



WOKINGHAM BOROUGH COUNCIL

A Meeting of the **COMMUNITY AND CORPORATE OVERVIEW AND SCRUTINY COMMITTEE** will be held virtually on **TUESDAY 19 JANUARY 2021 AT 7.00 PM**

A handwritten signature in black ink, appearing to read 'Susan Parsonage', written in a cursive style.

Susan Parsonage
Chief Executive
Published on 11 January 2021

The role of Overview and Scrutiny is to provide independent “critical friend” challenge and to work with the Council’s Executive and other public service providers for the benefit of the public. The Committee considers submissions from a range of sources and reaches conclusions based on the weight of evidence – not on party political grounds.

Note: The Council has made arrangements under the Coronavirus Act 2020 to hold this meeting virtually via Microsoft Teams. The meeting can be watched live using the following link: <https://youtu.be/fBQcVY8d-g4>

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WOKINGHAM BOROUGH COUNCIL

Our Vision

A great place to live, learn, work and grow and a great place to do business

Enriching Lives

- Champion outstanding education and enable our children and young people to achieve their full potential, regardless of their background.
- Support our residents to lead happy, healthy lives and provide access to good leisure facilities to complement an active lifestyle.
- Engage and involve our communities through arts and culture and create a sense of identity which people feel part of.
- Support growth in our local economy and help to build business.

Safe, Strong, Communities

- Protect and safeguard our children, young and vulnerable people.
- Offer quality care and support, at the right time, to prevent the need for long term care.
- Nurture communities and help them to thrive.
- Ensure our borough and communities remain safe for all.

A Clean and Green Borough

- Do all we can to become carbon neutral and sustainable for the future.
- Protect our borough, keep it clean and enhance our green areas.
- Reduce our waste, improve biodiversity and increase recycling.
- Connect our parks and open spaces with green cycleways.

Right Homes, Right Places

- Offer quality, affordable, sustainable homes fit for the future.
- Build our fair share of housing with the right infrastructure to support and enable our borough to grow.
- Protect our unique places and preserve our natural environment.
- Help with your housing needs and support people to live independently in their own homes.

Keeping the Borough Moving

- Maintain and improve our roads, footpaths and cycleways.
- Tackle traffic congestion, minimise delays and disruptions.
- Enable safe and sustainable travel around the borough with good transport infrastructure.
- Promote healthy alternative travel options and support our partners to offer affordable, accessible public transport with good network links.

Changing the Way We Work for You

- Be relentlessly customer focussed.
- Work with our partners to provide efficient, effective, joined up services which are focussed around you.
- Communicate better with you, owning issues, updating on progress and responding appropriately as well as promoting what is happening in our Borough.
- Drive innovative digital ways of working that will connect our communities, businesses and customers to our services in a way that suits their needs.

MEMBERSHIP OF THE COMMUNITY AND CORPORATE OVERVIEW AND SCRUTINY COMMITTEE

Councillors

Guy Grandison (Chairman)	Emma Hobbs (Vice-Chairman)	Shirley Boyt
Paul Fishwick Abdul Loyes	Graham Howe Alison Swaddle	Clive Jones

Substitutes

Andy Croy	Carl Doran	Pauline Helliar-Symons
Rachelle Shepherd-DuBey	Chris Bowring	Caroline Smith
Michael Firmager	Ken Miall	Malcolm Richards

ITEM NO.	WARD	SUBJECT	PAGE NO.
63.		APOLOGIES To receive any apologies for absence.	
64.		MINUTES OF PREVIOUS MEETING To confirm the Minutes of the meeting held on 23 November 2020, and the Minutes of the extraordinary meeting held on 22 December 2020.	5 - 28
65.		DECLARATION OF INTEREST To receive any declarations of interest.	
66.		PUBLIC QUESTION TIME To answer any public questions A period of 30 minutes will be allowed for members of the public to ask questions submitted under notice. The Council welcomes questions from members of the public about the work of this committee. Subject to meeting certain timescales, questions can relate to general issues concerned with the work of the Committee or an item which is on the Agenda for this meeting. For full details of the procedure for submitting questions please contact the Democratic Services Section on the numbers given below or go to www.wokingham.gov.uk/publicquestions	
67.		MEMBER QUESTION TIME To answer any member questions.	
68.	None Specific	BURIAL CAPACITY - UPDATE JANUARY 2021 To consider an update regarding burial capacity within the Borough	29 - 32

69.	None Specific	UPDATE ON SHARED INTERNAL AUDIT & INVESTIGATION SERVICE To receive an update on the Shared Internal Audit & Investigation Service	33 - 66
70.	None Specific	COSC REPORT ON THE DRAFT MTFP To generate key points to be included within the Committee's report regarding their overview of the 2021-23 MTFP	67 - 78
71.	None Specific	WORK PROGRAMME To consider the work programme for the remainder of the 2020-21 municipal year	79 - 80

Any other items which the Chairman decides are urgent

A Supplementary Agenda will be issued by the Chief Executive if there are any other items to consider under this heading

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MINUTES OF A VIRTUAL MEETING OF THE COMMUNITY AND CORPORATE OVERVIEW AND SCRUTINY COMMITTEE HELD ON 23 NOVEMBER 2020 FROM 7.00 PM TO 10.10 PM

Committee Members Present

Councillors: Guy Grandison (Chairman), Shirley Boyt, Paul Fishwick, Graham Howe, Clive Jones, Abdul Loyes, Alison Swaddle, and Pauline Helliars-Symons (Substitute)

Officers Present

Carol Cammiss (Director of Children's Services), Neil Carr (Democratic and Electoral Services Specialist), Keeley Clements (Director for Communities, Insight and Change), Graham Ebers (Deputy Chief Executive (Director for Resources & Assets)) and Callum Wernham (Democratic and Electoral Services Specialist)

Executive Members Present

Parry Batth, Ullakarin Clark, Charlotte Haitham Taylor and John Kaiser

49. APOLOGIES

An apology for absence was submitted from Councillor Emma Hobbs.

Pauline Helliars-Symons attended the meeting as a substitute.

50. MINUTES OF PREVIOUS MEETINGS

The Minutes of the meeting of the Committee held on 2 September 2020 and the Minutes of the extraordinary meetings held on 22 September 2020, 13 October 2020 and 28 October 2020 were confirmed as a correct record and would be signed by the Chairman at a later date.

51. DECLARATION OF INTEREST

A declaration of interest was submitted from Graham Howe, as he was the Deputy Executive Member for Children's Services. Graham stated that he would take no part in the discussion or voting for any of the Children's Services related budget items.

52. PUBLIC QUESTION TIME

There were no public questions.

53. MEMBER QUESTION TIME

There were no Member questions.

54. MEDIUM TERM FINANCIAL PLAN 2021-24: REVENUE BUDGET

The Committee considered a report, set out in agenda pages 33 to 68, which set out the revenue growth and saving bids for the Directorates encompassing Children's Services; Communities, Insight & Change; and Resources & Assets.

John Kaiser (Executive Member for Finance and Housing), Ullakarin Clark (Executive Member for Children's Services), Charlotte Haitham Taylor (Executive Member for Regeneration), Parry Batth (Executive Member for Environment and Leisure), Carol Cammiss (Director for Children's Services), Graham Ebers (Deputy Chief Executive – Director for Resources & Assets), and Keeley Clements (Director for Communities, Insight & Change) attended the meeting to answer Member queries.

Ullakarin Clark stated that the figures presented to the Committee were only predictions, as due to the nature of Children's Services a child with exceptional needs could come into the Borough at any time, and Wokingham Borough Council (WBC) were legally obliged to help. WBC had a statutory duty to help every child in the Borough who was in need of support, which made some financial predictions difficult. Ullakarin added that there were potential savings that could be realised within the Home to School Transport area, as a review had recently been carried out which officers were now working through.

During the ensuing discussions relating to Children's Services, Members raised the following points and queries:

- Where were Children's Services on their journey to achieving a "Good" OFSTED rating? Executive Member and officer response – WBC wanted to achieve a "Good" OFSTED rating, not only to provide a better service for residents across the Borough, but also because it costed the service significantly more to try and improve things on a reactionary basis. There were a number of special items, which would not be reviewed on the evening, which set out one off spends which would aid the service to move towards the goal of the "Good" OFSTED rating. Overall, progress towards this achievement was progressing well.
- Last year, there was a bid to help move more locum or agency staff towards being permanent, was this progressing? Officer response – This was a special item bid over three years, and progress was being made in line with expectations.
- Had the impact of Covid-19 (C-19), being that job losses or mental health issues, of parents been considered when compiling next year's projections? Officer response – 3 children were in the system who were not in place prior to C-19. Placement cost projections were based on a very stringent model, which was able to be based on factual information and inflationary costs of families within the Borough, or families known to be entering the Borough. It was not possible to accurately budget for those families with mental health issues, or those who may come into the Borough without prior notice, however this would be monitored through the "one front door" approach that WBC had developed with the voluntary sector.
- What would happen if a child was required to be placed in an independent residential school? Officer response – If it was a school provision, the funding would come out of the high needs block rather than the revenue budget. If it was a social care placement, this would be a pressure on the budget. WBC could only budget for what was known and what was expected, however if a child entered the Borough with a specific need, this would need to be met to the level required.
- What caused the jump between 2018/19 and 2019/20 budgetary differences within the social work legal costs? Officer response – Wokingham had three or four very complex cases which required court proceedings, which could take over and above the average of 26 weeks. Therefore, some of the children with the associated additional costs were from previous years. There were no outliers within the current projections. This was a demand led service, and it was modelled as best as could be expected, however there were always potential outliers.
- Was there a potential to move into a larger joint legal arrangement with other Local Authorities? Officer response – WBC was part of a group of 6 Local Authorities, which

was run by Reading Borough Council. WBC were exploring other methods of this service provision.

- Was the out of hours service contact meeting the needs of our residents? Executive Member and officer response – Based on data and feedback, the current provision was believed to be sufficient. The contract was based on usage, however costs were not fairly distributed and WBC had a proportionally low usage. The terms of the contract had been renegotiated, and the current terms were now much more favourable for WBC. The £65k cost was related to the renegotiation and the move towards the new terms.
- Would the creation of the planned SEND school in Winnersh transfer into reducing some of the costs of sending children out of Borough? Executive Member response – The provision of a new in-Borough SEND school would help to reduce placement and transport costs, as it was cheaper to send children to local schools within the Borough. It was a desire that every child should be able attend a school close to where they lived.
- Were the growth estimates for home to school transport a worst case scenario? Executive Member and officer response – Children were always entering the Borough, and some children with placements required home to school transport. This service was based on future demand, and the estimates had been based on the most realistic scenario. This was a statutory service, and whatever amount of money that was required to be spent to meet the needs of the service users would be spent, with costs minimised wherever possible.
- Was there a danger that other Local Authorities with Council houses within the Wokingham Borough could place families in said houses, meaning WBC cover the costs of their needs? Officer response – It was very unlikely that our neighbours would be underhanded. WBC worked with its neighbours on a range of issues including family placements, and therefore any placements from one Local Authority to another would be discussed and negotiated.
- Had there been any exploration for other ways to provide the out of hour's service? Officer response – This was a very expensive service to provide on a solo basis, and the current six Local Authority approach was meeting our resident's needs.
- Relating to bid number CS 5, home to school transport, was the reduction in growth in 2023/24 due to children finishing school? Officer response – This reduction was more so due to the proposed new school being built within the Borough. This would be staggered entry, however the needs of individual children must still be met, which could mean that some children would still have to be transported outside of the Borough for their needs to be appropriately met.
- Relating to bid number CS 16, savings within home to school transport, were these savings realistic? Officer response – The savings were twofold, primarily via route optimisation and a dynamic purchasing system. There were a number of changes that would come online around the 2022/23 time period which should lead to the predicted savings levels. The process was now managed more stringently, in addition to having more local provision for children. A dynamic purchasing system ensured that the staff procuring the transport were also bearing the costs.

- Relating to bid CS 15, placements review, would this effect service provision? Officer response – Absolutely not, this was a statutory service and the review was about doing a line by line review of each child to make efficiency saving in the long term where possible. Every child would still be placed in the appropriate setting for their needs.
- Relating to bid CS 17, reconfiguration of Children’s Services, were these savings realistic and achievable? Officer response – This would be the subject of a thorough research project, including looking at other service models. No service reduction would be realised as part of the proposed reconfiguration. It was believed that the service could be reconfigured to deliver efficiencies without any service reduction. All of this work was being conducted early on, so that if savings were realised to not be achievable then the appropriate persons could be alerted early on.
- Was the Local Government Finance Settlement likely to change any of the Children’s Service bids? Executive Member and officer response – As this was a statutory service, it was not a case of cutting service provision. Whilst service efficiencies and best estimates could be worked through, WBC would still have to provide the appropriate level of funding required to deliver this statutory service. There was now assurances from the Service that the existing budgets were built up to the level of where they needed to be, excluding anomalies and unknown placements.
- How had C-19 changed home to school transport assistance? Officer response – Special transport services had to be arranged to deal with this element of the pandemic. Some of these costs were covered by Government grants. There had been no reduction of the service delivery model, and there was now more individual transport in place to ensure class bubbles were maintained. Lessons had been learnt from the pandemic, which had been captured as a part of the recent review.
- Relating to bid CS 8, SEND legal costs, was growth of £100k sufficient given previous overspends? Officer response – Based on current cases and tribunals, the estimated growth was sufficient. The Service tracked children right through the system which gave a good indication of future legal costs. Legal costs had never been budgeted for before, and this was a best estimate based on the current evidence.
- Were the changes and efficiencies within home to school transport on track? Officer response – Yes, there had been a recent review and a consultation was underway, the results of which would be worked on by officers.
- Was there a potential opportunity for staff to be recruited from a larger area, if they could effectively work from home? Officer response – Many Children’s Services staff were on the front line, and therefore needed to love locally to effectively conduct visits. This was however an opportunity that could be realised on an organisational wide basis.

The Committee moved on to their overview of the savings and growth proposals for the Communities, Insight and Change Directorate.

Keeley Klements stated that the land charges were offered at a competitive price, however the marketplace was changing and the current figures were unobtainable, and had been so for the past couple of years. The budget to deal with cases and prevention of domestic abuse had moved from Children’s Services to this directorate. Children’s Services had

done lots of good work in this area, and had identified a budget gap. The growth bid was therefore present to fill this gap for effective service provision. The new Assistant Director role was moving from the Resources & Assets directorate to this directorate, and was therefore a net zero cost. There were some library efficiency savings that were being explored, whilst the focus was to provide a service for when it was most convenient for residents to make use of it.

