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MINUTES OF SCRUTINY LEADERSHIP BOARD MEETING - TUESDAY, 11 JULY 2023

Present:

Councillor Galley (in the Chair)

Councillors

Cartmell
Critchley

Flanagan
B Mitchell

C Mitchell
Scott

S Smith

In Attendance:

Sharon Davis, Scrutiny Manager

Mark Golden, Head of Accountancy

Ruth Henshaw, Performance Improvement and Project Delivery Lead

Councillor Lynn Williams, Leader of the Council

1 DECLARATIONS OF INTEREST

There were no declarations of interest on this occasion.

2 MINUTES OF THE LAST MEETING HELD ON 8 MARCH 2023

The Board agreed that the minutes of the meeting held on 8 March 2023 be signed by the Chair as a true and correct record.

3 PROVISIONAL OUTTURN 2022/23

Mr Mark Golden, Head of Accountancy presented the provisional outturn 2022/2023 to the Board. He outlined the key points from the report which had been considered by the Executive on 12 June 2023 noting that the total overspend for 2022/2023 had been £9.754 million with the largest overspends stemming from Growth and Prosperity and Children's Social Care. Further demands had been experienced by Adult Social Care adding to the overspend with an underspend in Treasury Management.

It was noted that collection of Council Tax had grown year on year as had the Council Tax Reduction Scheme, with collection of business rates also improved on the previous year. Mr Golden also referred to the re-instatement of working balances and the issues relating to the signing of the statement of accounts. In relation to single person discount on Council Tax, Members queried the potential for fraud and it was reported that the Council had commenced an exercise to encourage residents to ensure the information they had provided was accurate prior to further action potentially being taken against identified instances of fraud. The issue had already been raised through the Audit Committee.

In relation to the Council Tax Reduction Scheme, the Board requested further information with regards to the take-up of the scheme and data regarding the bands utilising it most which Mr Golden agreed to provide following the meeting.

The Board noted the underspend relating to vacant posts in Early Help querying if these

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remained vacant and the impact on service provision. In response, Mr Golden advised that the saving was a one-off saving and that posts would be filled and had been filled when possible. It was expected that vacancies would have a short term impact on service provision, however, it was noted that as a percentage of the overall staffing budget, the underspend was not significant. It was agreed that this issue would be raised through the Children and Young People's Scrutiny Committee.

Members referred to the £812k bad debt provision within the Adult Services budget. Mr Golden noted that the budget must contain a certain percentage of bad debt provision as a contingency for those not paying fees, he advised that the Council did pursue debts to collect.

In relation to the lower than expected parking income, Mr Golden advised that as a percentage of the total budget the amount discussed was not a significant amount. It was noted that the service did benchmark charges against other authorities and that further parking concerns could be explored directly with the Head of Service.

The Board raised concern in relation to the issue of grant payback and the potential implications on the budget for 2023/2024. Mr Golden advised that grants often had conditions attached to how they could be spent and therefore on occasion it was necessary for the Council to payback part or all of a grant should it not meet those conditions. In the previous few years, this issue had been exacerbated by the grants provided during the Covid pandemic.

Members went on to note that it had been agreed that underspends and overspends from the previous financial year had been written off rather than carried forward. This had been agreed due to the current level of risk and volatility and would allow services to be more flexible. Mr Golden advised that some budgets, notably the Children's Services budget had been increased due to increased cost pressures and it would therefore be unachievable for that service and others to balance their budget whilst also incorporating an overspend from the previous year. The risk that writing off overspends in this year would potentially cause services to believe they could continue to overspend in future years without consequence was also raised. Mr Golden advised that it was crucial that overspends were managed down and recurrent underspends were offered up as savings via an embedded one-council culture to ensure value for money and efficient use of resources.

The current high interest rates were noted and the known impact on the budget and mitigations put in place queried. In response, Mr Golden advised that the increased interest rates would increase pressures on the 2023/2024 budget and that the Council did have both short term and long term loans. In a move to mitigate the interest rate increases, a number of short term loans had been fixed and changed to long term borrowing with monthly Treasury Management meetings held to monitor the situation.

The impact of factors such as interest rates outside of the Council's control were noted including increases to staff wages, inflation and a need to deliver statutory services and protect vulnerable people. The upcoming piece of work on asset disposal was also noted.

