601	21,803	23,162	23,828	24,023
Capital Financing and Treasury	(671)	(1,009)	(731)	(255)	(133)	109	254
Net Expenditure	19,061	18,800	20,870	21,547	23,029	23,938	24,277
Total Funding	(17,289)	(19,168)	(19,322)	(20,369)	(18,200)	(21,602)	(22,376)
Forecast Annual (Surplus)/Deficit	1,772	(368)	1,548	1,179	4,829	2,335	1,901
Use of Collection Fund reserve					(2,000)		
Forecast Annual (Surplus) / Deficit	1,772	(368)	1,548	1,179	2,829	2,335	1,901

Table 2: Updated General Fund Reserves

	2023/24		2024/25	2025/26	2026/27	2027/28	2028/29
	ORIGINAL BUDGET	PROJECTION (Q2)					
	£000	£000	£000	£000	£000	£000	£000
Opening Balance 1st April	(8,672)	(8,672)	(7,755)	(6,207)	(5,028)	(2,199)	137
Closing General Fund Reserves 31st March	(6,900)	(7,755)	(6,207)	(5,028)	(2,199)	137	2,038

- 6.2 The above tables show that General Fund reserves are forecast to remain above minimum levels (set at £1.5m) until partway through the 2027/28 financial year. This continued reliance on General Fund reserves is unsustainable and will need to be addressed if increased Business Rates income is not generated as anticipated.
- 6.3 The draft budget for 2024/25 and the detailed draft MTFS are set out in full in Appendix 1.
- 6.4 The following key assumptions have been made in preparing the updated MTFS:

- Pay Award 4.5% 2024/25; 3% in 2025/26 and 2% thereafter
- Council Tax increases by £5 in each year and a gradual increase in the base across the 5 years
- General inflationary increase of 4.6% in 2024/25 and 2% in future years except in cases where contractual inflations are known to be different
- Business Rates reset assumed to happen in 2026/27 with transitional protection of 50% in first year and 25% in second year
- Stable Business Rates until inclusion of West Midlands Interchange (WMI), ROF Featherstone and i54 in 2027/28 (at mid-case estimates)
- Continued high interest rates but reducing across the years
- New Homes Bonus ceasing after 2024/25 and replaced with Funding Guarantee until 2026/27
- £1m set aside in Earmarked Reserves for the potential costs of temporary accommodation but nothing built into ongoing revenue budget currently

Reconciling the current updated MTFS to the Feb 2023 Approved MTFS

6.5 Changes need to be made to the Council's budget and MTFS to keep them up to date and robust. These changes have been summarised in Table 3 below.

Table 3: Reconciliation of Previous and Updated MTFS

	Note	2024-25 (£000)	2025-26 (£000)	2026-27 (£000)	2027-28 (£000)
Deficit as at Feb 2023 MTFS		1,320	1,972	4,122	4,676
Movements/Changes: -					
Pay Inflation	1	251	349	332	343
Contract Inflation	2	171	179	184	192
Income Reduction	3	76	61	56	38
RPP Decisions	4	180	(171)	607	470
Business As Usual Amendments	5	276	307	406	413
Interest on Balances	6	(260)	(170)	(137)	(87)
Costs of Capital	7	0	129	168	280
Removal of New Homes Bonus	8	7	325	0	0
Services Grant Changes	9	85	(1)	49	100
Revenue Support Grant/ Business Rates	10	(1,741)	(2,282)	(496)	(4,084)
Council Tax Receipts	11	14	9	(11)	(12)
Application of Collection Fund Reserve	12	1,000	1,027	(2,000)	0
Collection Fund Surplus/Deficit	13	299	0	0	0
Funding Guarantee	14	(122)	(557)	(454)	0
Other	15	(8)	1	3	5
Total Changes		228	(793)	(1,293)	(2,342)
Deficit as at Dec 2023 MTFS		1,548	1,179	2,829	2,335

The main changes are as follows:

- 1 Pay Inflation.** The MTFS approved in February 2023 assumed a Local Government pay award of 5% for 2023/24, 3% in 2024/25 and 2% thereafter. Due to the economic uncertainty, a Pay and Inflation Earmarked Reserve was also created to protect the General Fund from higher than anticipated pay awards.

The 2023/24 pay award was actually settled as a flat increase in annual salaries of £1,925 per annum per full time equivalent post.

The financial impact of the 2023/24 award plus the updated assumptions set out in paragraph 6.4 are shown in Table 3.

- 2 Contract Inflation.** Outside of known contractual increases, a standard 2% inflation had been applied in the previous MTFS. A recurring budget of £150,000 in 2023/24, increasing to £200,000 in the following year was also created. This could be drawn upon, with the approval of the Leader and S151 Officer if any budgets across the Council required support for unavoidable inflationary increases. In addition to this resource, further resources were added to the Inflation Earmarked Reserve.

Due to the continuing high levels of inflation, a 4.6% increase has been applied in 2024/25 reducing to 2% thereafter. This is based on October 2023 CPI.

- 3 Income Reduction** There has been a reduction in the income target for crematoria and recycling credits paid by Staffordshire County Council.
- 4 Resource Planning and Prioritisation (RPP)** Appendix 2 to this report itemises key budget changes that have arisen from service developments and decisions requiring Member approval and/or ratification.
- 5 Business As Usual Impacts** Appendix 3 to this report details increases (or decreases) to the costs incurred by the Council where the costs of delivering service in accordance with existing policies have changed since the previous MTFS (excluding those caused by inflation and detailed above).
- 6 Interest on Balances** Increases to the base rate have continued to have a positive impact on the Council since the last MTFS as interest earned on cash balances has increased materially. It is now assumed that these rates will slowly reduce over the period of the MTFS resulting in lower levels of investment income moving forward.
- 7 Costs of Capital** This refers to the interest costs of borrowing and the provision the Council must set aside for repayment of principal for financing the Capital Programme (referred to as the Minimum Revenue Provision (MRP)). Three projects have been put forward to be added to the Capital Programme therefore resulting in an increase in this provision. The projects are: -

- Replacement of leisure equipment £641k
- Car Park improvements £360k
- Street Scene fleet replacement £551k

8 New Homes Bonus It has been assumed that there will be no further New Homes Bonus funding after 2024/25. However, this has meant that the increase in the Council's core spending power will fall below the 3% outlined in the Policy Statement and will attract a Funding Guarantee in years 2024/25 to 2026/27.

9 Services Grant The previous MTFS had assumed this grant would reduce across the 5-year period. The Policy Statement confirmed further reductions in this grant and this has now been included in the updated MTFS.

10 Retained Business Rates Section 8 provides further information on the changed assumptions in Business Rates

11 Council Tax Receipts Section 7 provides further information on the bases for the Council Tax income included in the MTFS.

12 Application of Earmarked Reserves The Council holds an Earmarked Reserve to protect against the volatility in Business Rates income. The previous MTFS assumed that this would be used equally across the years 2023/24 to 2025/26. An improved financial position for 2023/24 has meant that this is no longer required and the reserve is projected to remain at a level of approximately £3m.

The updated MTFS makes use of £2m of this reserve in 2026/27 to reduce the impact of the Business Rates reset. The remaining £1m is to be set aside in a new reserve for Temporary Accommodation pressures.

13 Collection Fund Surplus/Deficit The Collection Fund is the statutory account that deals with Council Tax and Business Rates. Each year the Council has to estimate whether this will be in surplus or deficit and at what value. Any surplus or deficit is required to be carried forward into the following financial year. It is currently estimated that the Collection Fund will be in a deficit of £299k at the end of 2023/24 and this will be required to be carried forward into 2024/25.

14 Funding Guarantee. The government has committed to providing a Funding Guarantee to Councils where their core spending power does not increase by at least 3%. It is assumed that this will also continue in the following two years. The estimated allocations of this are £122k in 2024/25, £557k in 2025/26 and £454k in 2026/27. As explained in note 8, the main reason for the increased allocation from 2025/26 is the loss of New Homes Bonus funding.

15 Other Minor other changes not categorised above.

7. Council Tax

7.1 It has been assumed that Members will agree to increase Council Tax by £5 for a Band D equivalent property in all years of the MTFS. This is the maximum allowable increase in Council Tax without a referendum.

7.2 Table 4 below details the current South Staffordshire Tax Base, the estimated growth in this tax base across the MTFS and the impact this has on Council Tax receipts for the Council.