During the ensuing discussions relating to Communities, Insight and Change, Members raised the following points and queries:

- Relating to bid CIC 33, library service efficiencies, could this be elaborated? Executive Member and officer response – The library service felt that they could purchase books in a more efficient manner, resulting in more optimised prices. C-19 had resulted in virtual libraries being used significantly by our customers, and this was something that could continue to be offered going forward. There were opportunities to use RFI book returns, which would allow for longer opening hours and staffing efficiencies. No opening times would be changed until all research had been completed, and the timings would be optimised for when most people wanted to use the service.
- Relating to bid CIC 1, IT security infrastructure, when was this important work likely to be completed? Officer response – WBC was receiving more and more emails about scams and schemes and other attacks. Officers were working on the new infrastructure right away, and the existing firewall was robust. This additional work was to sustain the firewall and secure WBC against ever more sophisticated attacks. Work would be completed as soon as possible.
- Relating to bid CIC 9, inflationary software licence increases, were there any other increase in the contracts? Officer response – WBC were very strict with our contracts, and many were based on national standards and frameworks. This increase was the only portion of the contract that was increasing.
- Why was the budget relating to allowing WBC to deal with cases and prevention of domestic abuse not sitting under Adult's and Children's Services? Officer response – One of the Lead Specialists was doing a lot of work to do with domestic abuse. The way it was seen in the new model was that there were safeguarding thresholds for Adults and Children, and everything below that is where this service fitted in. This move now brought the antisocial behaviour and community safety partnership agenda altogether, whilst bringing the localities team into the service to help with enforcement and understanding each individual community. This also helped to ease some of the pressures with Children's Services. This solution now allowed for a dedicated resource in this area, and the Service would still work closely with Berkshire Women's Aid.
- Could some rationale be explained related to the year on year growth numbers within the domestic abuse budget? Officer response – This Service was underfunded for some time, and required extra growth to bring the Service to where it needed to be. This was unfortunately an area of growth, and further pressures would be realised as a result of lockdowns due to C-19.
- Would the installation and provision of self-service library machines be explored further? Officer response – There were a number of changes and efficiencies that were being explored, including additional self-service library machines and RFI returnable books. The library app could be used to move towards an almost staff less

library. Any and all changes would only be made after the appropriate consultation had been undertaken to make sure that the service offered was what worked best for our residents.

- Was the funding for the domestic abuse service sufficient? Executive Member response – This service had not been specifically funded before, and strong funding had been provided for this initial change. A wait and see approach was being taken, and if additional funding was required then this could then be provided.

The Committee moved on to their overview of the savings and growth proposals for the Resources and Assets Directorate.

John Kaiser stated that the Youth Offending Service and Family Intervention Resources support team was being provisioned due to the construction of a new road. The additional funding for finance liaison officers would give WBC more control in some statutory areas. Some additional funding for case owners was being provided to ensure that support was available in the right places throughout the Council. There was more demand on the Shared Legal Service, which had been achieving very good results, and this service therefore required additional resource to meet demand. Income would be generated from WBCs commercial property portfolio, with income predicted to ramp up as the Borough and Nation continued to recover from the C-19 pandemic. A slightly more conservative estimate of income generation from Wokingham owned houses had been predicted for the next financial year due to the pandemic. The Council already had solar assets and was looking to expand upon them, and savings bids RA 15 & 16 were to be the result of additional investments and income generation therefrom.

Parry Bath stated that the provision of 3G pitches would provide income all year round, due to their artificial nature. There were a number of new offerings available, such as extra classes and programmes within leisure, which would also generate income for WBC. Some existing offerings within the Leisure portfolio were proposed to have their charges increased, though despite this WBC would still be offering the lowest charges when compared to other Local Authorities.

During the ensuing discussions relating to Resources and Assets, Members raised the following points and queries:

- When would the proposed solar farm be paid off make a financial return? Executive Member and officer response – There was an approximate four year recovery time based on the planned performance of the site. However, the income projections were over and above the capital costs.
- Would solar panels on the roofs of newly built Wokingham owned houses be a pre-requisite? Executive Member response – The absence of solar panels would not stop WBC from delivering affordable homes throughout the Borough, though measures such as this and other carbon offsetting measures would be prioritised wherever possible.
- Would the proposed new solar farms result in cheaper utility bills for residents? Executive Member and officer response – There were lots of ways that the solar farm could help, including powering whole estates. In general, the solar farm would be a credit for the Council Tax payer as a form of income generation.

- Relating to bid RA 2, additional finance liaison officers, could this be elaborated? Executive Member and officer response – This bid would allow for some administrative tasks to be completed more effectively, and there was no reason why these tasks could not be carried out by central WBC staff, leaving specialists in various Services to continue with their work. There had been two reductions in admin staff over two reshuffles in recent times, and this bid was there to help re-resource specific areas, allowing specialists to continue to do specialised work.
- How certain were we that the proposed solar farm and crematorium would be ready in time to meet the income generation projections? Executive Member and officer response – Land ownership relating to the proposed solar farm was not an issue, as WBC had already negotiated with the farmers who did not want to run the sites going forward. A pylon already ran through the middle of the proposed site, which would help significantly with infrastructure. A large number of trees would be planted to form an arboretum which would link up with the proposed crematorium, making both sites attractive in terms of appearance. The sites would also back onto a SANG, and delivery was expected in approximately three years. The figures would be refreshed next year based on updated information.
- Was there statutory provision for possible capital losses relating to WBC's commercial property portfolio? Officer response – This depended on a number of factors, as it was a minimum revenue provision. In the private sector, this could be described as depreciation which was effectively recognising loss of the value of assets, whereas in the public sector this was seen as the repayment of a debt. The debt has to be repaid over time, and therefore if there was an impairment of an asset then the debt would be reduced alongside this.
- Were we confident in achieving the £960k return from the commercial property portfolio? Officer response – Yes, the policy was to achieve a 2% target over and above the cost of borrowing, which would be achieved based on the current information. £200m was borrowed, as agreed by the Executive, and the income generation did not assume any additional borrowing above this figure.
- Relating to bid RA 16, the proposed solar farm, were these income generation predictions realistic? Executive Member and officer response – This project was led by the WBC energy specialist, and he had commissioned this work with experts who had carried out similar schemes across the country. Based on this, the figures as presented were achievable.
- Relating to bid RA 15, the proposed crematorium, were the projected income figures net after the cost of construction? Executive Member response – Yes, this was the operating profit after WBC had paid the interest on the funds and borrowing.
- Relating to RA 18, the early repayment programme, was this a programme for people who were paying WBC? Executive Member and officer response – This was about WBC making secure and streamlined payments across the organisation to our variety of suppliers, allowing better financial management arrangements. It will also enable WBC to make the best of our cash flow position, to negotiate better terms with suppliers who appreciated very quick cash payments. An action was taken for Graham Ebers to provide information as to how much the company providing this service would make out of this arrangement.

- Relating to savings bid RA 14, Cantley Park enhancement, how much would this cost over the following years? Executive Member and officer response – The figures shown were the net incomes, and the full details were laid out within the Executive report which was presented roughly a year ago. Approximately £700k was provided as a grant from the Football Association, and some ring-fenced S106 funding was also used. These figures were income over and above any financing costs of any residual borrowing.
- Regarding income from leisure services, when were we presuming that facilities would reopen? Officer response – Services were currently being offered in an online and virtual format, and WBC were predicting that a more substantial “normal” offering could be seen in April 2021.
- Relating to savings bid 24, review of fees and charges for leisure services outside of the main contract, was a thirty percent increase appropriate? Executive Member and officer response – WBC’s offerings were still lower than other Local Authorities, even after the proposed increases. The new prices would be approximately £4.42 a session compared to prices ranging from £5 to £6 at other Local Authorities. These services had been operating for a long time and were very popular. The increase of thirty percent was not ideal, however there came a time when prices had to rise for the service to be delivered effectively.
- Were any other grants expected from the Government related to closure of facilities as a result of C-19? Officer response – Officers were waiting to see if WBC would be reimbursed for closure of leisure facilities as a result of C-19.
- Had the potential loss of customers who could no longer afford sessions at a thirty percent increase been factored into income gains? Executive Member and officer response – This was a hugely popular service with a long waiting list, and the user base was largely resilient to the effects of C-19 as they were receiving pensions rather than salaries.

RESOLVED That:

- 1) John Kaiser, Ullakarin Clark ,Charlotte Haitham Taylor, Parry Batth, Carol Cammiss, Graham Ebers, and Keeley Clements be thanked for attending the meeting;
- 2) Information as to how much the company providing the early repayment service would make out of this arrangement be provided to Committee Members;
- 3) Special items, updated revenue bids, and capital bids be considered by the Committee at a later date.

55. UPCOMING MEETINGS' WORK PROGRAMME

The Committee considered the upcoming meetings’ work programme, set out in agenda pages 69 to 70.

The Committee were advised that returning items including the burial grounds review, and the BAME Forum would look to be scheduled for either the January or March Committee meeting, whichever was more appropriate.

RESOLVED That:

- 1) The upcoming meetings' work programme be noted;
- 2) Returning items including the burial grounds review, and the BAME Forum would look to be scheduled for either the January or March Committee meeting, whichever was more appropriate.

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**MINUTES OF AN EXTRAORDINARY MEETING OF THE
COMMUNITY AND CORPORATE OVERVIEW AND SCRUTINY COMMITTEE
HELD ON 22 DECEMBER 2020 FROM 7.00 PM TO 11.00 PM**

Committee Members Present

Councillors: Guy Grandison (Chairman), Emma Hobbs (Vice-Chairman), Shirley Boyt, Paul Fishwick, Graham Howe, Clive Jones, Abdul Loyes and Alison Swaddle

Councillors Present and Asking Questions

Councillors: Andy Croy and Rachel Burgess

Officers Present

Nigel Bailey (Interim Assistant Director – Housing & Place Commissioning), Neil Carr (Democratic & Electoral Services Specialist), Mark Cupit (Assistant Director Delivery & Infrastructure: Place and Growth), Graham Ebers (Deputy Chief Executive (Director of Resources & Assets)), Andy Glencross (Assistant Director – Highways & Transport), Andrew Moulton (Assistant Director - Governance), Simon Price (Assistant Director, Housing, Income and Assessments), Nicky Thomas (Senior Specialist – Assessments), Chris Traill (Director - Place & Growth) and Callum Wernham (Democratic and Electoral Services Specialist)

Executive Members Present

Parry Bath (Executive Member for Environment and Leisure), John Kaiser (Executive Member for Finance and Housing), Charles Margetts (Executive Member for Health, Wellbeing, and Adult Services), UllaKarin Clarke (Executive Member for Children’s Services), and Pauline Jorgensen (Executive Member for Highways and Transport)

56. APOLOGIES

There were no apologies for absence.

57. DECLARATION OF INTEREST

A declaration of interest was submitted from Emma Hobbs relating to agenda item 62, on the grounds that she was a trustee on the Citizens Advice Bureau. Emma stated that she would still take part in discussions and any voting related to this item.

A declaration of interest was submitted from Graham Howe relating to agenda item 62, on the grounds that he was the Deputy Executive Member for Children’s Services. Graham stated that he would take no part in any discussions or voting relating to this particular issue.

58. PUBLIC QUESTION TIME

There were no public questions.

59. MEMBER QUESTION TIME

In accordance with the agreed procedure the Chairman invited Members to submit questions to the appropriate Members.

59.1 Andy Croy asked the Chairman of the Community and Corporate Overview and Scrutiny Committee the following question:

Question

Claimants in receipt of child benefit have had the uncertainty surrounding the 'Child Benefit Tax' removed for a year while for this year at least, and two years after the issue was raised, the carers finally have the 'Carers Tax' removed.

Five out of the seven options considered were cuts to this benefit. There is nothing in the survey responses to suggest that, despite the wording of the survey, respondents wanted a cut to the benefit.

Why weren't options for a generalised improvement to the scheme even considered?

Answer

Firstly, we are unsure what the "tax" is referred to in the question. CTR is a benefit scheme that provides relief from council tax for those most financially vulnerable residents of the borough by giving a reduction in the amount of Council tax they pay.

I can only assume that you are referring to the fact that Child Benefit is not included in the income calculation when we assess CTR. This has always been the case since the Council have been running the CTR scheme and this continues with the new proposals.

When devising a scheme we have to consider both the impact on the residents eligible to receive CTR and all residents who pay council tax, along with the financial impact it will have on the Council and its delivery of services.

Therefore when considering a new or revised scheme alternatives were modelled in the context of affordability, the overall impact on the recipients benefiting from the scheme and the Council's budget.

Wokingham's scheme is comparable and on a par with most other Local Authorities CTR schemes and we are now proposing to make this scheme more generous by disregarding Carers Allowance in total for the first time.

Council Tax is a vital source of income for the council in responding to the current pandemic and council tax rates are holding up relatively well including payments by those in the CTR scheme. We will however keep this under close review and will ensure that we provide whatever support we can to those in genuine hardship in accordance with our commitments under the emerging Anti-Poverty Strategy.

59.2 Rachel Burgess asked the Chairman of the Community and Corporate Overview and Scrutiny Committee the following question:

Question

When the Council Tax Reduction scheme first replaced the Council Tax Benefit in 2013, expenditure on the scheme was £4.6m. This fell significantly in the ensuing years. These new proposals for 2021-22 are to spend £4.17m, which is just £6k more than the 'do nothing' position. Adjusted for inflation this represents a drop of at least 16% in the funding for this scheme since its introduction in 2013, with many fewer residents helped by the scheme.

As the report notes, we are still seeing the impact of Covid on low income residents – so why has the funding for this scheme fallen so significantly, when we know residents are struggling?

Answer

Initially in 2013 the Council Tax Reduction Scheme was funded by government and schemes were written to reflect this. The funding for this was withdrawn from 2015 and was then incorporated within the Revenue Support Grant, which was reduced to zero in 2018 for WBC.

There is therefore no set budget provision for the CTR Scheme; it effectively reduces the level of Council Tax we are able to collect and therefore the money available to provide vital services for the community. Our CTR scheme and its costs need to be designed in this context.

For 2021 we are however seeking to enhance the scheme by not taking Carers Allowance into account in the calculation of the CTR award and are proposing not to make any scheme reductions.

It should be noted that in addition to the CTR scheme the council is doing what it can to assist those in hardship which includes:

- £150 Hardship Payment for each CTR recipient paid against their council tax
- Test & Trace Support Payments for those on low income who have to self-isolate
- Winter Grant
- Council lead voluntary support for the vulnerable
- Local Welfare Provision
- Discretionary Housing Payments
- Section 13a Discretionary Scheme.