The Chair requested Mr Golden and the Director of Resources give some consideration to the areas in which scrutiny could add in the most value in regards to finance and ensure

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effective consideration and challenge going forward.

The Board agreed to:

Receive further information with regards to the take-up of the Council Tax Reduction Scheme and data regarding the bands utilising it most.

4 TREASURY MANAGEMENT STRATEGY OUTTURN FOR THE YEAR ENDED 31 MARCH 2023

Mr Mark Golden, Head of Accountancy presented the Treasury Management Strategy Outturn for the year ended 31 March 2023 to the Board. He advised that current interest rates were higher than forecast in the budget and that in the previous year there had been an underspend in Treasury Management.

The Board discussed the level of interest currently paid by the Council in each financial year and it was agreed that Mr Golden would provide an overview of the different levels of debt and interest paid over the previous five to 10 years to the Board following the meeting.

In response to questions, Mr Golden advised that the majority of the loans that the Council awarded were on a variable interest basis, that borrowing costs had increased and that the Treasury Management Panel met on a monthly basis in order to monitor concerns relating to loans and interest.

The Board agreed to:

Receive an overview of the different levels of debt and interest paid over the previous five to 10 years to the Board following the meeting.

The Board agreed to note the report.

5 COUNCIL PLAN PERFORMANCE REPORT (END OF YEAR 2022/23)

Ms Ruth Henshaw, Performance Improvement and Project Delivery Lead presented the Council Plan Performance Report (End of Year 2022/23) to the Board. It was noted that when the Council Plan was refreshed, the details in the Plan were mapped against potential performance figures and areas to measure. The identified indicators were then considered by the Corporate Leadership Team, Leadership Board and the Scrutiny Leadership Board. During the pandemic a number of indicators had been suspended and changed due to data being collected in different ways and a number of indicators still related to Covid. It was intended that the indicators would be reviewed in the near future and amended accordingly.

She highlighted a number of issues relating to Priority 1: The Economy including the difficulty in collecting data relating to car park usage and jobs created/safeguarded from regeneration projects. In relation to Priority 2: data recorded in relation to the number of looked after children, education plans and health outcomes were highlighted. It was reported that the number of indicators relating to Adult Services was currently low due to those suspended during the pandemic and not yet re-introduced and a key aim of the refresh would be to strengthen indicators in this area.

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Members raised youth justice as a key area not included within the current indicators and requested it be considered going forward. Also discussed was the reduction in the number of looked after children and the sustainability of the reduction with the high cost of residential placements of key concern.

Further information was requested relating to the reduction in referrals to Children and Adolescent Mental Health Services and the Child and Adolescent Support and Help Enhanced Response Team and it was agreed this would be provided following the meeting.

The Board discussed the way in which the Council Plan Performance Data was presented and agreed that in future it be subdivided into the remits of the four scrutiny committees for consideration by those Committees. It was noted that this would ensure service managers were present to answer questions on performance and that data could be cross-checked with the narrative being presented to the Committees.

6 LEADER OF THE COUNCIL - VISION FOR SCRUTINY

The Leader of the Council provided an overview of her vision for Scrutiny at the invitation of the Scrutiny Lead Member. She highlighted the improvements that had been made to date and key areas of potential focus such as increased public engagement and the potential to seek input from experts on subject areas.

7 MEETING FEEDBACK FROM CHAIRS AND VICE CHAIRS

The Chairs and Vice Chairs of the Scrutiny Committees were invited to provide an overview of the first cycle of Committee meetings held in June and July 2023. Each Chair/Vice Chair provided detail of the items presented to the Committee meetings, the types of questions asked and their perceived areas of improvement from the initial meetings. It was noted that each Committee had an upcoming workshop to consider its workplan for the remainder of the Municipal Year. The Scrutiny Lead Member queried the input of senior officers into the workplan for each Committee and requested thought be given by all to the content.

It was noted that each Committee had varied with different strengths and weaknesses identified for future focus.

8 SCRUTINY LEADERSHIP BOARD WORKPLAN

The Scrutiny Leadership Board considered and noted its workplan for the 2023/24 Municipal Year.

9 DATE AND TIME OF NEXT MEETING

The Board noted the date and time of the next meeting as the informal meeting on Tuesday 12 September 2023, commencing at 6.00pm.

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Chairman

(The meeting ended at 8.00 pm)

Any queries regarding these minutes, please contact:

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