Table 4, Council Tax Assumptions within the MTFS

	2024/25	2025/26	2026/27	2027/28	2028/29
Assumed Tax Base (Total Number of Band D Equivalent Properties)	39,914	40,239	40,574	40,774	40,974
Council Tax – Band D (£)	140.34	145.34	150.34	155.34	160.34
Council Tax Increase (£)	5.00	5.00	5.00	5.00	5.00
Total Council Tax Receipts (£000)	5,602	5,848	6,100	6,334	6,570

8. Business Rates

- 8.1 Business Rates income is the largest source of funding for the Council and therefore a significant risk. Business Rates are a volatile income type and can be easily influenced by the economic environment.
- 8.2 The Council's ability to utilise General Fund reserves in the earlier years of the MTFS are largely dependent on the knowledge that significant Business Rates income growth will be realised with the development of West Midlands Interchange (WMI) and ROF Featherstone in future years. The estimated income from these developments is based on 'mid-case' scenarios and could be significantly higher or lower than assumed.
- 8.3 The mid-case scenario has been used due to two areas of uncertainty; (1) the timing and impact of the Business Rates reset and (2) the completion of the developments and sale of units.
- 8.4 Over recent years, the government have issued various documents discussing the need for funding reform and a reset of the accumulated Business Rates growth currently held by councils. However, this has been delayed for several reasons and the government have again confirmed in the 2024/25 Policy Statement that 'now is the time for stability and continuity, and we will therefore not be pursuing any fundamental reforms to the system'.
- 8.5 In the absence of any firm plans from the government, the updated MTFS assumes that funding reform and the Business Rates reset will happen in 2026/27, at which point the Council will 'lose' any growth in Business Rates to date.
- 8.6 It is also assumed that there will be an element of transitional protection; 50% of the loss in funding in 2026/27 and 25% in 2027/28. There is currently no information from the government on this therefore this is an internal assumption based on the awareness of the financial strain on local authorities and that the sector would be unable to deal with a 'cliff edge' in funding in one year. This is however a significant risk for the future of the MTFS, particularly if the government decide not to provide transitional protection as they consider that councils have had sufficient 'notice' of the potential changes. Section 9 below provides some sensitivity analysis in this area.
- 8.7 Table 5 below shows the level of Business Rates income assumed in the current MTFS.

Table 5: Business Rates income assumed in the current MTFS

	2024/25	2025/26	2026/27	2027/28	2028/29
	£000	£000	£000	£000	£000
Business Rates income (including S31 grants, tariff, pool returns & levy)	6,624	6,624	3,300	3,400	3,500
Growth from WMI & ROF Featherstone	119	722	0	4,317	5,521
Growth from i54 Western Extensions				250	250
Transitional Protection			1,662	831	
Total	6,743	7,346	4,962	8,798	9,271

- 8.8 The Council holds an earmarked reserves to cover the volatility in Business Rates income and to also prepare for the impact of funding reform. The MTFS assumes that £2m of this will be used in 2026/27 to reduce the impact of the Business Rates reset.

9. **Sensitivity Analysis**

Business Rates

- 9.1 Table 6 below indicates how changes to the broad assumptions made, particularly from 2026/27 could impact upon the level of General Fund reserves held by the Council.

Table 6: Sensitivity Analysis: Impact of Business Rates Retention scenarios on General Fund Balance forecasts

GENERAL FUND BALANCE	2024/25	2025/26	2026/27	2027/28	2028/29
	£000	£000	£000	£000	£000
Optimistic Scenario No Business Rates Reset and WMI & ROF Featherstone at mid-case	(6,207)	(5,028)	(3,861)	(3,918)	(5,141)
Current MTFS Assumptions Business Rates Reset in 2026/27; Transitional Protection 50% in first year and 25% in second year; continued arrangements for retaining growth; WMI & ROF Featherstone at mid-case	(6,207)	(5,028)	(2,199)	137	2,038
Pessimistic Scenario Business Rates Reset in 2026/27; No Transitional Protection and 25% reduction in ability to retain growth after reset	(6,207)	(5,028)	(537)	3,709	6,990

- 9.2 This shows that under the 'Optimistic Scenario' General Fund reserves are projected to reduce to £3.918m at the end of 2027/28, whereas under the 'Pessimistic Scenario' there

would be a deficit position of £3.709m. These are compared to the MTFS scenario which would result in £0.137m deficit at the end of 2027/28.

- 9.3 Whilst the optimistic and pessimistic scenarios are considered unlikely, this does demonstrate the impact that changes in the Business Rates Retention Scheme (and any linked funding reform) could have on the Council's MTFS. It is therefore important that the Council considers future options in the event of a material reduction in the expected Business Rates growth from WMI and ROF Featherstone.

Commercial Income

- 9.4 Table 7 below shows the impact of different occupancy levels of the Council's commercial units on the General Fund balance.

Table 7 Sensitivity Analysis – Impact of changes in occupancy rates on commercial rent income and General Fund Balance

GENERAL FUND	2024/25	2025/26	2026/27	2027/28	2028/29
	£000	£000	£000	£000	£000
Optimistic Assumption 100% Occupancy	(6,259)	(5,150)	(2,393)	(130)	1,696
Current MTFS Assumption 97.5% Occupancy	(6,207)	(5,028)	(2,199)	137	2,038
Pessimistic Assumption 92.5% Occupancy	(6,155)	(4,906)	(2,005)	404	2,380

- 9.5 Current occupancy levels in commercial units is at 98.5% therefore the pessimistic scenario would require a significant vacation of premises which is unlikely. Likewise, it is unusual for any commercial asset portfolio to have a consistent occupancy of 100%.
- 9.6 This shows that the Council's budget is less susceptible to changes in commercial rent income than Business Rates income. However, it is still important that this income is regularly monitored, and debt recovery processes are robust. The Council is currently in the process of attempting to move all tenants to direct debit as their payment methods which will also reduce the possibility of bad debts.
- 9.7 In view of the above sensitivity analyses, it is considered that the assumptions applied to the updated MTFS are balanced and prudent. However, these areas are high risk and therefore require regular review and monitoring.

10. Capital Programme

- 10.1 The full capital programme over the period to 2028/29 is detailed in **Appendix 3** to this report and is summarised below in Table 8.

Table 8: Medium Term Capital Programme (2023/24 to 2028/29)

2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
---------	---------	---------	---------	---------	---------

£000	£000	£000	£000	£000	£000
12,183	11,971	1,714	1,796	1,493	1,486

11. Earmarked Reserves

- 11.1 In addition to the General Fund Balance the Council also has Earmarked Reserves which are set aside for a specific purpose.

Table 9: Analysis of General Fund and Earmarked Reserves (Opening balances for 2023/24)

	Balance at 31st March 2023 £000
General Fund Reserve	8,672
Earmarked Reserves	6,996
Total Usable Revenue Reserves	15,668

- 11.2 The Council's Earmarked Reserves are set out in Appendix 7. A categorised summary of these is detailed below in Table 10.

Table 10: Summary Analysis of Earmarked Reserves

DESCRIPTION	Balance at 31//03/23	Use in 2023/24	Transfers 2023/24	Projected Balance 31/03/24
	£000	£000	£000	£000
Corporate Priorities	74	0	(16)	58
Investment in assets & resources	1,552	4	(16)	1,540
Member Priorities	0	254	141	395
Ringfenced Grants & Funding	1,368	(19)	0	1,349
Risk & Uncertainty	3,099	313	0	3,412
Service Teams	489	(97)	(109)	283
Transformation	414	(120)	0	294
Total Earmarked Reserves	6,996	335	0	7,331

- 11.3 Earmarked Reserves are regularly reviewed as part of the budget monitoring and risk management process and transfers made if new or emerging pressures become likely. The Section 151's statement on the adequacy of reserves is in Appendix 6.

12. Risks & Mitigations

- 12.1 There are always risks when preparing an MTFs as it is necessary to make assumptions in several areas due to the time period covered. These assumptions have already been set out earlier in the report.
- 12.2 Generally, the current level of Council reserves (General Fund and Earmarked) allows time to plan ahead and mitigate against most risks. However, it is important that these plans are made as early as possible so that they can be implemented if and when necessary.
- 12.3 Table 11 below highlights the main risks and how these can or have been mitigated.