Supplementary Question

I appreciate that you are enhancing the scheme, or proposing to do so, but that increase is only £6,000, which is tiny compared to the size of it. We know Council Tax is a regressive tax, and I think that it is as important as ever that a Council Tax reduction scheme does whatever it can to make sure that residents who are in financial hardship can receive the financial help that they need. So, in light of the reductions to the scheme made over several years, and the current extremely difficult circumstances in which people find themselves, as part of your role in this Committee in scrutinising this scheme, would the Committee consider tonight proposing an increase to the funding for this scheme. If you look at the detail as to how this is calculated, there are a number of different levers that you could pull to increase the funding for the scheme, is that something that you could consider this evening?

Supplementary Answer

It is a difficult one in that regard, as all we can do is make a recommendation. Now, what we can do is effectively ask for more data on this, as in terms of the scheme itself and the values that have dropped or the inflationary figures, I do not have those numbers in my head. It could be a case that the scheme numbers have reduced because the numbers of people that have claimed it have reduced. Now, has that reversed in the last twelve months because of Covid, I do not know. But, it is something that we need to ask questions about, and do the proper Overview and Scrutiny of, in order to drill into that detail and see if the amount being proposed for the budget in February is the appropriate and correct amount, as that is the role of Overview and Scrutiny.

At this point, further discussion was had about this topic.

60. COUNCIL TAX REDUCTION SCHEME

The Committee considered a report, set out in agenda pages 5 to 18, which set out proposed changes to the Council Tax reduction scheme.

The report outlined the results of the public consultation which ran from 30th September to 11th November. In addition, the report gave details of the proposed change to the 2021/22 scheme, which would seek to disregard the total value of any carer's allowance as opposed to the previously disregarded value of £46.35 per week. Overall, this would equate to an approximate positive change for claimants of £6,059 per annum total between all eligible claimants.

John Kaiser (Executive Member for Finance and Housing), Graham Ebers (Deputy Chief Executive – Director of Resources & Assets), Simon Price (Assistant Director Neighbourhoods and Communities) and Nicky Thomas (Senior Specialist – Assessments) attended the meeting to answer Member questions.

During the ensuing discussions, Members raised the following points and queries:

- How had Covid-19 (C-19) changed the responses received to the consultation compared to previous years? Officer response – Officers had noted an enhanced level of responses this year, partly due to the consultation being sent out to the wider charitable sector.
- Would more people be eligible under the scheme this coming year due to C-19 and potential lost jobs? Officer response – Officers were always nervous when major Government schemes, such as the furlough scheme, were due to come to an end. There had been a notable increase in Universal Credit applications, which could lead to increased demand on the Council Tax reduction scheme.
- A number of Members were reassured by comments made by John Kaiser, whereby he stated that this was a statutory scheme and if additional funding was required then it would be provided to meet the costs of the scheme. Graham Ebers added that there were a variety of variables and risks associated with Council tax, and this statutory scheme was just one part of a significant and complex strategy. Graham added that the best way to guard against unforeseen demand and costs was to ensure safe general fund balances.

- How many people were currently using the Council Tax reduction scheme? Officer response – Approximately 3896 people were using the scheme at present.
- Considering nearly 4000 people were using the scheme, some Members found it disappointing that only 109 of those persons responded to the consultation. What additional outreach was being considered to engage with more of these persons in future? Officer response – The consultation had been advertised and sent to all voluntary sector partners this time around. Officers would take away these comments and look to try and extend the reach of the consultation in future, perhaps by working with the Department for Work and Pensions to increase engagement with persons using the scheme.
- It was noted that many people may not have understood the first question within the consultation. Officers stated that they would take this comment on board.
- As some people may get embarrassed responding to such a survey, would officers seek to word the consultation very carefully next year? Officer response – This was definitely the plan, and a review of the consultation was already scheduled for next year.
- Did foster carers pay Council Tax? Officer response – This was Council Tax related rather than Council Tax reduction related, and it depended on whether they had a specific exemption to the general Council Tax policy.
- The Committee reiterated their desire for more service users to be engaged with the consultation from next year. Officers stated that they would take this on board and thoroughly review next year.

RESOLVED That:

- 1) John Kaiser, Graham Ebers, Simon Price and Nicky Thomas be thanked for attending the Committee;
- 2) Officers would look to increase engagement with service users during the 2021/22 consultation, possibly by working more closely with the Department for Work and Pensions;
- 3) Officers review the wording of consultation question 1 as part of the scheduled review of the consultation;
- 4) Officers review the wording and phrasing of the entire consultation as part of the scheduled review of the consultation, as so to make respondents as comfortable as possible.

61. MAY 2021 ELECTION COUNT UPDATE

The Committee considered a report, set out in agenda pages 16 to 22, which gave details of the preparations for the count related to the elections scheduled to be held in May 2021.

The report outlined a variety of proposed changes to the standard format of the elections count timetable, including conducting the Borough and Town and Parish Council counts during the day on Friday 7th May, and conducting the Police and Crime Commissioner (PCC) count during the day on Monday 10th May. The counts were expected to take place

at the usual venue of Loddon Valley Leisure Centre, however there were contingency plans in place should this venue not be available for any reason. The report detailed a number of potential issues and possible solutions relating to Covid-19 (C-19) and social distancing guidelines.

Andrew Moulton, Assistant Director – Governance, attended the meeting to answer Member queries.

During the ensuing discussions, Members raised the following points and queries:

- Given current circumstances, Members appreciated the work that had already gone into planning for the counts, and found suggestions to be sensible. Given the need for social distancing, was it possible to use a separate hall to split the count and enable more effective social distancing? Officer response – This was being looked at as an option, however at the moment this didn't appear to be feasible, however this was at an early stage of planning. There would be a lot of communications regarding this, and other elements of the counts, in 2021.
- What time would the Friday count be expected to start? Officer response – A start time had not yet been decided, however the count would need to begin as early as realistically possible. Once a start time had been agreed, this would be communicated.
- In the case of a dispute during the count, how would any disagreements be managed? Officer response – The count would be held in a C-19 secure and safe way, whilst still offering all of the transparency and objectivity that Members and the public expect from Wokingham counts. The only difference may be that the process takes a bit longer this time around.
- If, for example, the Friday count started at 8am, what time would counting finish with a view to re-start on the Saturday? Officer response – Whilst there was no definitive answer with regards to this currently, it was likely that counting would stop during the early evening on Friday 7th May.
- What would the likely cost implications be of running the elections and counts in a C-19 safe manner? Officer response – A definitive cost could not be given at the moment, however it was likely that there would be increased costs associated with the May 2021 elections and count, and this was built in to the planning assumptions. In the past, extra costs incurred by Local Authorities through no fault of their own were reimbursed by the Government.
- Would extra staff be employed at polling stations to ensure the public could vote safely? Officer response – Officers were planning to employ additional staff at specific polling stations in order to ensure the public could vote safely.
- How were smaller polling stations going to be managed? Officer response – A paper was being presented at January Council which would outline a number of suggested venues to replace smaller venues which may not be suitable for the May 2021 elections.
- A particular school had commented that they had been told that there would not be expected to close, was this the case? Officer response – Officers were aware of the particular school in questions, and a call was being organised in with the Head

Teacher. It was likely that additional support would be required at the school including additional staff, which could result in the school having to close.

- It was noted that there was an expectancy of higher postal votes, and the Cabinet Office had so far been very clear that they expected the elections scheduled in May 2021 to go ahead.
- Agenda page 20 referred to staggered counts for Borough Wards. Would this mean that observers would get access limited to when their particular Ward was being counted? Officer response – The main concerns were about providing a safe counting environment, and ensuring that the process was transparent. No final decisions had been made, and officers were awaiting advice from the Electoral Commission shortly. An update regarding progress and developments could come back to the Committee in a couple of months' time.
- It was noted that Members could get in touch directly with the elections team to voice any concerns regarding unsuitable venues, for example if they felt that the entrance and exit situation would be unsuitable. Any Ward Members who may be affected by potential venue changes would be contacted in advance.

RESOLVED That:

- 1) Andrew Moulton be thanked for attending the meeting;
- 2) Officers be thanked for their work thus far in planning for safe elections and counts to take place;
- 3) A further update on planning and preparation for the elections and counts return to the Committee in a couple of months' time.

62. MTFP 2021-24: SPECIAL ITEMS AND CAPITAL BIDS

The Committee considered a report, set out in agenda pages 23 to 116 and supplementary agenda pages 3 to 66, which detailed the special item and Capital bids to be included within the proposed 2021-24 Medium Term Financial Plan (MTFP)

Parry Bath (Executive Member for Environment and Leisure), John Kaiser (Executive Member for Finance and Housing), Charles Margetts (Executive Member for Health, Wellbeing, and Adult Services), UllaKarin Clarke (Executive Member for Children's Services), Pauline Jorgensen (Executive Member for Highways and Transport), Graham Ebers (Deputy Chief Executive – Director of Corporate Services), Chris Traill (Director of Place and Growth), Nigel Bailey (Interim Assistant Director – Housing & Place Commissioning), Mark Cupit (Assistant Director Delivery & Infrastructure: Place and Growth), and Andy Glencross (Assistant Director – Highways & Transport) attended the meeting to answer Member queries.

Charles Margetts stated that if nothing changed, Adult Services would see a year on year growth in costs of approximately 4%. As such, a demand management special item was crucial to provide a better service for service users and to reduce costs by being more proactive rather than reactive, for example getting involved in a case earlier to avoid immediate crisis care. Charles added that a further special item included funding to provide a mental health nurse to meet the statutory start term needs related to Covid-19

(C-19). Regarding capital bids, Charles stated that these included a bid for a new elderly person's dementia care home to be situated within the Borough.

During the ensuing discussions relating to Adult's Services, Members raised the following points and queries:

- Relating to bid ASC 8, relating to demand management, what year on year saving could be expected? Executive Member response – Approximate savings of £1m per year could be expected going forward. The special item was to fund staff on short term contracts in order to set up the new system. This would require a cultural shift and change on the front end of the service, as more planned care would be delivered going forward with a more manageable workload for staff.
- Relating to bid ASC 9, relating to the hiring of a mental health professional, what ages would the service users be approximately? Executive Member response – This post would work with people from a variety of different age groups, and the role would add additional capacity within the existing team to deal with severe mental health breakdowns, which had seen a spike due to C-19.
- Relating to bid ASC 10, relating to transitions from Children's Services to Adult's Services, was the £270k proposed funding enough? Executive Member response – This had not been as well resourced in the past as it could have been, and this was additional funding to improve this service. The level of funding could be adjusted if needed. In addition, this was part of a much larger programme to get all areas of Wokingham Borough Council's (WBC's) Adult Services into the top 10% of the country.
- The transition programme from Children's Services to Adult's Services happened at 14 years of age at WBC, how did this compare to other Local Authorities? Executive Member response – An answer would be provided at a later date.
- Relating to the capital bid regarding the Learning Disability Outreach and Overnight Respite Centre, why had this taken a considerable amount of time to come about? In addition, why had the original published figure stated £10m of investment, whereas the supplementary papers stated a cost of £1.8m? Executive Member and officer response – A detailed answer would be provided at a later date, however Loddon Court had been adequate for some time, however it now needed investment to be brought up to standard.

The Committee moved on to their overview of the special items and capital bids for the Children's Services Directorate.

UllaKarin Clarke stated that the proposals in front of Members were not just about saving money, but also about providing a better and more efficient service for the Borough's children and their families. UllaKarin added that agency workers had been reduced from 36% to 27% of staff, and this trend was hoped to continue going forwards.

During the ensuing discussions Members raised the following points and queries:

- How many agency staff were currently employed by Children's Services? Executive Member response – There would always be a certain need for agency staff within the service, but a lower total number was always better and cheaper for the service.

Agency staff were very useful for covering sick and maternity leave, however the service could not continue to employ agency staff for vast swathes of posts and therefore WBC were looking to entice more permanent staff with a variety of different incentives. The numerical figure of agency staff currently employed would be provided after the meeting.

- It was noted that costs of sending children to out of Borough schools and centres was becoming more expensive as other Authorities know that we are dependent on their services. It was therefore necessary to invest in in-Borough facilities to provide for most of the needs of children within the Borough. It was noted that it was very unlikely for all children to have their needs completely met in-Borough.
- Relating to the capital bid for the multi-faceted placement hub, when would this project be completed? Executive Member response – This was a rolling programme, and this would be the first hub to be refurbished, and more could be refurbished in the future if there was a need. This was about improving the service provision, and as this was a statutory service then all costs would be met. The works for this project could and would not start until this funding was formally approved.
- Why was the compass team being funded through special items rather than a permanent budget line? Officer response – This was effectively about the funding for the team being proven as effective before being made a permanent line. The hope was that this could provide some good savings and better outcomes for children.
- Relating to bid CS20, parenting assessments, how much of an issue was this? Executive Member response – The issue was that currently the Early Help team had to be used for this function, which took them away from their work. If this team was not used then outside help would have to be commissioned which was expensive.
- Relating to bid CS29, Children’s Transformation Programme, was the £1m of funding enough to reach a ‘Good’ OFSTED rating, and when was the next scheduled OFSTED inspection? Executive Member response – The next inspection was possibly due in the spring, and the service had to make improvements to become ‘Good’ and then ‘Outstanding’. If the inspection came before implementation of schemes, then proposals would be presented to OFSTED which would be used when calculating WBC’s OFSTED rating. WBC was very committed to completing the journey to a ‘Good’ rating, and the reserves were there to support that journey if needed.
- Relating to bid CS24, Recruitment & Retention Strategy, had comparisons been made with other Local Authorities such as South Buckinghamshire or Oxford? Executive Member response – The service was making comparisons with similar sized Local Authorities such as Bracknell and West Berkshire. Some authorities offered allocated parking at office sites whereas WBC did not currently. WBC needed to become more inventive with the remuneration offer to professional Children’s Services staff, regardless if they were in a management role.
- It was noted that when WBC achieved ‘Good’ or ‘Outstanding’ OFSTED ratings, this would in turn attract more high quality staff to join the WBC team in permanent positions.

The Committee moved on to their overview of the special items bids for the Place and Growth Directorate.

Pauline Jorgensen stated that special items included the Customer Relationship Management (CRM) system, the updated Local Transport Development Plan, and funding to cover loss of income at car parks due to C-19.

