

**MINUTES OF A MEETING OF THE
COMMUNITY AND CORPORATE OVERVIEW AND SCRUTINY COMMITTEE
HELD ON 3 OCTOBER 2022 FROM 7.00 PM TO 9.55 PM**

Committee Members Present

Councillors: Peter Dennis (Chair), David Cornish (Vice-Chair), Norman Jorgensen, Laura Blumenthal, Chris Johnson, Pauline Jorgensen, Gregor Murray, Alistair Neal and Andy Croy (Substitute)

Officers Present

Callum Wernham (Democratic and Electoral Services Specialist), Neil Carr (Democratic & Electoral Services Specialist), Graham Ebers (Deputy Chief Executive (Director of Resources and Assets)) and Zulfiqar Mulak (Interim Assistant Director Housing)

Executive Members Present

Clive Jones (Leader of the Council), Imogen Shepherd-DuBey (Executive Member for Finance) and Stephen Conway (Executive Member for Housing)

29. APOLOGIES

An apology for absence was submitted from Shirley Boyt. Andy Croy attended the meeting as a substitute.

30. MINUTES OF PREVIOUS MEETING

The Minutes of the meeting of the Committee held on 5 September 2022 were confirmed as a correct record and signed by the Chair.

31. DECLARATION OF INTEREST

There were no declarations of interest.

32. PUBLIC QUESTION TIME

There were no public questions.

33. MEMBER QUESTION TIME

There were no Member questions.

34. HOMELESSNESS UPDATE

The Committee considered a report, set out in agenda pages 13 to 32, which gave an update on homelessness within the Borough and ongoing measures to support individuals.

The report outlined that reduction of homelessness remained a key priority for the Council, and homelessness levels had fluctuated over the past few years. The main reasons for homelessness continued to be the end of assured shorthold tenancies via section 21 notices, family and relationship breakdowns, with an increase in domestic abuse related cases. A number of achievements had been realised to date, including the adoption and delivery of the Council's Rough Sleeping Strategy and new allocations policy, whilst it was planned to maximise funding opportunities via the Government's Rough Sleeping Strategy and Homes England grant programmes.

Stephen Conway (Executive Member for Housing) and Zulfiqar Mulak (Interim Assistant Director Housing) attended the meeting to answer member queries.

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

- It was noted that additional refugees, including from Ukraine, was a situation to continue observing going forwards;
- It was noted that there was fluctuating demand for homelessness service requests between quarters;
- What were the key issues driving service demand? Office response – Private landlord evictions were on the increase, whilst domestic abuse and family and friends no longer willing to accommodate were also on the increase. Covid-19 had created the ‘perfect storm’ which had forced families together, whilst also creating tension within some households;
- It was noted that officers were always searching for alternate and innovative solutions to deal with increased levels of service demand;
- Was the target of 5 individuals living on the street a monthly, annual, or different timeframe target? Officer response – At any one time, the target was to have no more than 5 individuals on the street in the Borough. There were currently a couple of individuals who had been offered accommodation multiple times, with staff visiting them regularly each evening. In instances like these, individuals were choosing to remain on the street out of choice;
- Who could members and the public contact to try and get support for individuals living on the street? Officer response – There was an out of office service, whilst the service could be contacted directly during office hours;
- What local connection was required to be demonstrated for people to use the Borough’s homelessness service? Officer response – There was a 5-year local connection requirement for the housing register, with a 3-year statutory local connection for homelessness. It was confirmed that individuals would retain access to their GP whilst using the service;
- Were homelessness service requests due to mortgage repossessions, currently at 0, a historic low? Officer response – Yes this was a historically low figure, and as these numbers were expected to increase officers were looking for solutions to help individuals and families in the future;
- It was noted that many families required 2-3 bedroom or 4-5 bedroom properties, which were difficult to offer. Properties had to be suitable for the individuals and families concerned;
- Was the family that had been in temporary accommodation since 2017 an exception rather than a norm? Officer response – Absolutely, this particular family had very specific needs that to date could not be addressed via a permanent housing placement;
- What solutions were there to addressing homelessness within the Borough? Executive Member and Officer response – Solutions included providing more social housing within the Borough and creating initiatives within the private rented sector to try and agree rents which were closer to the social housing sector than the open market;