Table 11: Risks and Mitigations

Risk	Mitigation
Business Rates reset happens in 2025/26 not 2026/27	<p>This is highly unlikely given the impending General Election which is due during 2024.</p> <p>General Fund reserves and Earmarked Reserves are in a healthy position which will still provide time to plan for the impact of this.</p> <p>The Council holds an Earmarked Reserve of approximately £2.8m to cover Business Rates volatility.</p>
WMI & ROF Featherstone growth does not materialise	<p>The assumptions around this are prudent and only include a mid-case scenario. The significant growth is not included until 2027/28 and indications that this will not happen would be seen well in advance of that date. This allows time to plan for alternative budget positions.</p> <p>The Council holds an Earmarked Reserve of approximately £2.8m to cover Business Rates volatility.</p>
The government does not provide transitional protection as part of a Business Rates reset	<p>The government will be required to issue a consultation prior to any funding reform which will allow time for the Council to understand the potential implications.</p> <p>The next MTFs process will need to include discussions about alternative budget options in the case of current assumptions being over-optimistic.</p>
Inflation levels continue at a higher rate than expected	<p>The Council holds a Pay and Inflation reserve (estimated balance of £458k by the end of 2023/24) which is able to substantially cover this risk.</p>
Temporary accommodation costs are higher than set aside in Earmarked Reserves	<p>General Fund reserves are at a healthy level and can cover some of this. There are also a number of other Earmarked Reserves that could be redesignated</p>

Risk	Mitigation
	(although this would impact on other Council Plan priorities).

13. **Conclusion**

- 13.1 The level of the Council's General Fund and Earmarked Reserves means that it is possible to produce a balanced budget for the next three years in an uncertain operating environment. The Council is alert to the risks in the current MTFS and will be considering alternative options if any of those risks do materialise.
- 13.2 The budget is judged to be prudent and deliverable and is therefore recommended to Members for approval.

14. **Appendices**

Appendix 1 – MTFS 2024/25 to 2028/29

Appendix 2 – Resource Planning and Prioritisation (RPP) & BAU Amendments

Appendix 3 – Capital Programme – Summary of Capital Investment Plans

Appendix 4 – Cabinet Summaries (MTFS)

Appendix 5 – Form of Resolution to approve the budget and set the council tax

Indicative at this stage ahead of Parish Council's setting Council Tax

Appendix 6 – Report on the robustness of estimates and adequacy of reserves

Appendix 7 - Earmarked Reserves Analysis

Report prepared by:

Rebecca Maher, Director of Finance (Section 151 Officer)

John Mayhew, Finance Team Manager (Deputy Section 151 Officer)

APPENDIX 1 – MTFs 2024/25 TO 2028/29

	2023/24		2024/25	2025/26	2026/27	2027/28	2028/29
	ORIGINAL	PROJECTED OUTTURN AT M6	ESTIMATE	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		£000s					
Business Enterprise and Community Infrastructure	1,441	1,304	1,140	1,275	1,340	1,395	1,421
Community Services	5,233	5,104	5,953	6,206	7,245	7,395	7,525
Corporate Services	4,129	4,222	4,215	4,456	4,590	4,921	4,780
Digital Transformation & Estate Management	1,760	1,874	1,485	827	818	821	874
Regulatory Services	845	845	890	979	1,003	1,023	1,041
Welfare Services	1,296	1,432	1,637	1,716	1,759	1,802	1,848
	14,704	14,782	15,320	15,459	16,755	17,358	17,487
Other Service Expenditure							
i54 Enterprise Zone	5,028	5,028	6,281	6,343	6,407	6,471	6,536
Total Other Service	5,028	5,028	6,281	6,343	6,407	6,471	6,536
Total Service Expenditure	19,732	19,810	21,601	21,803	23,162	23,828	24,023
Capital Financing and Treasury							
Investment Income	(562)	(900)	(680)	(455)	(316)	(192)	(110)
Borrowing Costs	235	235	235	350	350	351	350
Minimum Revenue	551	551	640	761	706	712	712
MRP Increase			0	15	53	164	228
Dpcn incl in Service	(895)	(895)	(926)	(926)	(926)	(926)	(926)
Capital Financing and Treasury	(671)	(1,009)	(731)	(255)	(133)	109	254
Net Expenditure	19,061	18,800	20,870	21,547	23,029	23,938	24,277
Funding:							
New Homes Bonus	(659)	(659)	(643)				
Services Grant	(91)	(95)	(15)	(51)	(51)		
RSG			(216)	(223)	(226)		
Minimum Funding			(122)	(557)	(454)		
Ordinary Net Retained	(5,000)	(7,000)	(6,624)	(6,624)	(3,300)	(3,400)	(3,500)
Collection Fund			299				
BR 'Transitional Funding					(1,662)	(831)	
Delays to Fair Funding	(150)						
Business Rates Western						(250)	(250)
Sources of Finance			(119)	(722)		(4,317)	(5,521)
Application of Collection	(1,000)	(1,000)					
Enterprise Zone	(5,028)	(5,028)	(6,281)	(6,343)	(6,407)	(6,471)	(6,536)
Council Tax Receipts	(5,361)	(5,386)	(5,602)	(5,848)	(6,100)	(6,334)	(6,570)
Total Funding	(17,289)	(19,168)	(19,322)	(20,369)	(18,200)	(21,602)	(22,376)
Forecast Annual Deficit	1,772	(368)	1,548	1,179	4,829	2,335	1,901
Use of Collection Fund Reserve					(2,000)		
Forecast Annual (Surplus) / Deficit	1,772	(368)	1,548	1,179	2,829	2,335	1,901

APPENDIX 2: RPP & BAU ITEMS

Business Enterprise & Community Services	2024/25 (£000)	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)
Increase in planning fees	(248)	(248)	(248)	(248)	(248)
Increase in charge for PPA Agreements	(45)	(45)	(45)	(45)	(45)
Income from biodiversity credits	(35)	(35)	(35)	(35)	(35)
Total reductions in budget (savings)	(328)	(328)	(328)	(328)	(328)
Increased contribution for Building Control Service	16	35	55	58	58
Investment in BOT Auto fill forms	15	15	16	16	16
Investment in AI Technology for data validation	15	15	16	16	16
Staff Retention Fund	0	50	50	50	50
Apprentice – Planner	18	18	18	25	0
Total increases in budget	64	133	154	165	141
Total	(264)	(195)	(174)	(163)	(188)

Community Services	2024/25 (£000)	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)
Closed Churchyards Sink Fund	25	25	25	25	25
Implementation of the Environment Act 2021 and Environmental Improvement Plan 2023		100	1,000	1,000	1,000
Salary costs of a permanent Tree Surveyor	42	43	44	45	46
Increase in the budget for car park maintenance & repairs	10	10	10	10	10
Baggeridge – increase in budget for the cost of a seasonal/casual ranger	17	17	17	17	17
Total increases in budget	94	195	1,096	1,097	1,098
Uplift of savings agreed as part of previous MTFS	(50)	(50)	(50)	(50)	(50)
Inflationary increase in cost of garden permits in 2024/25 & 2025/26	(85)	(87)	(87)	(87)	(87)
Total reductions in budget (savings)	(135)	(137)	(137)	(137)	(137)
Total	(41)	58	959	960	961

Corporate Services	2024/25 (£000)	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)
Reduction in budgeted contribution to Pension Fund in future years			(120)	(240)	(360)
Total			(120)	(240)	(360)

Digital Technology & Service Transformation	2024/25 (£000)	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)
Additional Senior Surveyor & Admin Support	85	89	92	96	100
Renewal of Capita Contract	30	30	30	30	30
Total Pressures/Additions to Budget	115	119	122	126	130
Re-profiling of commercial estates income	306	(191)	(216)	(245)	(245)
Sink Fund adjustment	15	(10)	(11)	(12)	(12)
Total Savings	321	(201)	(227)	(257)	(257)
Total	436	(82)	(105)	(131)	(127)

Welfare Services	2024/25 (£000)	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)
Reduction in income expected from Housing Benefit overpayments due to move to Universal Credit and improved debt recovery	175	200	200	200	200
Total Pressures/Increases in Budget	175	200	200	200	200

APPENDIX 3 – CAPITAL PROGRAMME

	Budget 2024/25 £000	Budget 2025/26 £000	Budget 2026/27 £000	Budget 2027/28 £000	Budget 2028/29 £000	Total £000
Digital Transformation & Estate Management						
Replacement of workstations	45	45	45	45	45	225
Civica Licences	0	0	0	0	125	125
Digital Services Storage Area Network	0	100	0	0	0	100
Digital Services Core Chassis Switch 2025/26	0	90	0	0	0	90
Digital Services - vSAN switches & vSan Hosts	120	0	0	0	0	120
Digital Services - server room battery	0	0	10	0	0	10
Digital Services - Core Network Switches	0	100	0	0	0	100
Asset Strategy	1,819	0	0	0	0	1,819
Asset Strategy - Wombourne development	2,400	0	0	0	0	2,400
Asset Strategy - Unit4E Four Ashes	2,520	0	0	0	0	2,520
Total	6,904	335	55	45	170	7,509
Welfare Services						
Renovation and Disabled Facilities Grants	1,127	1,127	1,127	1,127	1,127	5,633
Total	1,127	1,127	1,127	1,127	1,127	5,633
Community Services						
Refuse Vehicles (new contract)	3,046	0	0	0	0	3,046
Waste Bins (new contract)	790	0	0	0	0	790
Leisure Centre Air Conditioning	13	0	0	0	0	13
Car park resurfacing	36	120	120	0	0	276
Leisure Centre equipment replacement	20	42	120	269	190	641
Street Scene & Baggeridge vehicles	35	90	374	53	0	551
Total	3,940	252	614	321	190	5,318
GRAND TOTAL	11,971	1,714	1,796	1,493	1,486	18,460