During the ensuing discussions Members raised the following points and queries:

- Relating to bid P&G8, CRM, was £120k a suitable estimate? Executive Member response – This was an initial IT estimate prior to proper costing.
- Relating to bid P&G26, Local Transport Plan 4 and Delivery Plan, would this move alongside the Local Plan Update? Executive Member response – Yes, this would be developed alongside the Local Plan Update.
- Would Member have access to the proposed CRM system? Executive Member response – This was very desirable and the hope was that this could be achieved.
- Relating to bid P&G15, additional funding to support the local Plan Update, this was a very important project for WBC to stop speculative development within the Borough. Taking this into account, was the proposed funding enough? Executive Member response – A considerable amount of money had already been spent on the Local Plan Update, and this was additional funding to progress it further.
- Relating to bid P&G23, Building Control Fees Shortfall, how sure were WBC that the remaining partner Authority would not pull out? Executive Member response – WBC had made saving due to the service arrangement over the years, and the proposals asked for £100k to realign the service to meet the needs of the service. It was obviously a risk that the other partner within the service could drop out, and the service position would be re-evaluated going forwards.

The Committee moved on to their overview of the special items for the Communities, Insight, and Change Directorate.

Graham Ebers stated that the continuous improvement programme special item bid remained unchanged, and this would help deliver organisational change and improvements across WBC. Bid CIC12 would help to provide additional HR support for a year to deliver an enhanced people's strategy. CIC13 would provide much needed funding for the Community Safety Partnership and the Wellbeing Board, which had previously received no funding resource.

During the ensuing discussions Members asked raised the following points and queries:

- Did the previous 21C programme create issues for services? Executive Member response – It is possible that some of the changes made during the 21C programme would not have been made in hindsight, for example the thinning out of staff within HR. It was important for WBC to have a strong HR department, and bid CIC12 reflected this commitment.
- It was noted that one of the key focusses of 21C was to protect specialist staff. The issue was that some of them became alienated. Key improvements were made, including more digital processes and streamlined procedures.

- It was noted that Committee Members supported funding towards the Community Safety Partnership and Wellbeing Board.

The Committee were updated on the sole Special Item for Resources and Assets. The Committee had no queries regarding this bid.

The Committee moved on to their overview of capital bids relating to the Climate Emergency agenda.

Pauline Jorgensen outlined a variety of highways projects including congestion management improvements. One key improvement would be that more utility work would be completed out of hours.

John Kaiser outlined a number of proposed projects including solar farms, the first of which would have a planning application submitted in 2021. Solar sites such as the one proposed could provide clean energy for the Borough for a period of 40 years, whilst generating revenue for WBC. John outlined the proposed energy reduction project, which would offer businesses support to lower their carbon footprint.

During the ensuing discussions, Members raised the following points and queries:

- Could energy reduction and clean energy generation projects result in helping people who suffer from fuel poverty pay their bills? Executive Member response – Whenever homes were built by WBC or one of our Council owned companies, it would be ensured that good quality materials and insulation was used. This would provide long term energy savings for residents.
- Regarding traffic management congestion, would any of this be funded from WBC reserves? Executive Member and officer response – My Journey received a contribution with each house that was built. S106 and some Local Enterprise Partnership monies also fed into funding this scheme. The first year of this scheme was fully funded, and further years would be funded by a variety of sources including grants.
- How would the shortfall in the capital funding be met? Executive Member response – Unless WBC knew that they would be receiving a grant for a project, then the project would not be included within the plan for the next year. Not all projects were undertaken in any given year, which meant that there would be residual money to roll over into future years and other projects. The capital programme was a large and complicated set of projects, which were undertaken on a rolling basis.
- What year 1 savings would be realised from the proposed solar farm? Executive Member response – The savings line would be achieved in the form of income generation from the first full year of operation.
- How many solar farm sites would be provided for the £1.2m to £1.4m bid? Executive Member response – The funding would provide for one large site to be commissioned and built.
- Relating to the bid to provide upgrade to existing WBC accommodation, what improvements were being made? Executive Member response – WBC only had this

type of accommodation at Grovelands, and the funding would provide temporary accommodation which was of good quality whilst being energy efficient.

At this point of the meeting Guy Grandision proposed that the end time of the meeting be extended for a maximum of 30 minutes, to 11pm. This was seconded by Paul Fishwick and carried.

The Committee moved on to their overview of capital bids relating to the Environment and Leisure portfolio.

Parry Bath gave an overview of a variety of projects within this portfolio, including the Carnival Pool redevelopment. Parry stated that the Carnival pool redevelopment was progressing well, and the outcome would be an asset to the Borough and its residents.

During the ensuing discussions, Members raised the following points and queries:

- What were the timescales for the completion of the Carnival Pool redevelopment, and were there any expected delays? Executive Member response – The project was scheduled to be completed in 2021, and there were no delays to the timescales.
- What date would the proposed in-Borough crematorium be built? Executive Member and officer response – The project was due to be completed in 2022/23.
- Relating to the housing and regeneration bids, the bid sheets contained a lack of detail. As this was a public document, what would be done in future to improve upon issues such as this one? Executive Member and officer response – This bid was about providing 1000 homes in 4 years at a return of 5% for WBC. The policy needed more of a strategic direction in order for the document to be clearer.
- How would it be ensured that the proposed crematorium would be as environmentally friendly as possible? Executive Member response – Officer and Member would make sure that all aspects of the proposed crematorium were as green as possible, reducing the carbon footprint wherever possible. Measures would include an arboretum and lots of tree planting.
- How many homes would be knocked down in phase two of the regeneration project, and how many homes would replace them? Officer response – A total of 249 new homes would be built, which was more than the amount being demolished. Of the 249 homes, 179 would be affordable.
- What was the correct costing for the proposed crematorium? Executive Member response – The project would cost £4m altogether including construction costs.
- It was noted that the Service was very proud of all workers who had maintained services such as weekly waste collection during the pandemic.

The Committee moved on to their overview of the capital bids relating to the Roads and Transport portfolio.

Pauline Jorgensen outline a number of proposals including improvements to the California Crossroads, and Highways Carriageways Structural Maintenance programme.

During the ensuing discussions, Members raised the following points and queries:

- Had a consultation been carried out regarding proposals relating to California Crossroads? Executive Member and officer response – A consultation had been carried out and responses had been taken into account. The requested funding was to enable works to be carried out. This was a multi-year project, and some detailed design work and the consultation costed money. Any roll-over of funding would go towards construction.
- How would any funding gaps be addressed? Executive Member response – There was always a chance that projects would move between years, which left funding available for other projects.
- With regards to the drainage blocks at California Crossroads, how would this be dealt with in the absence of additional funding? Executive Member and officer response – As part of the detailed design work, it was identified that where the drainage drained to had collapsed. There would be the ability to bid for additional funding to cover costs, which would go through the Executive as a supplementary estimate.

RESOLVED That:

- 1) Parry Batth , John Kaiser, Charles Margetts, UllaKarin Clarke, Pauline Jorgensen, Graham Ebers, Chris Traill, Nigel Bailey, Mark Cupit, and Andy Glencross be thanked for attending the meeting;
- 2) An answer be provided relating to how WBC's transition age of 14 between Children's and Adult's Service compared with other Authorities;
- 3) An answer be provided relating to the proposed Wokingham Learning Disability Outreach and Overnight Respite Centre, and why the original published figure stated £10m of investment, whereas the supplementary papers stated a cost of £1.8m;
- 4) The numerical figure of agency staff currently employed within Children's Services be provided;
- 5) All Members and officers be thanked for their contributions throughout the budget scrutiny process during this municipal year.

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TITLE	Burial Capacity - Update January 2021
FOR CONSIDERATION BY	Community and Corporate Overview and Scrutiny Committee on 19 January 2021
WARD	None Specific;
LEAD OFFICER	Assistant Director Housing & Place Commissioning Nigel Bailey

OUTCOME / BENEFITS TO THE COMMUNITY

To ensure there are sufficient full burial plots available at WBC-owned and other cemeteries to meet the current and projected demand.

RECOMMENDATION

That the Committee note the update.

SUMMARY OF REPORT

The Council does not have a statutory duty to provide cemeteries but we do have a duty to maintain any sites under our control in a fit and proper state. However the Local Authority is responsible for the burial or cremation of any person who dies within its boundaries and for whom no other funeral arrangements are being made.

Current Position & Trends

The Council currently operates two cemeteries – Shinfield and St Sebastians. Shinfield Cemetery is located in Spencers Wood and in March 2020 had approximately 1,200 full burial plots including an area dedicated for Muslim burials and St Sebastians Cemetery is in Wokingham Without and had approximately 1,000 plots. Of these plots approximately 200 were vacant with the majority (150) being at Shinfield.

Both cemeteries have had works done to them over the past year with an additional 30+ plots being created for Muslim burials at Shinfield and additional space cleared for around 350 new plots at St Sebastians.

The intention is for WBC to continue as a Burial Authority with the grounds maintained to the current high standard within the existing ground maintenance contract.

In addition to the two Council sites there are around 20 further burial sites spread across the Borough. Most of these are operated by the Diocese of Oxford with other individual sites owned and/or operated by town or parish councils (eg Mays Lane Burial Ground which is owned by Early Town Council). Our recent update survey suggested there are a total of around 450 vacant burial plots on the other non-WBC owned cemeteries and proposals, in particular at Mays lane, for the creation of a further 400+ burial plots.

In recent years cremations have been the chosen approach for around 80% of all deaths nationally with burials accounting for about 20% - at this stage it is too early to say if the current pandemic will change this. However there is some evidence of a growing environmental backlash against 'standard' cremations. There is also a growing demand for other options such as 'green' or 'woodland' burials, memorial tree planting and

benches and 'strewing areas' (such as the recently completed strewing area in Shinfield Cemetery).

In our 2 cemeteries in 2019 there were 21 full burials (includes both new and reopenings) and 10 cremated ashes) with 24 full burials and 13 cremated ashes burials in 2020.

Feedback from our survey suggests approximately 50-60 full new burials taking place across Wokingham annually which, based on current provision would suggest sufficient capacity for the next 17-20 years without any additional provision. Should the extension at Mays Lane be progressed and approved then, on current demand, that overall capacity should be sufficient for around 24-28 years.

We are also currently progressing an options appraisal and business case for building our own eco-friendly crematorium facility within the Borough. Not only would this serve the existing and future needs and requirements of the Borough's residents it would also allow us to offer a range of eco-friendly cremation and burial options to a wider population. Depending on final plans there may be opportunities to include some burial plots if required as well as woodland burials and strewing areas.

We have recently commissioned an updated market appraisal on the proposal which is expected to be completed by February allowing the final business case to be completed in early Spring for consideration.

Future Additional Capacity

Additional WBC Burial Capacity

Following the decision not to pursue the purchase of land adjacent to Ruscombe church the identified budget was transferred to fund additional capacity at St Sebastians. Those works completed in late autumn 2020, clearing land around the boundary of the cemetery and creating space for around 350 additional burial plots.

Specialist Provision

Recognising the shortage of Muslim burial plots across the Borough, works were carried out at Shinfield cemetery in early summer 2020 to provide around 30-40 additional full burial plots. There are also approximately 25 Muslim burial plots vacant at Mays Lane in Earley.

The Council were also recently approached by a family requesting a burial space for their father who was of the Baha'i faith as they were not aware of any such provision within the Borough. Both Bracknell and Reading cemeteries do provide for this faith but, as is standard practice across all local authorities, a surcharge would be levied if the family lived outside the Borough.

Having just completed the works at St Sebastian's, we have been able to offer the community a small area exclusively for Baha'i burials in the cemetery with the first burial taking place on 24th December.

We are also reviewing the provision of a number of additional burial vaults at St Sebastians to meet demand in particular from the Borough's Gypsy, Roma and Traveller communities

Other Additional Capacity

Colleagues at Earley Town Council have also been looking at potentially extending Mays Lane cemetery to provide around 400 new full burial plots and 1,400 plots for cremated remains as well as additional specialist provision for Muslim burials, children and unconsecrated plots.

Overall Burial Capacity

The creation of additional full burial plot capacity at both Shinfield and St Sebastians gives a total vacant plot provision of around 500 in the Council's 2 cemeteries. We are also aware from our recent survey update of the other 20 cemeteries in the Borough of a further 450 available full burial plots.

This suggests a current overall available capacity of around 1,000 full burial plots across the Borough. Set against the approximately 50-60 full burials we understand from our survey took place in 2019 this suggests we have sufficient capacity for around a further 17-20 years. Were the extension to Mays Lane cemetery be realised than that capacity could rise to approximately 24-28 years.

New Crematorium in the Borough

We are also currently progressing an options appraisal and business case for building our own eco-friendly crematorium facility within the Borough. Not only would this serve the existing and future needs and requirements of the Borough's residents it would also allow us to offer a range of eco-friendly cremation and burial options to a wider population. Depending on final plans there may be opportunities to include some burial plots if required as well as woodland burials and strewing areas.

We have recently commissioned an updated market appraisal on the proposal which is expected to be completed by February allowing the final business case to be completed in early Spring for consideration.

That business case will be based on addressing the 3 key aims of the project which are to:

- serve the existing and future needs and requirements of Wokingham Borough residents
- capitalise on the existing and future demand for inclusive eco-friendly cremation/funeral options within the Borough and surrounding areas
- generate a long term and sustainable return on investment whilst providing a competitive rate for the service user

The business case will consider the most appropriate, deliverable and viable size and location for a crematorium as well as more details on the potential nature and unique selling point of the proposed service provision and operating models.

If approved it is hoped to secure detailed planning later in 2021 with majority of construction taking place during 2022 and the new facility opening in early 2023.

A budget of £6.225m for the overall project has been approved in the current Medium Term Financial Plan.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	N/A	N/A	N/A
Next Financial Year (Year 2)	N/A	N/A	N/A
Following Financial Year (Year 3)	N/A	N/A	N/A

Other financial information relevant to the Recommendation/Decision
None

Cross-Council Implications
No decision

Public Sector Equality Duty
Not applicable – information report only

Reasons for considering the report in Part 2
N/A

List of Background Papers
None

Contact Nigel Bailey	Service Housing & Place Commissioning
	Email nigel.bailey@wokingham.gov.uk

TITLE	Update on Shared Internal Audit & Investigation Service
FOR CONSIDERATION BY	Community and Corporate Overview and Scrutiny Committee on 19 January 2021
WARD	None specific;
LEAD OFFICER	Deputy Chief Executive - Graham Ebers

OUTCOME / BENEFITS TO THE COMMUNITY

Assurance that the shared service arrangement for internal audit and investigation services are meeting the needs of the authority and delivering the objectives of the original business case for moving to this model of service delivery.

RECOMMENDATION

The Committee is asked to note the initial update and consider what further information and evidence required to make a full assessment of the shared service arrangement.

SUMMARY OF REPORT

This report provides an initial overview of the Shared Internal Audit & Investigation Service (SIAIS) to inform the Committee of the detailed evidence of performance, quality and outcomes of the service that they will wish to see presented to a future meeting.

