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Minutes of the meeting of the **OVERVIEW AND SCRUTINY COMMITTEE** held at the Council Offices, Whitfield on Monday, 19 February 2024 at 6.00 pm.

Present:

Chairman: Councillor C A Vinson

Councillors: M Bates (as substitute for Councillor R M Knight)
S B Blair
D R Friend
R M Knight
M J Nee
D J Parks
M W Rose
H M Williams
C F Woodgate
L M Wright

Also Present: Councillor S H Beer
Councillor K Mills
Councillor J L Pout

Officers: Chief Executive
Strategic Director (Corporate and Regulatory)
Strategic Director (Finance and Housing)
Strategic Director (Place and Environment)
Head of Port Health and Environmental Services
Head of Finance and Investment
Senior Accountant
Senior Accountant (Housing and Projects)
Head of Corporate Services and Democracy (Remote Attendance)
Democratic Services Officer

90 APOLOGIES

An apology for absence was received from Councillor R M Knight.

91 APPOINTMENT OF SUBSTITUTE MEMBERS

It was noted that in accordance with Council Procedure Rule 4, Councillor M Bates had been appointed as substitute member for Councillor R M Knight.

92 DECLARATIONS OF INTEREST

There were no declarations of interest made by Members.

93 MINUTES

The Minutes of the meeting held on 22 January 2024 were approved as a correct record and signed by the Chairman.

94 DECISIONS OF THE CABINET RELATING TO RECOMMENDATIONS FROM THE OVERVIEW AND SCRUTINY COMMITTEE

The decisions of the Cabinet relating to recommendations made by the Overview and Scrutiny Committee at its meeting held on 5 February 2024 were noted.

95 ISSUES REFERRED TO THE COMMITTEE BY PUBLIC PETITION, COUNCIL, CABINET, OR ANOTHER COMMITTEE

The Head of Corporate Services and Democracy advised that there were no issues referred to the Committee by Council, Cabinet or another Committee.

96 NOTICE OF FORTHCOMING KEY DECISIONS

The Head of Corporate Services and Democracy presented the Notice of Forthcoming Key Decisions to the Committee for its consideration.

RESOLVED: That the Notice of Forthcoming Key Decisions be noted.

97 SCRUTINY WORK PROGRAMME

The Head of Corporate Services and Democracy presented the Overview and Scrutiny Work Programme to the Committee for its consideration.

Members discussed the inclusion of items relating to the Parking Strategy Review when it was ready and an update on the Garden Waste service changes. Councillor M Bates suggested the update on Garden Waste should be after six months while Councillor M J Nee suggested it should be after a full growing season.

RESOLVED: That the Work Programme be noted, subject to the inclusion of items on the Parking Strategy Review and an update on Garden Waste after a full growing season.

98 PUBLIC SPEAKING

The Head of Corporate Services and Democracy advised that no members of the public had registered to speak on items on the agenda to which the public speaking protocol applied. However, a letter had been received from Christine Oliver that they had requested be read out at the meeting.

Members agreed that the letter should be read out and the Chairman asked the Head of Corporate Services and Democracy to do so.

99 EKS SERVICE TRANSITION BUSINESS CASE

It was moved by Councillor M J Nee, and seconded by Councillor S B Blair, that as the matter had been deferred at Cabinet until its meeting in March 2024, the matter should not be scrutinised until the outcome of that deferment was known.

Councillor C A Vinson argued that it should be considered despite this as it related to services that were of vital importance to local residents.

Councillor C A Vinson proposed, and was duly seconded, that a recorded vote be held. On being put to the vote, the Motion was LOST.

RESOLVED: That consideration of the report be deferred until the outcome of the Cabinet's decision was known.

In accordance with Council Procedure Rule 18.5, the following Members requested that their individual votes be recorded:

FOR

S B Blair

M J Nee

L M Wright

C F Woodgate

H M Williams

AGAINST

M Bates

D R Friend

M W Rose

C A Vinson

ABSTAIN

100 SECTION 25 REPORT

The Strategic Director (Finance and Housing) presented the Section 25 report.

Members were advised that the Local Government Act 2003 (Section 25) required that the Section 151 (s151) Officer (who was the Strategic Director (Finance and Housing)) make a report to councillors on the robustness of the estimates made for the purposes of the budget calculations, the precept for the Council's council tax and the adequacy of the proposed financial reserves. Members were required to give regard to these when considering the annual budget and precept.

Members were advised that there was no prescribed format for a Section 25 report.

The Strategic Director (Finance and Housing) advised that in his opinion as the s151 Officer, the Council's budget has been prepared on a rigorous and robust basis and the Council's reserves are sufficient for its immediate needs.

However, it is also his opinion as the s151 officer that there were two significant factors that could undermine the budget over the next year or two because of the actions of the Department for Environment Food and Rural Affairs (DEFRA) and the Department for Levelling Up, Housing and Communities (DLUHC). As a consequence, the Council was faced with the choice of either maintaining border controls at its own expense to protect UK farming and the food chain or follow the logic of DEFRA's withdrawal of Dover Port Health Authority funding and cease the already too limited controls at the border and expose the UK to the high risk of African Swine Fever and other Products of Animal Origin (POAO) risks.