APPENDIX 4 – CABINET SUMMARIES

	2024/25	2025/26	2026/27	2027/28	2028/29
BUSINESS ENTERPRISE AND COMMUNITY INFRASTRUCTURE					
	£'000	£'000	£'000	£'000	£'000
Building Control					
Building Control	52	71	91	94	97
Total Building Control	52	71	91	94	97
Development Control					
Developmental Control	34	121	146	179	181
Total Development Control	34	121	146	179	181
Economic Development					
Economic Development	274	285	290	296	303
Total Economic Development	274	285	290	296	303
Enforcement					
Planning Enforcement	230	234	239	243	247
Total Enforcement	230	234	239	243	247
Land Charges					
Land Charges	(8)	(8)	(8)	(8)	(9)
Total Land Charges	(8)	(8)	(8)	(8)	(9)
Local Plan					
Energy Conservation	7	7	7	7	7
Local Plans	423	435	443	451	459
Total Local Plans	430	441	449	457	465
Localities					
Localities	129	132	133	134	137
Total Localities	129	132	133	134	137
Total Business Enterprise and Community Infrastructure	1,140	1,275	1,340	1,395	1,421

	2024/25	2025/26	2026/27	2027/28	2028/29
COMMUNITY SERVICES					
	£'000	£'000	£'000	£'000	£'000
Baggeridge Country Park					
Baggeridge Country Park & Railway Walk	158	160	164	166	168
Total Baggeridge Country Park	158	160	164	166	168
Climate Change					
Climate Change	54	58	60	62	63
Total Climate Change	54	58	60	62	63
Landscape & Bereavement					
Cemetery	(241)	(260)	(270)	(268)	(291)
Total Landscape and Bereavement	(241)	(260)	(270)	(268)	(291)
Leisure Services					
Cheslyn Hay Leisure Centre	286	294	299	304	309
Codsall Leisure Centre	170	172	175	177	180
Facilities Development	259	264	268	272	277
Leisure Development Fund	0	0	0	0	0
Penkridge Leisure Centre	164	169	171	172	174
Wombourne Leisure Centre	84	83	84	83	82
Total Leisure Services	963	981	996	1,008	1,023
Recycling					
Recycling	121	123	125	127	129
Total Recycling	121	123	125	127	129
Refuse Collection					
Refuse Collection Client	3,393	3,592	4,593	4,696	4,800
Total Refuse Collection	3,393	3,592	4,593	4,696	4,800
Street Scene					
Car Parking	19	19	20	21	21
Environmental Improvements	7	7	7	7	7
Highways & Lighting	79	81	83	85	87
Land Drainage	4	5	5	5	5
Lane Green Depot	17	17	17	18	18
Street Scene	1,276	1,316	1,337	1,359	1,382
Total Street Scene	1,403	1,445	1,468	1,493	1,520
Community Services Assistant Director					
Community Services AD	103	106	108	111	113
Total Community Services Assistant Director	103	106	108	111	113
Total Community Services	5,953	6,206	7,245	7,395	7,525

	2024/25	2025/26	2026/27	2027/28	2028/29
CORPORATE SERVICES					
	£'000	£'000	£'000	£'000	£'000
Accountancy & Financial Services					
Accountancy & Finance	649	667	680	694	707
Total Accountancy & Financial Services	649	667	680	694	707
Communications					
Communications	172	175	178	181	184
Total Communications	172	175	178	181	184
Community Safety					
Community Safety	31	31	31	31	31
Community Wellbeing & Partnership	71	73	75	76	78
Total Community Safety	102	104	106	107	109
Corporate Finance					
Corporate Finance	577	640	653	717	728
Total Corporate Finance	577	640	653	717	728
Corporate Leadership Team					
Chief Executive	184	189	193	197	201
Corp Director-Chief Operating Officer	142	146	149	152	155
Corp Director-Governance (Monitoring Officer)	126	131	133	136	139
Corp Director-Place & Communities	140	144	147	150	153
Director of Finance (S151)	129	133	136	138	141
Total Corporate Leadership Team	721	743	758	773	788
Elections					
Elections - District	10	10	10	220	10
Individual Electoral Reg (IER)	184	189	192	196	200
Total Elections	194	199	202	416	210
Human Resources					
Human Resources	375	382	391	401	411
Human Resources - Members Training	7	7	7	7	7
Human Resources - Training	84	86	88	90	92
Total Human Resources	466	475	487	499	510
Member Support					
Member Support	192	198	201	205	209
Members & Civic Expenses	387	398	406	414	422

	2024/25	2025/26	2026/27	2027/28	2028/29
CORPORATE SERVICES					
	£'000	£'000	£'000	£'000	£'000
Monitoring Officer	14	14	14	14	14
Total Member Support	593	610	621	633	645
Pay and Pensions					
Pay and Pensions adjustments	620	717	774	766	757
Total Pay and Pensions	620	717	774	766	757
Policy					
Policy	121	127	132	137	142
Total Policy	121	127	132	137	142
Total Corporate Services	4,215	4,456	4,590	4,921	4,780

	2024/25	2025/26	2026/27	2027/28	2028/29
DIGITAL TRANSFORMATION AND ESTATE MANAGEMENT					
	£'000	£'000	£'000	£'000	£'000
Community Hub					
Codsall Community Hub	1,175	1,198	1,219	1,239	1,260
Jubilee House	(8)	(8)	(8)	(7)	(7)
Surplus Office Accommodation	(601)	(605)	(606)	(609)	(609)
Total Community Hub	566	585	605	623	644
Customer Interaction					
Customer Interaction	377	391	398	405	413
Total Customer Interaction	377	391	398	405	413
Digital Services					
AD - Business Transformation	103	106	108	111	113
Digital Services	1,612	1,654	1,674	1,699	1,715
MFDs & Scanners	22	22	22	22	22
Telephony	137	140	143	144	144
Total Digital Services	1,875	1,922	1,947	1,975	1,994
Estates & Assets					
Commercial Units	(1,320)	(2,061)	(2,123)	(2,174)	(2,174)
Commercials Offices	(170)	(174)	(178)	(182)	(182)
Estates & Assets	378	388	397	406	415
Hinksford Park	(221)	(225)	(229)	(232)	(237)
Total Estates and Assets	(1,333)	(2,071)	(2,132)	(2,182)	(2,178)
Total Digital Transformation and Estate Management	1,485	827	818	821	874

	2024/25	2025/26	2026/27	2027/28	2028/29
REGULATORY					
	£'000	£'000	£'000	£'000	£'000
Emergency Planning					
Emergency Planning	50	51	52	53	54
Total Emergency Planning	50	51	52	53	54
Environmental Health					
Dogs Kennelling & Collection	12	12	12	12	12
Environmental Health	721	741	755	769	783
Food Safety	(2)	(2)	(2)	(2)	(2)
Health & Safety Corporate	15	16	16	16	16
Health Licensing	(6)	(6)	(6)	(6)	(6)
Housing Standards	(10)	(10)	(10)	(10)	(10)
Licensing	(157)	(100)	(97)	(97)	(100)
Pollution	(10)	(10)	(10)	(10)	(10)
Total Environmental Health	563	641	658	672	684
Internal Audit					
Internal Audit	100	102	104	106	108
Total Internal Audit	100	102	104	106	108
Legal Shared Service					
Legal Shared Services	178	186	189	193	195
Total Legal Shared Service	178	186	189	193	195
Total Regulatory	890	979	1,003	1,023	1,041

	2024/25	2025/26	2026/27	2027/28	2028/29
WELFARE					
	£'000	£'000	£'000	£'000	£'000
Benefits					
Benefits DWP	0	0	0	0	0
Benefits Team	685	710	730	749	772
Housing Benefits	95	120	120	120	120
Welfare - Other Support	225	232	237	242	246
Total Benefits	1,005	1,062	1,087	1,111	1,138
Housing Operations					
Housing Services	255	262	269	277	285
Total Housing Operations	255	262	269	277	285
Revenues					
Revenues	378	392	403	414	425
Total Internal Audit	378	392	403	414	425
Homelessness					
Homelessness Initiatives	0	0	0	0	0
Total Homelessness	0	0	0	0	0

	2024/25	2025/26	2026/27	2027/28	2028/29
WELFARE					
	£'000	£'000	£'000	£'000	£'000
Total Welfare	1,637	1,716	1,759	1,802	1,848

APPENDIX 5 – COUNCIL TAX RESOLUTION

To be completed for final report to Council

APPENDIX 6 - SECTION 151 STATEMENT ON THE ADEQUACY OF RESERVES AND ROBUSTNESS OF THE BUDGET

1. I am making this report in compliance with the personal responsibilities placed upon me as Chief Finance Officer by sections 25 to 28 of the Local Government Act 2003. The legislation requires me to report to the authority on two matters.
 - The robustness of the estimates it makes when calculating its budget requirement; and
 - The adequacy of the authority's reserves, taking into account the experience of the previous financial year.