The Shared Service commenced in October 2014 following the approval of the business case by the Executive in June 2014. It should be noted that Wokingham BC is the host employer.

A series of strategic and operational objectives were set for SIAIS which are referenced in the business case.

The Assistant Director Governance Services will attend to provide an overview of the service and discuss with the Committee what further information would be relevant to complete their assessment of the effectiveness of the shared service.

Background

- 1.1 Internal Audit is a statutory requirement for local authorities. There are two key pieces of relevant legislation:-
 - Section 151 of the Local Government Act 1972 requires every local authority make arrangements for the proper administration of its financial affairs and to ensure that one of the officers has responsibility for the administration of those affairs
 - The Accounts and Audit Regulations 2015 (England) states that “A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”
- 1.2 Up to 2014, the Council had delivered internal audit through a small in-house team. In June 2014, the Council’s Executive took the decision to create a shared service partnership with the Royal Borough of Windsor & Maidenhead. A copy of the Business Case is provided at Appendix 1
- 1.3 Whilst there were modest savings associated with moving to a shared service model, the key drivers were:-
 - Team resilience
 - Access to a wider pool of skills; and
 - Development of best practice through working across more than one authority

Initial Analysis of Issues

2. Scope of the Service

- 2.1 The two partner authorities of the Shared Service are Wokingham BC and the Royal Borough of Windsor & Maidenhead (RBWM). The requirements of both Councils for internal audit and investigation services are met through the shared service.
- 2.2 In addition, the Shared Service also provides internal audit services to two other local authorities which are local to Wokingham.

3. Quality of Service

- 3.1 Internal audit within the public sector in the United Kingdom is governed by the Public Sector Internal Audit Standards (PSIAS), which have been in place since 1st April 2013 (revised 2016 and 2017). The standards require periodic self-assessments and an assessment by an external person at least every five years.

- 3.2 The service was last assessed externally in 2018 by CIPFA (Chartered Institute of Public Finance). The conclusion from that assessment stated, “from the evidence reviewed as part of the external quality assessment, it is apparent that the Shared Internal Audit Service is a competent, professional, and well-qualified internal audit service that follows best practice. Although they are well thought of by their clients, they are keen to improve their overall efficiency and effectiveness, and adapt to the changing needs of their clients. The SIAS are providing objective risk based internal audit services to their clients. Nonetheless, there are opportunities to enhance and develop the SIAS’ operations that they should consider embracing if they are to maintain their status with their clients, and enhance the SIAS’ conformity to the PSIAS and the LGAN.”
- 3.3 The full assessment report is provided as an appendix to this report and provides a good overview of the quality levels of the service.

Performance Information

- 4.1 SIAS reports to Wokingham’s Audit Committee every quarter. In addition, an annual report is produced which includes the “internal audit opinion” on governance and internal control environment in the Council.
- 4.2 The latest annual report to the Audit Committee is provided as an appendix to this report.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£Nil	Yes	Revenue
Next Financial Year (Year 2)	£Nil	Yes	Revenue
Following Financial Year (Year 3)	£Nil	Yes	Revenue

Other financial information relevant to the Recommendation/Decision
None

Cross-Council Implications
Not applicable.

Public Sector Equality Duty
This is an update report on which is why an equalities assessment is not required.

Reasons for considering the report in Part 2
Not applicable

List of Background Papers
Audit Committee papers on WBC website

Contact Andrew Moulton	Service Governance
	Email andrew.moulton@wokingham.gov.uk

TITLE	Shared Internal Audit Services
FOR CONSIDERATION BY	The Executive on 26 June 2014
WARD	None Specific
LEAD OFFICER	Andrew Moulton, Head of Governance and Improvement Services
LEAD MEMBER	Pauline Jorgensen, Executive Member for Internal Services

OUTCOME / BENEFITS TO THE COMMUNITY

Internal Audit services to Wokingham Borough Council would be delivered under a joint agreement between Wokingham Borough Council and The Royal Borough of Windsor and Maidenhead.

RECOMMENDATION

The Executive is asked to:

- 1) approve the creation of a shared Internal Audit Service as set out in Appendix 1 of the report;
- 2) delegate authority to the Head of Governance and Improvement Services to finalise and enter into the Services Agreement.

SUMMARY OF REPORT

The agreement allows for

- Shared services arrangement for internal audit services between the two authorities
- The joint service will be hosted and owned by Wokingham Borough Council
- Hosting and ownership of the service will mean that existing internal audit services staff to be TUPE transferred to Wokingham Borough Council.

The advantages of this proposed arrangements are:

- Greater service resilience
- Improved skills development
- Improved career development
- Improved recruitment & retention (especially compared to operating as a single authority service)
- Improved opportunity to generate additional business from other internal audit contracts
- Greater economies of scale

Background

Wokingham has been exploring alternative models of internal audit service provision given :

- a) the need to develop a more flexible and robust model of service delivery to ensure sustainability given increasing cost pressures and;
- b) the likely future need to bid for business from other organisations.

Retaining the status quo was not considered an option, as the service:

- needs to reduce costs whilst maintaining service quality
- will need to become more competitive and be operated on more cost-transparent lines in order to increase business

At meetings of Leaders and Chief Executives it was concluded that each authority was in a position to establish a shared service and that Wokingham Borough Council would host the shared service on behalf of the Royal Borough.

Strategic and Operational Benefits

Strategic

- Financial savings from combining and sharing resource.
- Increased opportunity to bid for a win additional business i.e. contracts
- Opportunity to attract other partners to join the shared service once established i.e. from within and beyond Berkshire.
- Creation of the opportunity to work more closely in other areas of shared responsibility (Corporate Fraud, Risk, Corporate Governance, VfM etc).

Operational

- Increased resilience – both councils have relatively small teams which can be severely affected by sickness absence/vacancies or increased workload resulting from work in response to suspected fraud or irregularity.
- Potential to increase the level of skill-set available to each organisation – sharing of technical skills and 'bigger picture' thinking.
- Availability of specialist skills across both authorities, leading to increased efficiency through the potential for one auditor to complete the same audit at both authorities
- Sharing of Internal Audit best practice so auditors are better placed to provide advice to clients prior to issues arising.
- Potential for increased availability of time for internal audit consultancy services (including quality assurance on major projects).
- Expansion of knowledgebase of individual auditors ensuring audits can be conducted within short time with little impact on the services being audited i.e. auditors become more experienced.

Analysis of Issues

Implications for the Host Authority

The lead authority takes the full responsibilities of employing staff and providing internal audit services to the other authority and a service agreement ensures that both authorities share the risk and the benefits equally from the collective use of resources.

Purchasing mechanisms,

- The "client partner" will be able to access internal audit services from the shared service
- An initially estimated and agreed budget for the anticipated internal audit costs will be paid to the hosting authority annually in advance and reconciled thereafter with the actual costs

Services provided;

The shared service will provide a range of specialist internal audit services normally associated with the requirements of a Local Authority such as assurance on major systems, audits of high risk areas.

Clear definition of levels of service to be provided.

The attached Service Agreement provides for existing service levels at less cost. It also provides scope to offer services beyond the 2 Councils where capacity is created from sharing expertise and resources.

ICT solution

The agreement provides for the two Councils to adopt the same audit management system and same quality accreditation systems creating synergies and cost effectiveness.

Financial case

Both councils' financial services have co-operated in assessing the cost of the service as existing and as proposed. The business case is attached (Appendix 1).

Governance

This occurs through the services agreement.

Termination

The agreement sets out in detail the options for no fault termination of the agreement i.e. 12 months' notice with appropriate indemnities.

In the event of termination staff would be TUPE transferred back to RBWM to fulfill the function.

Business Case

The Business Case sets out details of the opportunities and the mutual benefits of both Authorities working in collaboration and the investment costs of setting up a Shared Audit Service and the timescale within which each Authority can see a return in savings.

It also recommends a business strategy for the Shared Audit Services that can realise greater financial benefits for each of the Authorities if these steps are adopted.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£0	Yes	Revenue
Next Financial Year (Year 2)	£20k	Yes	
Following Financial Year (Year 3)	£20k	Yes	

Other financial information relevant to the Recommendation/Decision
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Savings will be realised predominantly through staffing efficiencies.

Cross-Council Implications

N/A

List of Background Papers

Business Case

Contact Andrew Moulton	Service Governance & Improvement
Telephone No 07747 777298	Email andrew.moulton@wokingham.gov.uk
Date 12 June 2014	Version No. 3.0



THE ROYAL BOROUGH OF
WINDSOR AND
MAIDENHEAD



WOKINGHAM
BOROUGH COUNCIL

SHARED INTERNAL AUDIT SERVICE
BUSINESS CASE

Controlled Start Up: Business Case

The Business Case is a document that justifies the undertaking of the project based on the estimated cost in time and money to develop and implement the service against the perceived business benefit, business risk and business gain.

In creating an Business Case the total business cost must be weighed against the total project cost, including annual running costs of the new service.

The Business Case is used to justify the need for the project and must confirm that the total business cost in carrying out the work is worth the business gain or expected business saving.

Review

Reviewed by	Name	Organisation	Date
Head of Finance	Andrew Brooker	Royal Borough Windsor & Maidenhead	12/6/14
Heads of Governance & Improvement Services	Andrew Moulton	Wokingham Borough Council	12/6/14

Document History

Version	Summary of Changes	Document Status	Date published
0.1	Initial Draft	Draft	20/03/14
0.2	Includes WBC cost info, IT systems info.	Draft	28/03/14
0.3	Incorporates RBWM staffing and IT systems info	Draft	14/4/14
0.4	Updates case for inclusion with respective Executive/Cabinet reports	Draft	30/5/14
0.5	Finalises case for inclusion with respective Executive/Cabinet reports	Final	12/6/14

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1 INTRODUCTION AND STRATEGIC REQUIREMENTS

1.1 Scope for Shared Service

Wokingham Borough Council (WBC) and the Royal Borough of Windsor & Maidenhead (RBWM) have been exploring the possibility of joint-working in respect of Internal Audit which could deliver savings whilst maintain high quality service standards. Following discussions between key officers at each council, this business case puts forward a recommended option for joint working between the two councils.

1.2 Potential stakeholders/partners

Wokingham Borough Council and Royal Borough of Windsor & Maidenhead.

1.3 Current working arrangements of each stakeholder/partner

Both WBC and RBWM operate their own, in-house Internal Audit teams. In each authority the team reports to a manager with organisational responsibility for Internal Audit (WBC – Service Manager, Business Improvement and RBWM – Head of Audit & Investigation).

1.4 Contribution to key objectives

The Internal Audit teams assist in the achievement of each council's corporate objectives through providing independent and objective assurance of the internal control arrangements in place at each council as a contribution to the proper, economic, efficient and effective use of resources.

1.5 Statutory Obligations

The statutory basis for Internal Audit in local government is provided in the Accounts and Audit Regulations 2003 (SI 533/2003) - as amended by the 2006, 2009 and 2011 Regulations – which require every local authority to “*undertake an adequate and effective internal audit of its accounting records and system of internal control.*”

In addition, under S151 of the Local Government Finance Act 1972, the Council's Head of Finance (as S151 Officer) has a statutory duty to maintain an appropriate framework of controls over the Council's financial affairs. Reliance upon Internal Audit and their annual programme of work in reviewing the operation of systems of internal control and financial management is fundamental to the fulfilment of that responsibility.

2. STRATEGIC AND OPERATIONAL BENEFITS

2.1 Strategic Benefits

Benefit	Measure
Financial savings from combining and sharing resource.	<ul style="list-style-type: none"> Budget monitoring
Increased opportunity to bid for a win additional business i.e. contracts	<ul style="list-style-type: none"> Budget monitoring
Opportunity to attract other partners to join the shared service once established i.e. from within and beyond Berkshire.	<ul style="list-style-type: none"> Budget monitoring
Creation of the opportunity to work more closely in other areas of shared responsibility (Corporate Fraud, Risk, Corporate Governance, VfM etc).	<ul style="list-style-type: none"> Shared practice

2.2 Operational Benefits

Benefit	Measure
Increased resilience – both councils have relatively small teams which can be severely affected by sickness absence/vacancies or increased workload resulting from work in response to suspected fraud or irregularity.	<ul style="list-style-type: none"> Audit plan completion Less requirement to amend the audit plan in year
Potential to increase the level of skill-set available to each organisation – sharing of technical skills and 'bigger picture' thinking.	Scope of audit work completed.
Availability of specialist skills across both authorities, leading to increased efficiency through the potential for one auditor to complete the same audit at both authorities	Scope of audit work completed. Sharing of
Sharing of Internal Audit best practice so auditors are better placed to provide advice to clients prior to issues arising.	Appraisals – monitoring of officer skills. Client Satisfaction with level /type of service.
Potential for increased availability of time for internal audit consultancy services (including quality assurance on major projects).	Scope of Audit Plan Client Satisfaction with level /type of service
Improved quality of service to audit clients – more value added to the audits undertaken through sharing of best practice in service areas identified through Internal Audit teams at either council.	Client Satisfaction with level /type of service

Expansion of knowledgebase of individual auditors ensuring audits can be conducted within short time with little impact on the services being audited i.e. auditors become more experienced.	Greater proportion of audit plan being completed. Client Satisfaction with level /type of service
--	--

3. CONSTRAINTS AND DEPENDENCIES

3.1 Potential Constraints to the project progressing

Organisational Constraints

- There will need to be agreement between the two councils on the viability of a shared service arrangement.
- There will need to be agreement between the two councils on the scope/type of shared service arrangement.
- There will need to be agreement by the Members at the two councils for the progression of a shared service arrangement.
- Legal requirements/obligations may need to be met in progressing any option.

Resource Constraints

- Resistance from team members to change.
- Issues regarding the equipment or systems utilised at each site and the compatibility with each authority's own systems.
- Availability of skill sets across the two authorities and their suitability to meet the needs of each authority.
- Issues relating to service provision at each authority that could lead to a contracting audit need
- Issues regarding the role(s) of management at either authority.

Time Constraints

- Conflicting timescales/deadlines required by either authority.

3.2 Dependencies for the project progressing

- Development of a sound business case with the needs of both authorities being met
- Continued viability of the project over time.
- Good communication of project milestones, targets and issues that may affect viability/timing of the achievement of this project to all key project officers and senior managers involved.
- Good communication of project milestones to internal audit team members at each council.