- It was requested that data (a graph) be provided showing valid homelessness service requests within the Borough;
- It was requested that the data be provided with the long-standing family who had been in temporary accommodation being omitted, to see how many weeks on average a family was placed in temporary accommodation with that exception;
- What plans were in place to reduce homelessness numbers within the Borough? Officer response – The key was to prevent people becoming homeless in the first instance. Conversations were underway with the private rented sector to find alternative accommodation, whilst officers could also explore out of Borough placements;
- What were the common circumstances where family were no longer willing to accommodate? Officer response – Typically this was where parents would have a child, potentially a partner of the child and grandchildren living with them. It may get to the stage where parents felt that they could no longer accommodate. Mediation services were offered with a relatively good level of success;
- Was grant funding for the service fixed or demand driven? Executive Member and officer response - This was the first of a three-year settlement, which helped the service plan better. Funding had enabled the service to take on ambitious highly skilled staff;
- Were there processes in place for Ukrainian refugees hosts to contact the Council if they were no longer able to be sponsors? Executive Member and Officer response – There was a lot of support in place in this area, and officers spoke to hosts regularly to identify any emerging issues. There was a dedicated hotline available to discuss any issues, and the Borough was in a fortunate position where it had additional hosts ready to accept guests. Longer term solutions were also being looked into;
- Did the hostel for asylum seekers in Earley create demand on the Borough's homelessness service? Officer response – This was the responsibility of the home office, and as such there was no demand on the placed-on Wokingham Borough Council (WBC);
- Was the workload of 50 cases per officer a reasonable workload? Officer response – There were staff stresses within the service, and work was being done to look at some distribution of workload. There was some ongoing recruitment to ease pressure, and a caseload of 30 per officer was the target;
- Were people who could not demonstrate a local connection signposted to the correct Local Authority? Officer response – Yes, all requests that were not the responsibility of WBC were directed to the correct Borough;
- Were properties reviewed to ensure accommodation was kept to a proper standard? Officer response – A health and safety document was required to be completed for each property;
- Were physical inspections carried out, as there was a recent example of a family being sent to temporary accommodation in Slough where the property had cockroaches, whilst the property had the correct certificates? Officer response – Every person had a

named caseworker who could be contacted for any issues. Where problems did occur, inspections were organised and if issues were not resolved the accommodation and landlord would not be used again;

- It was noted that proactive conversations and relationship building was key with landlords who provided emergency and temporary accommodation;
- It was requested that the number of failures of landlords be recorded over a period of time;
- Were communications planned for existing residents, such as at Grovelands, to help facilitate integration into that community? Executive Member and officer response - Absolutely, a community welcome event was planned and regular communication was in place with residents. A lot of work had gone into addressing the legitimate concerns of existing residents. The standard of accommodation being provided at Grovelands was really high, and it was a very impressive scheme.

RESOLVED That:

- 1) Stephen Conway and Zulfiqar Mulak be thanked for attending the meeting;
- 2) The data and trends for valid homelessness requests be circulated to the Committee;
- 3) The data for the average time a family or individual spent in temporary accommodation, excluding major outliers, be circulated to the Committee;
- 4) Data be recorded to see how many landlords were failing to provide adequate facilities.

35. MEDIUM TERM FINANCIAL PLAN 2023-26 - STRATEGIC OVERVIEW

The Committee considered a report, set out in agenda pages 33 to 52, which set out the initial strategic overview for the draft Medium Term Financial Plan (MTFP) for 2023-26.

The report set out the unprecedented financial challenges facing Wokingham Borough Council (WBC), both nationally by Local Government and then subsequent impact on WBC. Inflationary pressures, including within utilities, construction, pay and contracts were placing pressure on WBC's finances, whilst Council Tax increases were presumed to be capped at 1.99%. Whilst budget managers, senior officers, the Corporate Leadership Team and Executive Members had already undertaken considerable work to provide proposals to be considered by Overview and Scrutiny, further work would be required to address the current estimated budget gap of £4m.

Clive Jones (Leader of the Council), Imogen Shepherd-DuBey (Executive Member for Finance), and Graham Ebers (Deputy Chief Executive (Director of Resources and Assets)) attended the meeting to answer member queries.