This report fulfils this requirement and provides councillors with assurance that the budgets have been compiled appropriately and that the levels of reserves is adequate. It is a statutory requirement that councillors must consider this report when considering and approving a budget.

Robustness of Estimates

2. I have led and been actively involved in the process of setting the 2024/25 budget and MTFS and am assured that this has been detailed and robust.
3. The detailed budget preparation was overseen by an experienced qualified accountant, supported by other finance staff, familiar with the requirements of the budget preparation process. The basis of the estimates included the following elements which are in my view crucial to setting realistic budgets.
 - Staffing budgets are built up based on the actual staffing establishment and its current costs.
 - The budgets reflect, as far as can be determined, costs of major contracts including likely cost increases.
 - The budgets are informed by the results of the 2023/24 budget monitoring and incorporates the impact of any issues affecting future years.
 - The budget identifies the on-going cost of Council decisions taken where the financial impact has been quantified.
4. The detailed budgets have been scrutinised by:
 - Service Team Managers;
 - Corporate and Assistant Directors;
 - Cabinet members; and the
 - Overview and Scrutiny Committee
5. In particular, proposals for growth and savings have been carefully reviewed in order to be satisfied of their robustness and for their relationship to the priorities of the Council. The budget does not contain any unspecified or unrealistic savings proposals or

contingencies. However, the budget is balanced by the use of reserves and more work needs to be done in order to be financially secure over a 5-year period.

6. The budgets have been assessed as part of the authority's approach to risk management and the major financial risks identified. These risks are outlined in section 11 of the main body of the MTFS report.

Conclusion - Robustness of estimates

7. Taking all these factors into account, I am satisfied that the estimates have been prepared on a robust basis.

Adequacy of Reserves

8. The Chartered Institute of Finance and Accountancy (CIPFA) has produced guidance on local authority reserves and balances. This guidance does not prescribe a minimum level of reserves but sets out that the following factors are considered when assessing this:

Budget assumptions	Considerations for the Council
The treatment of inflation and interest rates	The current economic position has been considered and information from our treasury advisors (Link) has been used.
Estimates of the level and timing of capital receipts	The Capital Programme includes an estimate of the profile of use of current capital receipts. No assumption has been made of new capital receipts.
The treatment of demand led pressures	All demand led services have been considered and increases in budgets included in RPP process where appropriate. Examples are the Waste Contract and Baggeridge Country Park staffing.
The treatment of efficiency savings/productivity gains	There are currently no efficiency savings built into the budget.
The financial risks inherent in any significant new funding partnerships, major outsourcing deals or major capital developments	Not applicable.
The availability of other funds to deal with major contingencies	The Council currently has £6.9m set aside in Earmarked Reserves, of which £3.4m is to cover major contingencies such as temporary accommodation pressures and business rates volatility.

Financial standing and management	Considerations for the Council
The overall financial standing of the authority (level of borrowing, debt outstanding, council tax collection rates)	Council Tax collection rates are good in the authority (approximately 98%). Levels of debt are reducing (although older debts are still a concern and investment has been made in additional temporary staff to address this). The Council's level of borrowing appears high in external indices such as OFLOG but this is due to long-term borrowing that was taken out at a low rate and is not a concern internally.
The authority's track record in budget and financial management	The Council has maintained expenditure within budget for the last three financial years and is forecast to do the same in 2023/24. There are no concerns about the financial management processes within the Council.
The strength of financial information and reporting arrangements	Budget monitoring is reported to the Corporate Leadership Team and Members on a quarterly basis as part of the Integrated Performance Monitoring report.
The authority's virement and end of year procedures in relation to budget under/overspends at authority and service team level	The Council currently does not have set procedures for the treatment of over/underspends at year-end. The level at which virements are approved is set out within the Council's financial procedures.
The adequacy of the authority's insurance arrangements to cover major unforeseen risks.	The insurance cover for the Council has been considered and is judged to be sufficient. There is also an Earmarked Reserve to cover items below the excess included in the insurance policy.

9. Considering the above, and my assessment of the robustness of the estimates in the budget, I recommend that a minimum prudent level of reserves continue to be set at £1.5m for 2024/25, which is to be reviewed annually. This minimum level of reserves has also been benchmarked against other similar authorities and is in line with the minimum levels set by those authorities which provides further assurance.
10. At the start of the financial year 2023/24 the Council's General Fund reserves stood at £8.672m million. This is above the minimum level of £1.5m. However, this is being used across each year of the MTFS to balance the budget. This level of reserves allows the Council time to plan for the potential impacts of funding reform in future years and is not deemed to be excessive.

Adequacy of reserves conclusion

11. I am currently of the opinion that, because of our record of prudent spending, careful budgeting and effective budgetary control, the adequacy of the Council's reserves is sufficient, and the minimum level of General Fund reserves can be maintained above £1.5m until the end of 2026/27. However, if the Council is unable to benefit from the Business Rates growth arising from the development of WMI and ROF Featherstone, alternative actions will need to be considered to close the budget gap in future years.

Rebecca Maher, Director of Finance (Section 151 Officer)

John Mayhew, Finance Team Manager (Deputy Section 151 Officer)

APPENDIX 7 – EARMARKED RESERVES

Description	Balance at 31/3/23	23/24 increase / (decrease)	Proposed Transfer 23/24	Projected Balance at 31/3/24
	£'000	£'000	£'000	£'000
Corporate Priorities				
Section 106 ●	295			295
Forward Planning	48		-16	32
Transactional Services	162	-20		142
Pay and Inflation Uncertainty Reserve	474	-16		458
Climate Change	26			26
Insurance	47			47
Collection Fund Reserve	2,471	379	-1,000	1,850
Business Rates Pool Surplus	922		-300	622
Total Corporate Leadership Team	4,445	343	-1,316	3,472
Regulatory Services				
Legal Shared Services	70			70
Total Regulatory Services	70	0	0	70
Corporate Services				
Rural Transport ●	15			15
Community Cohesion Project ●	2			2
PCC and ASB Grant Income ●	13	21		34
Covid Shielding Grant ●	58	-2		56
Localities PCC Funding ●	16			16
Human Resources	29			29
Electoral Registration	30			30
Elections Act	19	-19		0
Comms Team - Apprentice	29			29
Redmond Review	19			19
Apprentices	20	-20		0
A&FS Efin Upgrade	19		-19	0
Total Corporate Services	269	-20	-19	230
Digital Technology and Service Transformation				
Unit 4e Insurance ●	213			213
Community Lottery ●	10			10
Transformation Reserve			294	294
Transformation Projects	123	-8	-115	0
Commercial Opportunities Seed Funding	20			20
Sink Fund (Commercial Assets)	244	77		321
Reception Area Improvement	10		-10	0
ICT Mobile Communication	29			29
Sink Fund for Community HUB	6		-6	0
Capital Projects Contingency (Wombourne and Unit 4e)			300	300