4. RISKS

4.1 “Do Nothing” risks – if there is no change to existing arrangements

Risk identified	Action
Team resilience – both WBC and RBWM have relatively small internal audit teams and should one member of either team be lost through long-term sick, vacancy, being drafted to other projects etc. this could have an adverse effect on the quality and quantity of outputs of the team.	Build resilience with other authorities to help ensure that the quality and quantity of outputs can be maintained should this occur.
WBC and RBWM could be left out of the wider working arrangements across the county, which in turn could lead to arrangements being ‘forced’ onto each authority	Explore options for joined-up working between the two authorities that meet the need of both authorities.
Both authorities face significant financial challenges – traditional “salami” slicing approach to savings not sustainable.	Explore options for joined-up working between the two authorities that meet the need of both authorities.

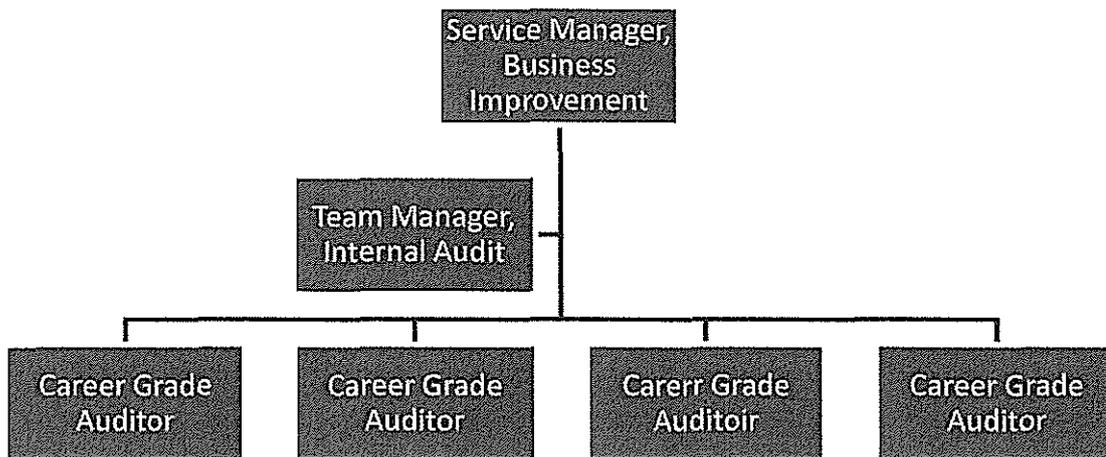
5. EVALUATION OF OPTIONS AND RECOMMENDATION

5.1 Whilst there were a number of options available when considering possible shared service/joint working models, initial evaluations and discussions between the two authorities indicated that one option was preferred.

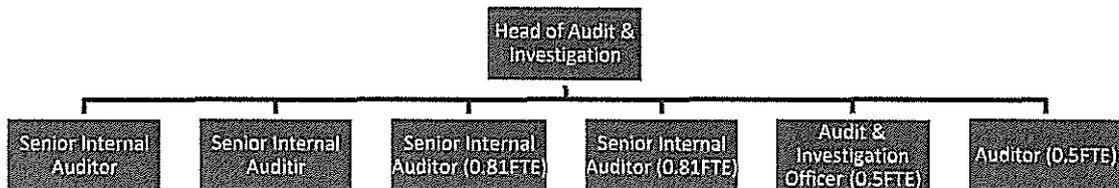
5.2 It was clear that a shared service arrangement with one Council being the employer of a shared team lead by an Internal Audit manager across both authorities was the option most likely to meet the requirements of both authorities. As such, available resource has been utilised to further develop and progress this option, rather than wasting resource in exploring other, less favourable options.

6. EXISTING WORKING ARRANGEMENTS

6.1 Departmental Structures Internal Audit at Wokingham BC



Internal Audit at RBWM



6.2 Summary of existing arrangements – Internal Audit

6.2.1 Team Structures

Wokingham BC – the Internal Audit Team at WBC consists of a Team Manager, Internal Audit and four career graded auditor posts. All positions are full-time. One of the posts is currently vacant and it is proposed that this post would be taken as a shared service efficiency. A second vacant post that existed in the 2013/14 structure was taken as a 2014/15 budget saving by WBC.

The Team Manager is a fully qualified member of the Institute of Internal Auditors (MIIA). One of his direct reports is also fully qualified MIIA and staff in the other posts are studying towards the MIIA qualification.

The designated “Head of Audit” is the Service Manager, Business Improvement whose role also encompasses responsibility for Council wide corporate and service planning, performance management, project management and organisational development. It is envisaged that WBC would retain this post of the “client” officer for Internal Audit.

RBWM – Royal Borough of Windsor and Maidenhead – the Internal Audit Team at RBWM consists of a Team of 4.66 FTE audit posts (7 staff).

The Team is headed by the Head of Audit and Investigation who, for over 12 years, has been responsible for Internal Audit, Corporate and Benefit Fraud Investigations, Risk Management and Insurance. She is a fully qualified member of Chartered Institute of Public Finance and Accountancy (CIPFA), Chartered Institute of Internal Auditors, Member of the Association of Accounting Technicians, CIPFA / Bond Solon Advanced Certificate in Investigative Practice and has a BSc (Honours) Degree.

She has worked in Local Government for 28 years and has spent 26 years in a variety of audit positions within three London Boroughs, a County Council, a Unitary Council, a District Council and a Police Authority. She has successfully bid for, won and managed audit contracts at a District Council and a Police Authority, whilst also delivering internal audit services for a County Council.

There is no Principal Auditor position at RBWM.

The remainder of the Team comprises 4 Senior Auditors (3.62 FTE), 1 Audit and Investigation Officer (0.50 FTE) and an Auditor (0.54 FTE) with the following qualifications and experience:-

Senior Auditor	CIIA Chartered Institute of Internal Auditors (Member); BSc (Honours) Degree; 15 years Local Government Internal Audit experience.
Senior Auditor	CIIA Chartered Institute of Internal Auditors (Practitioner); and AAT Association of Accounting Technicians; 17 years Local Government Internal Audit experience
Senior Auditor	CIIA Chartered Institute of Internal Auditors (Practitioner); and AAT Association of Accounting Technicians (Member); 19 years audit experience (Local Government and Private Sector)
Senior Auditor	CIB Chartered Institute of Banking (Member); 16 years Local Government Internal Audit experience
Audit and Investigation Officer	CIIA Chartered Institute of Internal Auditors (Practitioner); BSc (Honours) Degree; 5 years Local Government experience; 3 years audit experience (public and private sector)
Auditor	AAT Association of Accounting Technicians (Member); 35 years Local Government experience; 33 years Internal Audit experience

6.2.2 Scope of Audit Work

WBC	RBWM
Programmed audit reviews of key Service areas based on a risk analysis	Programmed audit reviews of key Service areas based on a risk analysis
Consultancy, including contribution to Value for Money and corporate Projects	Consultancy, including contribution to Value for Money and corporate Projects
Advice and Information	Advice and Information
Responsive projects requested by Management	Responsive projects requested by Management
Servicing Audit Committee	Servicing Audit Committee

As should be expected, there are differences in the key service areas considered as high risk for each council and therefore are more regularly audited. However, there are number of areas relating to main accounting systems where there are similar audit needs.

6.2.3 Computer systems in use

For both authorities there is a need to audit the main accounting systems in order to meet the requirements of the Code of Practice for Internal Audit and the External Auditor. This is the area where there is the most overlap of work and where there is the greatest potential for an audit to be carried out at both authorities by the same auditor. It should be recognised that unless the same computer systems are used, there will be a learning curve to establish how the systems interface with each other and with the main accounting system.

System	WBC	RBWM
Main accounting systems	Oracle E Business Suite (to be replaced by Unit 4 (Agresso) in 2014)	Unit 4 (Agresso)
Cash collections	ICON (Civica)	Academy (Capita)
E-payments	ICON (Civica)	Academy (Capita)
Payroll	Oracle E Business Suite	iTrent (Midland)
Bank reconciliation	Oracle E Business Suite	Local spreadsheets
Social Care	Frameworki (CoreLogic)	Paris (Civica)
Education Management	One EMS (Capita)	One EMS (Capita)
Revenues & Benefits	iWorld (Northgate)	Academy (Capita)
Customer Contact	Front Office (Northgate)	Lagan (Lagan)

Council Housing	Saffron (Civica)	Housing Needs (Anite)
Electoral Services	Strand (IDOX)	Eros (Halarose)
Highways	Mayrise	Confirm (Pitney Bowes)
Libraries	Spydus	Spydus
Planning & Building Control	iLAP (Northgate)	Uniform (IDOX)
Property/Asset Management	Technology Forge	Rechnolgy Forge and Uniform
Mapping	Plan Web/Access	QGIS
Committee System	None	Lotus Notes
Environmental Health (including Licensing)	Flare (Civica)	Flare (Civica)
Document Storage (EDRMS)	R/KYV (Open Text)	Serengeti Hyperwave
HR	Oracle E Business Suite	iTrent (Midland)
Audit software	CCH (Teammate)	Local spreadsheets

6.2.4 Summary of other key information

	WBC	RBWM
Salary costs (2013/14 projected outturn)	£243k (exc. Service Manager, Business Improvement)	£281k (inc Head of Audit)
Staff numbers (FTE) (includes RBWM Head of Audit but excludes WBC Service Manager Business Improvement)	5	5.66
Staff numbers (actual)	4	7
External Audit fee – 2013-14	£139,750 (EY)	£108,000 (KPMG)

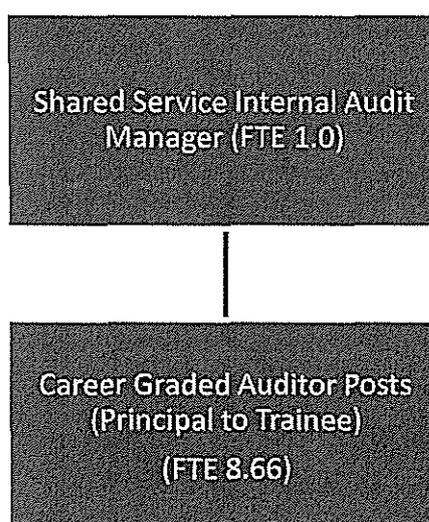
7. RECOMMENDED OPTION

7.1 Service delivery project – Shared Service Partnership

Project	Responsible Lead	Other Stakeholders	Implementation Option
Internal Audit Shared Service Partnership PROPOSED COMMENCEMENT DATE: 1 October 2014	Shared – Service Manager, Business Improvement (WBC) and Head of Audit & Investigations (RBWM)	<ul style="list-style-type: none"> • All internal audit team members • Senior Management at each council • Respective Audit Committee Members at each council 	One team co-located and employed by Wokingham BC

7.2 Proposed Structure

The following should be seen as indicative. The objective is to create as flat and efficient structure as possible but it is acknowledged that further development of the structure may be required as other functions (e.g. Investigations) join the shared service in the future and the shared service expands as other organisations select it for the provision of their requirements.



7.3 Key Benefits/Disadvantages of Proposal

Key benefits of proposal	Key disadvantages
Identified annual saving of £40k to across the two councils against the current cost of the Internal Audit Service.	-

Increased resilience across the two Internal Audit teams.	-
Increase efficiency of audits - benefit accrued from adopting best practice from both teams, the same audit framework for equivalent reviews at each council, and through the use of the same, most appropriate auditor to conduct the same audit at each council.	These benefits may not accrue where different systems are used or significantly different audit needs are identified.

7.4 Financial Analysis

Savings:

- Staffing = c10% efficiency through combination of post rationalisation and productivity gain. This equates to an initial £40k total saving.
- Audit Software – savings on licensing
- External audit fee

Potential for new business:

A key strategic aim of the new Shared Service will be to actively bid for and win new business as well as building on existing arrangements where work is undertaken for other local authorities.

An initial analysis of opportunities has been undertaken as part of the business case development. A key target in the short term will be to bid for the internal audit contract for another Berkshire authority currently estimated in autumn/late 2014.



WOKINGHAM
BOROUGH COUNCIL

ANNUAL INTERNAL AUDIT & INVESTIGATIONS REPORT
2019/20

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Appendix 1 – 2019/20 Internal Audit Plan Status

Appendix 2 – Internal Audit assurance levels

1. PURPOSE OF THE REPORT

1.1 This Annual Report provides a summary of the work completed by the Shared Internal Audit and Investigation Service (SIAIS) during 2019/20. Its purpose is:-

- To provide the annual internal audit opinion on the overall adequacy and effectiveness of the Council's governance; risk management and control framework during 2019/20 to support the preparation of the Annual Governance Statement;
- To provide a summary of the work completed from which the opinion is derived;
- To draw attention to areas of significant risk exposure which need corrective action to improve the control framework; and
- To consider the performance and contribution of the Internal Audit service.

2. HEAD OF INTERNAL AUDIT OPINION AND KEY HEADLINES

2.1 This report provides a summary of the work undertaken by Internal Audit in the financial year 2019-20 and the results of that work. From the work undertaken during the year, our overall opinion on the adequacy of the Council's arrangements for Corporate Governance, Risk Management and Internal Control is that:-

Audit Opinion 2019/20

"Substantially Complete and Generally Effective but with some improvements required". Based on audits completed during the year, most key controls are in place and are operating effectively with the majority of residual risks being reduced to an acceptable level and reported concerns being aimed by management to be reduced to a predominately moderate impact level. A small number of exceptions were identified and these have been presented to previous meetings of the Audit Committee and the current position in respect of these specific reviews is summarised in the body of this report. This audit opinion supports other assurance mechanisms such as External Audit, external professional body inspections and the Annual Governance Statement (AGS).

2.2 Our opinion is based on evidenced assessment of the control framework in a number of areas in accordance with our annual plan. It should be noted that in devising the annual plan, a risk-based approach is taken and such areas of highest risk are targeted for review of the mitigation and controls in place in these higher risk areas. Full details of the work we have completed that has informed this opinion can be seen in Appendix 1 together with the assurance levels we have been able to provide for each review. For each audit review completed, the assurance level is determined based on the level of control found as set out in Appendix 2.

3. AREAS OF RISK EXPOSURE

- 3.1 During the 2019/20 year, it is encouraging to note that there was only one new Category 3 audit. This was the audit of Equalities, a summary of which is provided below.

2019/20 Public Sector Equality Duty

The audit noted that the Council had made progress in this area with the more consistent application of Equalities Impact Assessment to inform decision-making and training for staff. However, there remains further work to undertake including updating the Equality Policy.

- 3.2 A summary of progress made against those audits that have been reported in 2018/19 to the Audit Committee as Category 3 during the 2019/20 financial year is provided below.

Debtors

Debtors/Accounts Receivable has received a Category 3 audit opinion for the past two financial years. Regular updates have been reported to this Committee, the most recent being to the Audit Committee in the Quarter 3 Progress Report (5 February 2020).