If the Council maintained border controls at its own expense it would massively deplete its reserves and significantly increase the risk of the chief finance officer being required to make a report pursuant to s.114 of the Local Government Finance Act 1988 in 2025/26.

Members were advised that this would need to be taken into consideration when scrutinising the Budget 2024/25 and Medium-Term Financial Plan 2024/25 – 2027/28.

It was proposed by Councillor C A Vinson, duly seconded by Councillor M Bates, that due to the overlap between this item and the Budget 2024/25 and Medium-Term Financial Plan 2024/25 – 2027/28 both items be taken en bloc.

On being put to the vote it was

RESOLVED: That the Section 25 Report and the Budget 2024/25 and Medium-Term Financial Plan 2024/25 – 2027/28 be taken en bloc.

Members discussed the following points:

- Whether there were any cuts to services as a result of this for 2024/25. In response they were advised there were not.
- Whether there was any further update from DEFRA on the funding issue. In response it was stated that the Council had outstanding letters to DEFRA that it had not received a response about. The Environment, Food and Rural Affairs Committee (EFRA) in Parliament was also waiting on a response from DEFRA. The Council was urging DEFRA to engage on this matter as DEFRA had stopped responding to communications from the council.
- The accuracy of DEFRA data as they continued to underreport what was coming through the port that would require a check. Dover Port Health Authority used an established HMRC data set (and had been since 2005) and had encouraged DEFRA to use the same data set.
- To question why the decision had been taken by DEFRA to use Sevington for Port of Dover and Channel Tunnel checks given that it had previously been designated only for Channel Tunnel checks and whether it had sufficient capacity to do so. Members were advised that Bastion Point had been designed to manage the volume of food checks required for the Port of Dover which amounted to 80% of the total volume of checks as well as the Channel Tunnel.
- Members questioned whether vehicles leaving the Port of Dover could be relied on to travel the 22 miles to Sevington for checks. In reply it was stated that this was a concern given the lack of detail from DEFRA as there was nothing to stop food from being overloaded and that the situation was unique to Dover and did not happen at any other UK point of entry. It would mean that for the first time ever products originating from the rest of the world would enter and leave the Port of Dover without oversight. This concern had also been raised by the EFRA Committee.
- When the border operating model would come into effect. Members were advised that Sanitary and Phytosanitary (SPS) checks had been delayed repeatedly and were now expected in late April 2024.
- In response to a question on the checks undertaken by the Dover Port Health Authority, it was stated that it dealt with Sanitary and Phytosanitary (SPS) checks and other food checks such as African Swine Fever (ASF) checks.
- What impact the loss of revenue for ASF checks would have on the budget. Members were advised that there was no income from those checks and that most costs were staffing related.
- The impact of the Dover Port Health Authority ASF checks being extended to Coquelles. Members were advised that currently the PHA only undertook checks in Dover and that extending the service would have significant cost implications.

- Whether other options had been considered, such as tailoring the Dover Port Health Authority to the DEFRA funding available. Members were advised that any downscaling would have a significant impact on the port health service delivery. Currently DEFRA fund 34 posts plus 6 vets. The service was at a critical point and it was hoped that DEFRA would at least recognise the necessity of retaining the current service. The Strategic Director (Finance and Housing) advised that DEFRA had stated that the service should be self-funding through enforcement fines but this was not deliverable.
- It was questioned as to why the Council was going against DEFRA's expectations and funding arrangements for the Dover Port Health Authority service. In response it was stated that it was felt that it would be irresponsible to cut the service given the levels of African Swine Fever in Europe and the level of finds and seizures and that DEFRA know the service is under resourced as we have been lobbying them for over a year on funding arrangements. The impact an outbreak in the UK would have on the UK farming sector would be huge.
- To welcome that the Council Budget for 2024/25 was a balanced budget with the lowest Council Tax in East Kent and had no service cuts.
- To question why housing plans accounted for less than 100 properties. It was stated that those properties had been approved but there were others in the pipeline for which it was too early to count.
- In response to a question about new capital projects, it was stated that the Council had limited capital resources for any major projects beyond those set out in the budget papers.
- To confirm that £5 million was still allocated to the Tides Project. In reply it was stated that £600,000 had been spent and £4.4 million remained unspent.
- To welcome funding for the Marke Wood Play Area.
- To discuss the progress of the new garden waste scheme. Members were advised that the service was still being promoted and that to date over 5,000 subscribers had been reached.

It was agreed to note the Section 25 Report and the Council Budget 2024/25 and Medium-Term Financial Plan 2024/25-2027/28.

101 COUNCIL BUDGET 2024/25 AND MEDIUM-TERM FINANCIAL PLAN 2024/25–2027/28

This item was taken en bloc with the Section 25 report.

The meeting ended at 7.30 pm.