Description	Balance at 31/3/23	23/24 increase / (decrease)	Proposed Transfer 23/24	Projected Balance at 31/3/24
Customer Experience Transformation	112	-112		0
Digital 2	111		-111	0
Total Digital Technology and Service Transformation	878	-43	352	1,187
Welfare Services				
New Burdens Fund ●	157	-12		145
Housing and Homelessness ●	182	-18		164
Temporary Accommodation			1,000	1,000
Customer Services CRM	49		-49	0
Total Welfare Services	388	-30	951	1,309
Community Services				
Leisure Grants ●	6			6
Gift in Will (Baggeridge) ●	60			60
Closed Churchyards ●		238		238
Track and Trace Payments ●	122			122
Leisure Development Fund	53	-33		20
Joint Use Repairs	107	-50		57
Wombourne Leisure Centre 3G Pitch Maintenance	25			25
Community Budgets – Jubilee	5		-5	0
Environmental Health – EDMS/IDOX	61			61
Tree Inspector	42	-21	-21	0
Ward Based Priorities		16	141	157
LDF Grant Income	35	-8		27
Total Community Services	516	142	115	773
Business Enterprise and Community Infrastructure				
UK Shared Prosperity ●	184			184
Local Plans	24			24
Development Management	103	-24		79
Local Plans – Self and Customer Build Housing Grant	20	-18		2
South Staffordshire Tourism Association	1			1
Land Registry and Biodiversity	93	-15	-78	0
Neighbourhood Grant	5		-5	0
Total Business Enterprise and Community Infrastructure	430	-57	-83	290
TOTAL EARMARKED RESERVES	6,996	335	0	7,331

SOUTH STAFFORDSHIRE COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE – 23 JANUARY 2024

UK SHARED PROSPERITY FUND AND RURAL ENGLAND PROSPERITY FUND

REPORT OF THE ASSISTANT DIRECTOR ENTERPRISE AND GROWTH

**LEAD CABINET MEMBER – COUNCILLOR VICTORIA WILSON, DEPUTY LEADER AND
CABINET MEMBER FOR BUSINESS ENTERPRISE AND COMMUNITY INFRASTRUCTURE**

PART A – SUMMARY REPORT

1. SUMMARY OF PROPOSALS

- 1.1 The report will provide Members with an update on activities relating to the UK Shared Prosperity Fund (UKSPF) and the Rural England Prosperity Fund (REPF).

2. SUMMARY IMPACT ASSESSMENT

POLICY/COMMUNITY IMPACT	Do these proposals contribute to specific Council Plan objectives?	
	Yes	Prosperous and Vibrant Communities
	Has an Equality Impact Assessment (Equal) been completed?	
	No	Given the breadth of projects it is proposed that each project will need to complete EqlAs in turn as they progress.
	Has a Data Protection Impact Assessment been completed?	
	No	Given the breadth of projects it is proposed that each project will need to complete DPIAs in turn as they progress.
SCRUTINY POWERS APPLICABLE	No	Update report to Overview and Scrutiny Committee
KEY DECISION	No	
TARGET COMPLETION/ DELIVERY DATE	UKSPF and REPF funding ends in March 2025	
FINANCIAL IMPACT	Yes	There should be no financial impact on the Authority's MTFS as this is a fully grant funded project. However, the governance and use of these funds must follow the strict conditions set out by DLUHC, as any spend outside of this cannot be reimbursed through grant.

LEGAL ISSUES	No	The governance for the two grant funding streams is in accordance with government requirements and as set by Cabinet on 7 March 2023. Reporting to Overview and Scrutiny Committee forms part of that governance structure.
OTHER IMPACTS, RISKS & OPPORTUNITIES including climate impacts and health impacts if applicable		The UKSPF and REPF provide an excellent opportunity to improve the prosperity and health and wellbeing of our residents and businesses. The nature of the funding also enables us to reduce the impacts of climate change and improve the local environment.
IMPACT ON SPECIFIC WARDS	No	

PART B – ADDITIONAL INFORMATION

3. INFORMATION

- 3.1 UKSPF is a central pillar of the UK Government’s levelling up agenda and a significant component of its support for places across the UK. It provides £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the fund via a funding formula rather than a competition. This recognises that even the most affluent parts of the UK contain pockets of deprivation and need support.
- 3.2 Within the context of the Fund’s objectives, each place has the flexibility to invest across a range of activities that represent the right solutions to improve local pride in place, help spread and create opportunity, and a sense of community and belonging. Places were able to choose from investment in three investment priorities of **People and Skills, Supporting Local Business** and **Communities and Place**, and. In addition, there are 41 interventions across the three investment priorities, each with their expected outputs and outcomes. We did not have to target all 41 interventions but they formed a menu from which we could chose whichever ones best meet our local priorities.
- 3.3 South Staffordshire Council was allocated £3.82m (revenue and capital) across three funding years from 2022/23 – 2024/25 but had to submit an investment plan in Summer 2022. The plan needed to set out a degree of local context, what our priorities were, what outcomes and interventions we would be looking to target with the funding, and whether we had the capability and capacity to deliver this level of funding.
- 3.4 Our Investment Plan was put together focusing on existing Council priorities in consultation with Members and partners. The Plan set out the interventions we would target with the funding and included projects in all three of the investment priorities as prescribed by the Government. Broadly they could headlined as:

- A strong and effective package of business support across our business sectors
 - Skills and support for access to employment for our residents
 - Investment in our village centres
 - Environmental improvements
 - Decarbonising our assets
 - Extending our Warmer Homes activity
 - Active Travel improvements
- 3.5 Given the Council has not had previous experience of delivering large-scale grant programmes we spent the initial 6 – 7 months set up the necessary background activities to ensure we meet the guidelines issued by the Government to access the fund. The last 6 months since the previous update to the Overview and Scrutiny Committee in July 2023 has been focusing on moving into the delivery stage.
- 3.6 Members will also recall that in late in 2022, the Government also announced an associated funding stream to UKSPF, the REPF, which was only available to certain prescribed rural areas. The funding is a capital grants programme for small businesses and community infrastructure, and we were allocated an additional £489k up to March 2025.
- 3.7 The UKSPF tapers up from year 1 (22/23) with £464k allocated, in year 2 (23/24) £928k and in year 3 (24/25) we have been allocated £2.43m.
- 3.8 **People and Skills**
- 3.9 As part of the People and Skills priority, we have created the ‘Creating Brighter Futures’ (CBF) programme to provide assistance for those residents who are long-term unemployed and furthest from the job market, as well as opportunities for reskilling and upskilling. As Members will be aware, the EU funded Building Better Opportunities programme ceased in March 2023 and the UKSPF funding has enabled us to continue many of those activities. However, it’s also allowed us to expand that provision to now cover for those who may have recently lost work and need some assistance to retrain and improve their skills to meet future employment opportunities. £400,000 has been allocated to these activities across the two remaining years of the programme and this project is currently live and working with residents. Further information on CBF can be found here [Creating Brighter Futures | South Staffordshire District Council \(sstaffs.gov.uk\)](https://www.sstaffs.gov.uk/creating-brighter-futures)
- 3.10 UKSPF funding comes with a number of expectations from government that are set out in a range of interventions, outputs and outcomes. The CBF team show progress against each of the Interventions for outputs and outcomes. The targets are the overall requirements for the two years of the programme and appendix A shows the progress against the interventions.
- 3.11 As at the end of December 23 overall performance is strong with 43% of the outputs and outcomes achieved but is higher in a number of outputs and outcomes and lower in others. All interventions are continually reviewed, and action plans created

for those showing as red to ensure we target the outputs and outcomes where we need to improve performance and focus our activities.

- 3.12 Members will note that the government's outputs for the programme are largely quantitative and do not really highlight the difference our activities are making to those people who have benefited from CBF. The CBF team, alongside our external advisor, are currently looking into some more outcome focused qualitative monitoring so we can see the difference the programme is making. We aim to be able to report back on the 'softer' outcomes to Members on future reports.

3.13 **Supporting Local Business**

- 3.14 Across the full three years of the programme, circa £1.9m has been allocated to the Supporting Local Business priority, however this encompasses a range of activity including a bespoke business start-up programme with grants, a business growth and grants programme, a research and development innovator programme, a green solutions programme with grants, and a capital allocation to begin to decarbonise our own assets with a focus on Landywood Enterprise Park.

- 3.15 In terms of progress, there have been a number of business support contracts we have procured since the previous update, covering a wide range of business types and needs.

- **Start-Up Programme**, delivered by Good2Great which commenced in December 23, and associated Start-Up grant scheme due to commence in January 24. To date 19 registrations have been received and 6 businesses attended an initial 2 day workshop.
- **Get Started and Grow, Growth Hub and Green Solutions Programmes** delivered by Staffordshire County Council on behalf of a few of the Boroughs and Districts and all now commenced.
- The **Strive for Success** programme is being delivered inhouse and is designed to assist existing businesses trading for two years and over to realise their growth potential. The programme started in September 23 and we've already run 2 cohorts (20 businesses) and are currently about to commence our third cohort of businesses coming through the workshops. The associated grant scheme has also now been launched.
- **Research and Development Innovation Generator Programme**, delivered by Staffordshire University and will commence in January 24. This programme will provide a comprehensive package of specialist support and delivery of funding to businesses looking to develop new products, services, or processes up to the point of commercialisation.