The 2019/20 audit originally resulted in a Category 3 audit opinion at draft report stage. However, management has subsequently provided evidence of the revised process for the monitoring, targeting and management of sundry debt, along with evidence that monthly debt totals are reducing. In addition, a new Debt Management Team was established to create a new framework for debt collection going forward. None of the 9 concerns warranted a high risk rating at that point and all were categorised as medium risk and the report was reclassified to a Category 2 opinion.

Housing Rents

An update on the progress of the 2019/20 Housing Rents audit was carried out and reported as part of the Quarter 3 Progress Report. Considerable improvements have been identified this year, specifically in relation to:-

- Housing Revenue Account property rent collection - collection for the circa 2,600 Housing Revenue Account properties was 101.09% due to payments made in advance (this exceeded the 98.5% year-end target), with collection for all tenancy types at 100.94%.
- Collection of arrears – continued to improve, with a proactive approach to arrears management. The details were reported to tenant representatives at the end of 2019/20.

- Write-off of tenant arrears – the policy is under review for update and clarification to comply with updated Financial Regulations

2018/19 Public Health

Follow-up work to the final Public Health audit report 2018/19 (issued April 2019) was carried out in December 2019 and an update was provided in the Quarter 3 Progress report to the Audit Committee which provided assurance that the service had made many positive steps to address the recommendations made in April 2019.

Further audit assurance work was in progress in Quarter 4 of 2019/20 however this was curtailed due to Covid-19 pandemic. It is planned to re-schedule this follow-up work at an appropriate time.

2018/19 Shared Property Services

This audit was reported to this Committee on 7 November 2018 as remaining as a Category 3 audit, although follow up work in 2018/19 had identified positive progress.

The Shared Building Service with Royal Borough Windsor & Maidenhead (RBWM) ended on 31st March 2020 which included the reactive maintenance (incl. helpdesk) & statutory servicing.

For WBC, the reactive maintenance works have been tendered and the three contractors are fully operational on the TF Cloud system including inspection documentation, costs and confirming completed works. Linked spreadsheets then lead to monthly payments.

The statutory servicing contracts have been extended, with tendering to come and combining of packages for economies of scale. The current contracts are being added to the service's database including heating, ventilation & air-conditioning assets, fire and intruder alarm contracts. The remaining contracts are to be added within the next few months. The relevant compliance documentation for these has been added, with the Asbestos, Fire Risk Assessments and Legionella Risk Assessments to be added later in the year.

Funding for Condition Surveys for schools has been approved and it is planned to implement this as soon as is practical.

With the split of the Shared Service, a separate review of the new WBC arrangements will be undertaken later in 2020/21.

- 3.3. There were 3 audits where the audit opinion was improved between draft report stage and final report stage (from a 2nd audit opinion at draft report stage to the highest audit opinion at final report stage – 2 schools, Grazeley Primary School and Lambs Lane Primary School and 2018/19 Capital Accounting).

3.4 Audit reports are presented using lean terminology, using the concern, finding, management action and management are given the opportunity to treat, tolerate, terminate or transfer the concerns and associated risks. Management Action Plans have been put in place to address issues identified during audit work and audit follow up verification will confirm whether agreed countermeasures for Very High and High concerns have been actioned within agreed timescales. Where concerns are classified as being Very High or High that have been tolerated by management, these are highlighted to the Audit Committee. There have been no cases of Very High or High concerns being tolerated by management.

4. INTERNAL AUDIT SERVICE PERFORMANCE AND CONTRIBUTION

4.1 It is important that Internal Audit demonstrates its value to the organisation. The service provides assurance to Members and management via its programme of work and also offers support and advice on a range of governance, risk and control matters making recommendations to improve the value for money and efficiency. The value of this element of our work is difficult to measure but is one of the performance metrics to be developed in 2020/21.

4.2 However, in addition the team also demonstrates value as follows:

Savings Identification and Value for Money:

4.3 The Internal Audit Investigations Team provide the Council's counter fraud response as set out in section 5 below.

Grant Certification

4.4 Where a grant giving body requires an internal audit certificate before releasing payment, the team carries out work to verify and certify amounts that the Council can claim. Without this certification, grants may become repayable. A range of such grant claims were certified during 2019/20 with a value in excess of £10m. Details are provided in Appendix A.

Consultancy and Advice

4.5 As well as completing planned audit reviews, there are times when control issues occur and management request an investigation requiring control failings to be identified and remedied. In 2019/20, such requests were dealt with (including issues relating to previous financial years) as detailed in Appendix A (Adhoc Work Requests)

4.6 The team also provide ad hoc advice and guidance across the Council to assist colleagues with ensuring control and governance arrangements are considered in developing processes/policies etc.

5. COUNTER FRAUD

Fraud and Irregularities

- 5.1 The Council has a strong counter fraud policy and a proactive approach is taken to fraud. Whilst, the risk of fraud is ever present, arrangements are in place to ensure it is investigated and control improvements recommended where processes are found to be needing improvement.
- 5.2 The Audit Committee regularly reviews the effectiveness of the suite of the Council's Anti-Fraud Policies.
- 5.3 There have been no incidences of material fraud, irregularities or corruption discovered or reported during the year.
- 5.4 Work this year has focussed on pro-active exercises which has included
- Housing tenancy fraud investigations – 3 properties returned to WBC Housing stock during 2019/20, notional value £15k per property and **£45k in total**.
 - Schools Admissions referrals
 - 2 Councillor Code of Conduct investigations
 - 3 whistleblowing investigations
 - 1 grievance investigation
 - 1 disciplinary investigation
 - 1 consultancy investigation
- 5.5 In addition, the National Fraud Initiative was completed with the following headlines:-
- 15 cases of potential Housing Benefit fraud passed to the DWP
 - 38 Blue Badges were correctly cancelled
 - 1 case was referred to the Housing Team for tenancy fraud

Regulation of Investigatory Powers Act

- 5.6 The Investigatory Powers Commissioners' Office undertook Regulation of Investigatory Powers Inspection (RIPA) Inspection of the Council's Policies, Processes and Procedures in December 2019. The inspection was completed remotely and the plan to combine your next inspection with Bracknell and West Berks under the auspices of the Public Protection Partnership. The outcome of the Inspection was that some suggested revisions were made to the Policy and Procedure (some of which are triggered by the introduction of the Investigatory Powers Act - IPA):
- 5.6 No new investigations have been undertaken during 2019/20 that has required Regulation of Investigatory Powers Act surveillance approval.

6. CONFORMANCE WITH PUBLIC SECTOR INTERNAL AUDITING STANDARDS

- 6.1 In April 2013, a new set of Public Sector Internal Audit Standards (PSIAS) became effective. The standards apply to the Internal Audit function in all parts of the public sector in the UK and are mandatory. Within the PSIAS there is a requirement for an independent external review of the internal audit function once every five years.
- 6.2 Members will recall that the Internal Audit service has previously been independently assessed against PSIAS by CIPFA in 2018, the outcomes of which was confirmation of compliance assessing the service as ‘generally’ conforming to the standards (the top category of opinion). The action plan and progress against it has been previously reported to the Committee and work continues to address the remaining minor action points identified to assist the service in continuous improvement.
- 6.3 Internal Audit completes an annual self-assessment of its compliance with the requirements of the PSIAS. The purpose of the self-assessment is firstly to provide assurance to the Audit Committee and management that Internal Audit is compliant with the PSIAS and that consequently they can rely on the work of Internal Audit, and secondly, to further enhance delivery of the internal audit function through the identification of opportunities for development.
- 6.4 The self-assessment undertaken in 2019/20 concluded that the service continues to “generally conform” with the standards. Actions have been identified to improve performance reporting and the internal audit manual.

7. CONTEXT AND COMPLIANCE

- 7.1 Internal audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes. (Source: Public Sector Internal Audit Standards and Local Government Application Note: Chartered Institute of Public Finance and Accountancy in collaboration with the Chartered Institute of Internal Auditors).
- 7.2 Internal Audit is a statutory requirement for local authorities. There are two key pieces of relevant legislation:
- Section 151 of the Local Government Act 1972 requires every local authority make arrangements for the proper administration of its financial affairs and to ensure that one of the officers has responsibility for the administration of those affairs
 - The Accounts and Audit Regulations 2015 (England) states that “A relevant authority must undertake an effective internal audit to evaluate

the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”

- 7.3 Internal Audit independence is achieved by reporting lines which allow for unrestricted access to the Chief Executive, the s151 Officer, Directors, and the Chair of the Audit Committee.
- 7.4 The Head of Internal Audit can confirm there have been no restrictions on the scope of internal audit work or reporting of audit findings during 2019/2020.

Appendix 1 - 2019/20 Internal Audit and Investigation Plan Status (as at 1 July 2020)

AUDIT TITLE	DIRECTORATE	STATUS	DRAFT AUDIT REPORT OPINION	FINAL AUDIT REPORT OPINION
<u>Key Financial Systems</u>				
Debtors	Resources and Assets	FINAL	3	2
Payroll	Resources and Assets	FINAL	2	2
Cashiers	Resources and Assets	FINAL	2	2
Cash and Bank Reconciliation	Resources and Assets	FINAL	2	2
Council Tax and NNDR	Resources and Assets	FINAL	2	2
Creditors	Resources and Assets	FINAL	3	2
Housing Rents	Resources and Assets	FINAL	3	2
Treasury Management	Resources and Assets	FINAL	2	2
BACS CHAPS and Cheques*				
<u>Governance Building Blocks</u>				
Facilitating the preparation of the AGS	Cross Cutting			E
<u>Key Corporate Risks</u>				
Corporate Health and Safety	Resources and Assets	FINAL	2	2
Information security including GDPR compliance	Resources and Assets	DRAFT	2	
<u>Key Operational Risks</u>				
Direct Payments – Adults	Adult Services	FINAL	2	2
Investment Strategy	Resources and Assets	FINAL	1	1
Procurement Cards	Resources and Assets	FINAL	2	2
Equality	Cross Cutting	DRAFT	3	
<u>Servicing the Business</u>				
Grazeley Primary School	Resources and Assets	FINAL	2	1
Lambs Lane Primary School	Resources and Assets	FINAL	2	1
Hawkedon Primary School	Resources and Assets	DRAFT	2	
Bulmershe Secondary School	Resources and Assets	WIP		
Grants including; BSOG, Troubled Families and LTP	Cross Cutting			C

<u>Consultancy</u>					
Taxi Licensing					E
<u>2018/19 Audits Carried Forward</u>					
<u>Key Financial Systems</u>					
Budgetary Control and Reporting	Resources and Assets	FINAL	2	2	
Capital Accounting	Resources and Assets	FINAL	2	1	
Debtors (follow up)	Resources and Assets	FINAL	3	3	
Fixed Asset Register	Resources and Assets	FINAL	2	2	
General Ledger	Resources and Assets	FINAL	2	2	
Housing Rents (follow up)	Resources and Assets	FINAL	3	3	
<u>Governance Building Blocks</u>					
Corporate Governance	Cross Cutting	FINAL	3	2	
Project Management	Cross Cutting	FINAL	2	2	
<u>Key Operational Risks</u>					
Public Health	Resources and Assets	FINAL	3	3	
Shared Building Services (follow up)	Resources and Assets	FINAL	3	3	
Town Centre Regeneration	Cross Cutting	FINAL	2	2	

*This audit area has been fragmented in to other Key financial Systems audits to ensure complete coverage.

Appendix 2 – Internal Audit Assurance Levels

Level	Assurance Opinion	Definition
1	Complete and effective	<ul style="list-style-type: none"> All necessary Treatment Measures are in place and are operating effectively. Residual risks have been reduced to an acceptable level There are no unacceptable financial implications. Concerns reported are minor. <p><i>(Risk management processes are strong and controls are adequate and effective).</i></p>
2	Substantially complete and generally effective	<ul style="list-style-type: none"> Most key Treatment Measures are in place and these operate effectively. The majority of residual risks have been reduced to an acceptable level. There are some unacceptable financial implications. The majority of concerns are of a predominately moderate impact/likelihood. <p><i>(Risk management processes are good and controls are adequate although only partially effective).</i></p>
3	Range of Risk Mitigation Controls is incomplete and risks are not effectively mitigated	<ul style="list-style-type: none"> Not all key Treatment Measures are in place and / or do not operate effectively Residual risks have not all been reduced to an acceptable level There are some unacceptable financial implications associated with more than one risk mitigation control or because of a lack of risk mitigation control. There are a number of concerns that are predominantly of a major impact/likelihood. <p><i>(Risk management processes and controls are adequate but not effective in mitigating the identified risks).</i></p>
4	There is no effective Risk Management process in place	<ul style="list-style-type: none"> There are no appropriate Treatment Measures in place. Residual risks remain at an unacceptable level Reported concerns are predominantly of a catastrophic or major impact/likelihood. <p><i>(Risk management processes and controls are weak).</i></p>
C	Certification	
E	Exempt from classification	

Agenda Item 70.

TITLE	CoSC Report on the Draft MTFP
FOR CONSIDERATION BY	Community and Corporate Overview and Scrutiny Committee on 19 January 2021
WARD	None Specific;
LEAD OFFICER	Deputy Chief Executive - Graham Ebers

OUTCOME / BENEFITS TO THE COMMUNITY

Overview and Scrutiny forms part of the checks and balances in the budget setting process. The report, once written, will detail key points from the Committee's overview of the draft MTFP for 2021-24.

RECOMMENDATION

That the Committee:

- 1) Offers comment and guidance to assist with the drafting of the report;
- 2) Delegates officers to draft the report, to be agreed in conjunction with the Chairman.

SUMMARY OF REPORT

The report sets out a number of points that Members may wish to be included within the Committee's report relating to their review of the draft MTFP 2021-24. Annex A is the report from the 2019/20 municipal year for reference purposes.

Background

During the 2019/20 municipal year, the Community and Corporate Overview and Scrutiny Committee undertook their first annual review of the MTFP. Following positive comments regarding this process from all involved, including Executive Members, Scrutiny Members, and officers, it was decided that this be carried out on an annual basis. After the conclusion of the 2019/20 review, the Committee wrote a report detailing the key findings from their review, which was considered at budget Council alongside the MTFP and supporting documentation. It is once more deemed useful for the Committee to summarise their findings, with the intention being to once again include their report within the budget Council agenda.

Analysis of Issues

When reviewing the report written at the conclusion of the last annual review of the MTFP, it is important to take this in the context of the situation related to the Covid-19 (C-19) pandemic. Many issues that have been considered by the Committee as a part of their work programme during the current municipal year have been either directly or indirectly focussed on the C-19 pandemic. As such, many of the discussions had during Committee meetings this year have been focussed on the pandemic, and whether funding was appropriate to support residents across the Borough.