- 3.16 In addition, we commissioned a UKSPF funded appraisal of the larger Village Centres and High Streets. Officers are currently reviewing final drafts of the study prior to be it being circulated more widely. We're working with the consultants to agree a date for an all Member briefing on the findings of the appraisal in the near future.

- 3.17 The decarbonisation work at Landywood Enterprise Park will commence in March/April 24 and will involve the installation of LED lighting, insulated roller shutter doors, and solar PV panels on some of the units' roofs.
- 3.18 **Community and Place.**
- 3.19 Members have previously agreed an element of UKSPF to complement our existing Warmer Homes activity. We have recently partnered up with Staffordshire County Council to combine different funding pots and increase the number of people we can target. Respective Legal teams are drafting paperwork to be able to 'direct award' the UKSPF money to the County Council as part of the wider Warmer Homes Schemes. They have awarded Community Homes Solutions with the contract for the new HUGS (home upgrade grants) and ECO4 (Energy Company obligation) and are currently tendering for contractors.
- 3.20 Members will have noted in 3.7 that the bulk of the UKSPF funding is allocated in 2024/25 and much of the Community and Place interventions will be delivered then. Members have already approved indicative allocations for broad priorities and the specific projects against these interventions are at various stages of being worked up and which include:
- Improvements to a number of existing open spaces across the district
 - Active travel and green space enhancements along the South Staffordshire Railway Walk and Wyrley/Essington Canal (feasibility stage).
 - Capital improvements to village centres (informed by the Village Centre appraisal)
 - Tourism and visitor economy activities

Updates on progress will be reported in future reports.

- 3.21 Members will also be aware that there is circa £1.2m residual UKSPF funding unallocated and available for organisations to bid for to deliver projects in line with the Council's Investment Plan priorities and interventions. Expressions of interest for this funding were invited when the residual funding was launched in July 23. We have received nearly 30 expressions of interest to date, some have been ineligible or we've been able to divert them to other programmes, e.g. Supporting Local Business activities, and a number are progressing to full applications. To date, none have reached the stage of being assessed by the evaluation panel but we expect to see a number of significant proposals being assessed over the next few weeks. We will then seek Member approval for any new allocation of funding from the residual pot in due course. More information of the UKSPF residual funding can be found on the Council's website [UKSPF Residual Fund | South Staffordshire District Council \(sstaffs.gov.uk\)](https://www.sstaffs.gov.uk/ukspf-residual-fund)
- 3.22 REPF is a grant funding programme to external business and community applicants and allocation of these funds will follow a similar process to the UKSPF residual funding. The fund was launched in July 23 and we have seen strong interest from

local business and community organisations for the funding. To date the following grant awards have been approved.

- **Stourton Village Hall**, (community bid) for the installation of PV solar panels on the village hall roof – Total bid £16,625 and approved subject to planning permission.
- **Kinver Point Business Village** (business bid) conversion of an existing redundant farm building into office space, 2 indirect jobs created – Total bid £70,000, approved subject to planning permission.
- **Blinds and Shutter Company Ltd**, Penkridge (business bid) – conversion of industrial unit space into a showroom, 2 jobs created – Total bid £51,086, Approved subject to successful Certificate of Lawfulness application.
- **Springhill Cricket Club, Lower Penn** (Community bid) for installation of PV solar panels on the clubhouse roof. Total bid £9,360 and approved.
- **OCL Kingswinford Ltd, Swindon** (business bid) – creation of extra manufacturing space on existing site to make timber framed fencing and gates. 2 new jobs created, total bid £39,000. Approved subject to planning permission.
- **Hay House Education Ltd, Dunston Heath** (business bid) Creation of educational facility on an existing farm to teach younger children about farming. Total bid £13,200 and approved subject to submission of farm business accounts.

To date, no bids have failed to be recommended for approval by the evaluation panel, CLT and Cabinet. REPF bids are still being received and will be evaluated in due course and reported to Members in due course. Further information on applying for REPF can also be found on the Council's website [Rural England Prosperity Fund | South Staffordshire District Council \(sstaffs.gov.uk\)](https://www.south-staffs.gov.uk/rural-england-prosperity-fund)

- 3.23 Much of the focus to date has been on setting up the necessary infrastructure to deliver a significant funding programme from a standing start, and on tendering for contracts to deliver specific elements of the programme, many of which have only recently commenced. Much of that is now in place which means that to date on a number of the interventions, delivery against outputs and outcomes has been fairly low, CBF aside. However, as we move into the delivery phase, future reports to Members will contain more performance information and the opportunity to scrutinise progress in greater detail. As previously indicated, we will also be looking to devise a few extra qualitative indicators for our own benefit that better reflect the difference the funding is making to our residents and businesses.
- 3.24 To date we have received £1.39m from the government for years one and two of the three year UKSPF programme. As at 31 December 2023 we had spent approximately £250k of that allocation, which very much reflects the standing start with almost all of the allocated projects. As most of the year one and two projects have now started the spend profile will be increasingly significantly in the final quarter of 2023/24. Officers have profiled what we expect to spend in the remainder of this financial year and we're expecting to have spent above 80% of that £1.39m by year end.
- 3.25 We are having to report back to DLUHC twice a year on performance, spend, and any reprofiling of our projects and to date no major concerns have been raised by DLUHC.

- 3.26 It has been reported that nationally spend and delivery has been slow on UKSPF and it is recognised that as this is a completely new source of funding it has taken time for local authorities to gear up for delivery. We have been utilising some external support to date and that consultant is also working with a few other authorities in the region. She has confirmed our experience is common to all the authorities she's working with and that all of us are now on an upward trajectory of delivery and spend.

4. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

- 4.1 Given the breadth of interventions and projects, the expectation is that each priority theme or project will undertake their own impact assessments. Some of this will form part of the government's monitoring process and can be reported back to Members, and if outside of this process then for example, any separate impact assessments can also be reported to Members.
- 4.2 Each project is expected to maintain their own risk log which feeds into the wider corporate operational risk register and is monitored regularly. Given the scale of the funding and the risks involved of not spending the money funding correctly, UKSPF will also be added onto the Council's strategic risk register which Members can monitor through the Integrated Performance Management reporting.

5. PREVIOUS MINUTES

- 5.1 N/A

6. BACKGROUND PAPERS

- 6.1 N/A

7. RECOMMENDATIONS

- 7.1 It is recommended that Members note the contents of the UK Shared Prosperity Fund and Rural England Prosperity Fund report and the progress made to date.

8. Appendices

- 8.1 Appendix A – Creating Brighter Futures – Progress against interventions.

Report prepared by: Grant Mitchell – Assistant Director Enterprise & Growth

Creating Brighter Futures – Progress against UKSPF People and Skills Interventions

Progress against interventions

The tables below show the progress against each of the Interventions for outputs and outcomes. The target is the overall requirements for the two years of the programme.

All interventions are continually reviewed, and action plans created for those showing as red. Overall performance is really good, with half of all outcomes on track to be achieved by the end of year 1.

Many of the outputs are also on track with the retraining carbon sector having the lowest success so far, but we are working with the local jobcentres to identify those most suitable.

Output	Target	Achieved	%
Number of economically inactive people supported to engage with keyworkers support services	50	49	98%
Number of economically inactive people supported to engage with the benefits system	20	14	70%
Number of socially excluded people accessing support	50	21	42%
Number of people supported to access basic skills courses	60	12	20%
Number of people accessing mental and physical health support leading to employment	50	7	14%
Number of EI people receiving support to engage in job searching	50	17	34%
Number of people receiving support to gain employment	70	12	17%
Number of people receiving support to sustain employment	50	1	2%
No of engagements between keyworkers and additional services	50	23	46%
Number of people supported to engage in life skills	70	23	33%
Number of people supported onto a course through providing financial support	10	9	90%
Number of people supported to participate in education	60	6	10%
Number of volunteering opportunities supported	25	5	20%
Number of people taking part in work experience programmes	25	2	8%
Number of people retraining to access Self Employment	20	3	15%
Number of people in employment engaging with the skills system	10	1	10%
Number of people receiving support to gain a vocational licence	10	3	30%
Number of people retraining from high carbon areas	50	0	0%
Number of people supported to gain a qualification in basic, green, and digital skills	70	14	20%
Total	800	222	28%

Outcome	Target	Achieved	%
Number of economically inactive individuals engaging with benefits system following support	20	11	55%
Number of active or sustained participants in community groups as a result of support	20	3	15%
Number of people reporting increased employability through development of interpersonal skills funded by UKSPF	20	6	30%
Number of people in supported employment	20	5	25%
Number of people engaging with mainstream healthcare services	10	11	110%
Number of people sustaining engagement with keyworker support and additional services	50	39	78%
Number of people engaged in job-searching following support	20	17	85%
Number of people in employment, including self-employment, following support	80	6	8%
Number of people sustaining employment for 6 months	20	1	5%
Number of people in education/training following support	60	7	12%
Number of people with basic skills following support	40	4	10%
Number of people experiencing reduced structural barriers into employment and into skills provision	40	18	45%
Number of people familiarised with employers' expectations, including, standards of behaviour in the workplace	20	4	20%
People gaining a qualification or completing a course following support	40	9	23%
People gaining qualifications, licences, and skills	10	1	10%
Number of economically active individuals engaged in mainstream skills education and training	10	2	20%
People engaged in life skills support following interventions	10	2	20%
Total	490	209	43%

SOUTH STAFFORDSHIRE COUNCIL**OVERVIEW AND SCRUTINY – 23 JANUARY 2024****UPDATE ON MEMBER WORKING GROUPS 2023/24****REPORT OF THE MEMBER WORKING GROUPS CHAIRMEN AND VICE-CHAIRMEN****PART A – SUMMARY REPORT****1. SUMMARY OF PROPOSALS**

- 1.1 To update members on the work undertaken at each of the three Member Working Groups for 2023/24.

2. SUMMARY IMPACT ASSESSMENT

POLICY/COMMUNITY IMPACT	Do these proposals contribute to specific Council Plan objectives?	
	Yes	The Member Working Groups actions plans and outcomes contribute to the overall progress of the Council Plan and objectives.
	Has an Equality Impact Assessment (Equal) been completed?	
	No	For information report
	Has a Data Protection Impact Assessment been completed?	
	No	For information report
SCRUTINY POWERS APPLICABLE	No	Report to Overview and Scrutiny Committee
KEY DECISION	No	
TARGET COMPLETION/ DELIVERY DATE	March 2024	
FINANCIAL IMPACT	No	There are no direct financial implications arising from this report. Any financial implications arising from the recommendations of the Member Working Groups will be addressed as part of those recommendations.
LEGAL ISSUES	No	There are no legal implications arising from this report. Any legal implications arising from the recommendations of the Member Working Groups will be addressed as part of those recommendations.
OTHER IMPACTS, RISKS & OPPORTUNITIES including climate impacts and health impacts if applicable	No	
IMPACT ON SPECIFIC WARDS	None	

PART B – ADDITIONAL INFORMATION

3. INFORMATION

- 3.1 The Member Working Groups were introduced in 2023 to replace the former Challenge Panels that had been operating for a number of years. The Member Working Groups are informal meetings providing an opportunity for every member to scrutinise particular matters in significant detail on an annual basis. The topics for the Groups were agreed by Members on 25 July 2023.

3.2 Member Working Group – Climate Change

This Group is looking at ‘carbon neutral – what it really means for the council’. Councillor Dan Kinsey BEM is Chairman with Councillor Gary Burnett as Vice-Chairman. The group met on 6 November and received a presentation from an officer from Newcastle-under-Lyme Borough Council on their decarbonisation plan. The group met again on 7 December looking at the scope of the carbon audit, receiving an update on EV provision and on green travel.

3.3 Member Working Group – Community Engagement

This Group is looking at building on examples of good practice locally with regard to community engagement. Councillor Andy Adams is Chairman with Councillor Christopher Evans as Vice-Chairman. The group met on 6 November receiving a presentation on the new Community Engagement Toolkit by the 2023 Aspire Group. The group is due to meet again on 15 January after production of this report. A verbal update will be given as necessary.

3.4 Member Working Group – Council Plan 2024/2028

This Group is working on proposals for the next Council Plan. Councillor Martin Perry is Chairman with Councillor Bob Cope as Vice-Chairman. The group met on 13 November and 11 December. At the November meeting, Members received an overview of the results of the Residents Survey. At the December meeting, Members went through the proposed format of the new Plan covering: introduction, vision, council priorities, key documents/enablers, delivery arms and working in partnership. The next meeting is due to be held on 29 January.

4. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

- 4.1 N/A

5. PREVIOUS MINUTES

- 5.1 N/A

6. BACKGROUND PAPERS

- 6.1 N/A

7. RECOMMENDATIONS

7.1 Members note the progress to date of the Member Working Groups.

Report prepared by: Lorraine Fowkes – Corporate Director of Governance

SOUTH STAFFORDSHIRE COUNCIL**OVERVIEW AND SCRUTINY COMMITTEE – 23 JANUARY 2024****WORK PROGRAMME 2023/24****REPORT OF THE CORPORATE DIRECTOR OF GOVERNANCE****PART A – SUMMARY REPORT****1. SUMMARY OF PROPOSALS**

- 1.1 This report updates members in respect of the work programme for the Committee for the Municipal Year 2023/24.

2. SUMMARY IMPACT ASSESSMENT

POLICY/COMMUNITY IMPACT	Do these proposals contribute to specific Council Plan objectives?	
	Yes	Scrutiny is key to the effective and efficient operation of the Council to enable delivery against the Council Plan
	Has an Equality Impact Assessment (EqIA) been completed?	
	No	No – not needed as any equality issues would be addressed individually rather than as part of the programme setting
SCRUTINY POWERS APPLICABLE	No – this report goes to Overview and Scrutiny Committee	
KEY DECISION	No	
TARGET COMPLETION/ DELIVERY DATE	2023/24 Municipal Year	
FINANCIAL IMPACT	No	This is within existing budgets
LEGAL ISSUES	No	No specific legal issues from this report
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	None at this stage as setting the programme of work rather than considering individual items
IMPACT ON SPECIFIC WARDS	No	

PART B – ADDITIONAL INFORMATION

3. INFORMATION

3.1 At its meeting on 25 July 2023, the Committee agreed a work programme for the 2023/24 Municipal Year. This report updates the agreed programme.

3.2 In addition to the programmed work there will, from time to time, be a number of additional items coming to the Committee including:

- Councillor call for action
- Councillor “call ins”
- Key decision reports

This may require additional meetings to be programmed in depending on when the issues arise.

3.3 Any suggestions for additions to the work programme should be referred to the Chairman in the first instance.

3.4 Work Programme 2023/24

25 July 2023

- Setting of work programme -COMPLETED
- UKSPF Report - COMPLETED
- Integrated Performance Management outturn for 2022/23 - COMPLETED
- Member Working Groups – Topic Selection - COMPLETED
- Challenge Panels Final Outcomes Report 2022/23 - COMPLETED
- Closed Churchyards Special Expense – Voluntary Referral of Member Decision - COMPLETED
- Place Narrative Findings - COMPLETED

26 September 2023

- Work programme update – COMPLETED
- Climate Change Action Plan Update – COMPLETED
- Peer Review Follow-up outcome – deferred to November meeting
- Resource Planning and Prioritisation (RPP) 2024 – COMPLETED
- Service Standards – deferred to November meeting

14 November 2023

- Work programme update – COMPLETED
- Member Working Groups Update – COMPLETED
- Integrated Performance Management Report Q2 – taken to Council 12.12.23

- Staffordshire County Council Highways – Potholes – understanding the position - deferred to March meeting
- Customer Programme/Digital Programme update – COMPLETED
- Service Standards – renamed Customer Experience – COMPLETED
- Peer Review Follow-up outcome – COMPLETED

23 January 2024

- Work programme update – ON AGENDA
- Budget report – ON AGENDA
- Member Working Groups Update – ON AGENDA
- UK Shared Prosperity Update Report – ON AGENDA
- DFG's update report – deferred to March meeting
- Local Plan – deferred to future meeting
- Waste Contract Extension Proposed Key Decision – NEW ITEM

12 March 2024

- Work programme update
- Staffordshire County Council Highways – Potholes – understanding the position – deferred from November meeting
- Member Working Groups Conclusion Report
- The draft Council Plan – 2024-2022
- DFG's update report – deferred from January meeting

4. IMPACT ASSESSMENT – ADDITIONAL INFORMATION
N/A

5. PREVIOUS MINUTES
None

6. BACKGROUND PAPERS
None

7. RECOMMENDATIONS

7.1 That Members note the report.

Report prepared by: Lorraine Fowkes – Corporate Director of Governance