With the above in mind, it is therefore suggested that the report include some, or all, of the following key points:

- Comments regarding funding for Children's Services, focussing on their journey towards a 'Good' OFSTED rating;
- Comments regarding funding for Adult's Services, including additional support avenues for residents as a part of the response to the C-19 pandemic;
- Comments regarding revenue and capital spends for the all Directorates, and how particular project spends compare to those outlined within the 2020-23 MTFP;
- Comments regarding capital spends within the Climate Emergency Agenda. This is a key Council policy, and it is important to highlight funding within this area;
- Comments regarding particular revenue and capital spends aimed at providing a better service for our residents. There are a variety of spends within this category, therefore the Committee may wish to suggest a couple of particular spends to highlight within the report;
- Comments regarding special items, and outlining the probing that took place when assessing whether these were one off spends.

The Committee are asked to consider the above points as a general starting point, with specific examples and points to be suggested at the meeting.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£0	Yes	R
Next Financial Year (Year 2)	£0	Yes	R
Following Financial Year (Year 3)	£0	Yes	R

Other financial information relevant to the Recommendation/Decision
None

Cross-Council Implications
The MTFP impacts on the delivery of all Council services.

Public Sector Equality Duty
Due regard has been given to WBC's duties under the Equality Act.

Reasons for considering the report in Part 2
N/A

List of Background Papers
None

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WOKINGHAM BOROUGH COUNCIL

COMMUNITY AND CORPORATE OVERVIEW & SCRUTINY COMMITTEE

SCRUTINY OF THE BUDGET SETTING PROCESS 2020-21 AND THE MEDIUM TERM FINANCIAL PLAN 2020-23

REPORT, PROCESS OVERVIEW AND OBSERVATIONS

JANUARY 2020

Committee Members:

Councillor Guy Grandison (Chairman)

Councillors Ken Miall (Vice Chairman), Keith Baker, Shirley Boyt, Paul Fishwick, Pauline Helliar-Symons, Emma Hobbs, Graham Howe, Clive Jones, Abdul Loyes, Barrie Patman and Rachelle Shepherd-DuBey

Foreword by Councillor Guy Grandison

The agreement of a Medium Term Financial Plan (MTFP) is one of the most important decisions that every Local Authority is required to make. The MTFP sets out the funding proposals for all statutory and discretionary services provided by the Local Authority, which will have a direct impact on the lives of residents and service users.

In previous years at Wokingham Borough Council (WBC), many of the emerging MTFP proposals have not been shared with Overview and Scrutiny Committees, or the wider public, prior to the publication of the agenda for the February Budget Council meeting. It was agreed during the 2018/19 Municipal Year, that the Community and Corporate Overview and Scrutiny Committee would receive access to the 2020-23 MTFP as it was developed and amended through various iterations.

The Committee were aware of the huge budgetary pressures facing WBC's services, particularly within Children's Services and Adult Social Care. Continuing provision of these statutory services whilst accounting for an increase in demand was a priority at every level of the Council, and the Committee was keen to support the Executive and Directors in ensuring that key statutory services had sufficient and balanced funding.

The focus of this initial year of Overview and Scrutiny's involvement in reviewing the proposed MTFP was twofold, identifying areas of risk within the proposed MTFP and adding value to the budget setting process.

On behalf of myself and the Committee, I would like to thank the Executive and Deputy Executive Members, Directors and Assistant Directors, Members and Officers who engaged throughout this process and enabled a successful overview of the 2020-23 MTFP.

Special thanks should be given to Councillor John Kaiser (Executive Member for Finance and Housing) and Graham Ebers (Deputy Chief Executive – Director of Corporate Services) for their support in enabling this process, providing frank and thorough answers at each meeting of the Committee, and for making the development of the MTFP more transparent and comprehensible than ever.

Guy Grandison,
January 2020

Background and Process

- 1.1 It is common practice across the United Kingdom for the MTFPs of Local Authorities to be scrutinised by the relevant Overview and Scrutiny Committee(s). This is the norm for a variety of reasons, including checking that budgetary proposals have clear links with operational plans, and ensuring services (both statutory and discretionary) are offering an acceptable end product for residents whilst providing value for money.
- 1.2 Overview and Scrutiny of the MTFP has become more important over recent years as a result of a reduction in public sector funding by Central Government, whilst Local Authorities have seen significant growth in demand for their services. Allowing Scrutiny to offer insight and analysis of the proposed budget and accompanying budget setting process, ensuring that potential discrepancies and areas of risk are identified and addressed prior to implementation
- 1.3 Local Authorities have begun to make more use of their Overview and Scrutiny Committee's when assessing the MTFP in recent years, as they are constituted by Members from a range of business and financial backgrounds. Engaging Members from a range of backgrounds allows for different perspectives on proposals to be assessed. A variety of lines of questioning can also make the Executive and Directorate think about their proposals in a different light.
- 1.4 Overview and Scrutiny of the MTFP should not be seen as a conflict with the Executive, but instead as a critical friend that can add value to the budget setting process. The MTFP belongs to the Executive and the Service areas, and Scrutiny's role is to challenge assumptions, risks and funding proposals. For example, asking for more detail such as how many residents would be served by a specific revenue bid could lead to that figure being revised, altered or the scheme being changed. The scrutiny process is driven by a desire to improve the MTFP and to make it as functional as possible for the residents that we serve.
- 1.5 For effective Overview and Scrutiny of the MTFP to take place, cooperation of the Executive and Directorate is crucial. At WBC, the Executive and Directorate have embraced this initial year of in-depth budget scrutiny, outlining all revenue proposals over £50,000, all special item proposals and the entire Capital Programme.
- 1.6 Executive Members and Directors of relevant Service areas were invited to attend the Committee to provide background to specific proposals and to answer Member queries. Where answers to specific technical questions could not be answered on the evening, answers were circulated to the Committee in good time. Throughout the whole process, all questions and queries put to the Executive Members and Directorate were answered in full and to the satisfaction and appreciation of the Committee.

- 1.7 The Committee's general lines of questioning can be summarised in three points, asking for more detail on specific proposals, identifying if the given figures were sufficient and/or suitable, and probing areas which have the most significant impact on residents (particularly vulnerable residents) to ensure that proposals are well thought out and meeting the needs of our residents. Where proposals were identified to be comparable areas of risk, the Committee spent additional time probing proposals and asking for additional detail.
- 1.8 All revenue bids over £50,000 were presented to the Committee within a detailed and readable bid sheet. This enabled all Members, with a range of financial backgrounds, to digest specific bids and understand what each piece of funding was intended to achieve. A positive consequence of this format also allows for residents and other members of the public the same opportunity to read and understand specific proposals and areas of interest. This in turn has created a more transparent and user-friendly budget setting process that is as detailed as it is readable.
- 1.9 Where changes were made to revenue bids between different lockdown versions of the MTFP, the Committee were provided with updated figures and detail on how the changes in proposed funding would affect each bid. Changes were made for a variety of reasons, including change in forecasted demand, realignment of costs (for example inflation) and reconsideration of provision. Where changes were made, it was key to ensure that the budget was balanced elsewhere to reflect movement of funds.
- 1.10 When assessing the revenue budget, it was important to review not only the growth bids but also savings proposals. Savings proposals are key in supporting the development of a balanced budget, by reducing costs in areas where efficiency and infrastructure improvements can be made. By making realistic and manageable savings, funds can be reallocated to other areas of the budget where additional expenditure is required to fund new and existing service requirements.
- 1.11 Where savings were proposed, the Committee endeavoured to question whether the proposals were both realistic and whether they could have any impact on front line service delivery. The vast majority of savings proposals focussed on increased utilisation of new and existing systems and databases, which would not affect front line service delivery and in many cases would actually improve service delivery for residents.
- 1.12 Other lines identified as savings were in fact income generation for WBC. Examples of these income streams include a return on WBC's property investment portfolio, income generation from solar farms and income from Wokingham owned houses. The Committee recognised a concerted effort by the Executive to generate income for the Council using methods which did not penalise residents, whilst providing additional funds to spend on key service delivery areas.

- 1.13 When assessing special items, the Committee probed whether these spends were realistic one off spends, or whether they should be included within a recurring growth bid. Many of the special items contained within the 2020-23 MTFP were in place to cover transitional periods within departments and to finance one off reviews of service areas.
- 1.14 The full suite of proposed capital expenditure was carefully reviewed by the Committee. These spends ranged from projects to enable the initial Climate Emergency Action Plan, to funding for a proposed elderly peoples' dementia care home, and highways structural maintenance schemes. The Committee probed to identify what specific benefits each spend would bring, whether each scheme had enough funding to be carried out effectively, and where specific funds would be provided from (for example the Local Enterprise Partnership or specific grants).
- 1.15 The process of questioning proposed spends and savings in a public environment causes all stakeholders within the budget setting process to pause and reflect on whether each item had been presented with solid reasoning and suitable resourcing. It also enables the Executive and Directors to be more confident about their proposals, as they have to think about them in ways which they otherwise may not have considered. It demonstrates commitment to residents by being open and transparent about major funding proposals which will impact on residents across the Borough.

Observations

- 2.1 Spending within Children's Services continues to increase. Within this years' proposed MTFP a concerted effort was being made to bring the Council's OFSTED rating up to 'Good' for the first time. To enable this, a variety of spends were being proposed including an increase in capacity to deliver Special Education Needs and Disabilities (SEND) services, increased funding of social worker staffing including allowing non-funded posts to become part of the establishment and thus recruited to, and improvements to WBC's virtual school. Accompanying growth bids were a variety of savings proposals, including administration efficiencies and increased capitalisation of systems and databases.
- 2.2 There was a strong commitment by the Executive to fund and support Children's Services in order to achieve a 'Good' OFSTED rating. This was seen as one of the most significant commitments within the MTFP, with a clear and measurable outcome. Results focussed targets are positive for both the decision makers and those overseeing proposals, as they allow for questions to be directed towards ascertaining whether the specific funding allocations are suitable to achieve the desired results.
- 2.3 Following the publication of the initial Climate Emergency Action Plan, a large commitment has been made towards funding the implementation of these initial plans. Over the next three financial years, approximately £50m of Capital Expenditure is proposed to deliver the initial plan. Schemes ranging from development of solar farms to measures to tackle congestion and pollution were included. Spending within this area is expected to change as the development of the Climate Emergency Action Plan continues and evolves.
- 2.4 Adult Social Care was continuing to receive increased demand for its services across the Borough. As a result, additional expenditure has been proposed in key areas such as care and support funding and additional staff requirements within the adult safeguarding hub. Alongside these growth bids were a plethora of savings proposals including Adult Social Care Pathway redesigns and reviews of various arms of the Service. There was a clear commitment to adequately fund this vital service which deals with some of our most vulnerable residents, whilst looking at ways to make the service more efficient, cost effective and well structured.
- 2.5 Corporate Services were looking to take an active and leading role in income generation. This included income generation from the Council's commercial property portfolio, income from enhanced community parks and assets, and income from WBC owned houses. By generating additional income with no penalty to residents, whilst improving assets in the Borough for use by our residents, WBC hopes to be able to fund key service delivery areas whilst simultaneously having a positive impact on various areas of the Borough for residents.
- 2.6 Customer and Localities were proposing a variety revenue spends, including additional funding of WBC's street cleansing contract and revenue funding for highways capital investment. The majority of their proposed spending is found within the capital proposals, including highways carriageways structural

maintenance, Toutley highways depot modernisation, investment in future road building and enhancement of existing relief roads. All stakeholders recognised that highways affected all residents within the Borough and were a key area where investment and maintenance were required to maintain a high level of service provision.

- 2.7 Several large scale capital projects were being proposed, including the creation of an in-Borough crematorium, and new build projects to provide additional primary school places in Arborfield, Barkham and Matthews Green. WBC has a good track record of spending within the capital budget. Nevertheless, major capital projects should continue to be monitored throughout their viability, planning and implementation stages.
- 2.8 A significant sum of revenue support was being placed within WBC's Continuous Improvement Programme (sometimes referred to as the transformation programme). The intention of this programme was to provide the infrastructure to enable continual improvement of all service areas, with a particular focus on Children's and Adults Services.

Conclusion and Future Years

- 3.1 Being the first year that detailed budget scrutiny has taken place, the Committee went into this process with varying expectations. Throughout this process, Executive Members and Directors have been thorough and frank with their answers and have aided the Committee in providing a helpful oversight of the proposed MTFP and budget setting process.
- 3.2 The Committee were particularly pleased with the format in which revenue bids over £50,000 were presented. By including a detailed bid sheet, outlining how the proposed funding would achieve specific goals, Members of all levels of financial experience could engage with the process and make meaningful contributions. The Committee are very hopeful that this will continue in future years, and that large special items proposals will follow suit and be appended to a detailed bid sheet.
- 3.3 A selection of 'bid spend' items will be monitored by the Committee during the next Municipal Year. These items may include the highways carriageways structural maintenance scheme, the Continuous Improvement Programme, social work staffing strategy, and increased care and support demand expenditure within Adult Social Care. The Committee wish to review proposed big spend bids that will have the largest impact on residents.
- 3.4 Going forwards, the Committee hopes that that this process of Budget scrutiny will continue in future years and that Scrutiny, the Executive and the Directorate continue this positive relationship to deliver a sound and balanced budget that meets the needs of our residents and fulfils our statutory obligations.
- 3.5 Overview and Scrutiny have received positive responses from Executive Members and Directors with regards to this initial year of detailed Budget scrutiny. Whilst Overview and Scrutiny realise the additional burden being placed on Members and Officers to enable this scrutiny process to take place, the additional oversight and questioning of specific proposals from Overview and Scrutiny adds value to the whole budget setting process and puts a further level of safeguarding into the process.

Committee Work Programme 2020-21

DATE OF MEETING	ITEM	PURPOSE OF REPORT	REASON FOR CONSIDERATION	CONTACT OFFICER
22 February 2021 (Extraordinary)	Flood Risk Management	To receive an update regarding flood risk management within the Borough	Work Programme	Francesca Hobson
	May 2021 Elections Update	To receive an update on preparations for the elections scheduled for May 2021, including the counting arrangements	Work Programme	Andrew Moulton
	Work Programme	To consider the work programme for the Committee for 2020/21	Standing Item	Democratic Services

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DATE OF MEETING	ITEM	PURPOSE OF REPORT	REASON FOR CONSIDERATION	CONTACT OFFICER
29 March 2021	Update from Police & Fire Services	To receive an update from the Police & Fire services	Work Programme	Callum Wernham
	Work Programme	To consider the work programme for the Committee for 2020/21	Standing Item	Democratic Services

Agenda Item 71.

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