The Leader and Executive Member for Finance stated that this was to be the most difficult year for Local Authority Finances for the last 40 years, citing inflationary pressures, pressures from increasing numbers of refugees, and the looming Adult Social Care reform to name a few. Regular meetings were underway with a number of Council's in the South of England, who were also citing concerns around these pressures. Receipt of the Local Government Finance Settlement would occur around Christmas Eve, which was not an

appropriate way for Local Government to be able to set their budgets. Ministers had been written to, to ask for an earlier settlement for a period of longer than 1-year. Whilst WBC was in a much more favourable position than many other Local Authorities, it was still crucial for savings to be identified to address the current estimated budget gap of £4m.

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

- Was the budget gap cumulative? Deputy Chief Executive response – Yes, and gap which was not addressed in year one would carry over to year two. If the total revenue budget gap was addressed in year one it would place WBC in a good position going forwards. With regards to capital, part of the solution could be to passport projects to future years, find additional income to fund projects, or decide which projects were absolute priorities and which may be delayed or cut;
- What was the long-term plan to address our financial situation, as even if internal spending was addressed this year additional pressures could arise in future. Executive Member and Deputy Chief Executive response – In frank terms, if this situation carried on then it would push WBC towards delivery of only statutory services. Some Local Authorities had declared Section 114 notices, whilst the underlying funding arrangement systems for Local Government were broken as the maximum WBC could raise Council Tax by would be 1.99%, with inflationary pressures far exceeding this. This situation required a considerable amount of work from departments to review their spending and identify potential savings, whilst this was also an opportunity to be radical with income – for example the Town Centre regeneration project had risks associated however this will provide an eventual income to WBC after debts were paid off. The fundamental issue with a move towards only statutory service provision was that preventative measures would be cut back, and quite often reactionary measures were far more expensive than taking initial preventive actions (for example in Children’s and Adult’s Services);
- At what point would a total reshape of service delivery and financial structures need to be considered? Executive Member and Deputy Chief Executive response – Every Local Authority was in the same situation, and the overarching question for Central Government was what they wanted Local Authorities to look like in future. On a micro-level, WBC was reorganising the business all the time, and the more fundamental question was whether Local Authorities would become a facilitator of social community capital rather than a direct service provider;
- As WBC had focused on sound financial management and value creation for some time, whereas other authorities may be experiencing the urgent need to create value for the first time. As such, was WBC towards the bottom of the list of Local Authorities in terms of financial issues? Executive Member and Deputy Chief Executive response – WBC had focussed on sustainable change and value creation for many years, and WBC was in the top 20 Local Authorities on the CIPFA Local Authority resistance list. Whilst WBC was by no means in the worst position, we did have the issue of lower income per resident;
- Did each new home delivered in the Borough ‘break even’ in terms of the income received and services delivered? Deputy Chief Executive response – This was a very difficult calculation which would make a number of assumptions. An estimated answer would be provided at a future meeting;

- What assumptions had been built in with regards to the expected level of Local Government Settlement? Deputy Chief Executive response – The assumption was that the settlement would be the same as last year which was a £0 revenue support grant, retention of between £12m and £14m in business rates, and £3m in new homes bonuses;
- It was requested that the overall departmental budgets and existing budgets for services be provided alongside proposed bids;
- Was there an assumption that the new homes bonus and various grant supports would continue? Deputy Chief Executive response – Yes, there was a risk that the new homes bonus would begin to tail off at some point. Grants were built in to a number of bids, and officers were always exploring new opportunities for funding;
- If capital schemes were delayed, then the subsequent revenue income stream could be impacted. What effects might this have? Executive Member response – Capital schemes were being prioritised in terms of the biggest benefits to the community. A part of this included identifying schemes which would deliver a revenue stream, for example delivery of solar farms. Where these schemes were not delivered as expected then WBC could see a reduction in revenue funds;
- It was noted that expenditure for the Democratic Process also included the Chief Executive's Office, which was much broader than delivering elections and member support;
- It was agreed that the contractual inflation figure would be split into its component parts (for example: contractual inflation, national pay award, utilities etc.) and provided at a future meeting;
- It was agreed that the current budgets for staff pay would be provided at a future meeting;
- What assumptions had been made with regards to contract and procurement savings, as companies may be under pressure to seek increased income? Deputy Chief Executive response – This was one of the reasons that the £9m inflationary figure could pose a challenge. WBC was working with providers to see how we could help them in terms of preferred payment methods, and it was wholly responsible to explore any savings that could be made through contractual negotiations;
- It was noted that WBC spent a considerable amount of money on external consultants, some of which carried out very specialist work. It was noted that it would be useful to see how much money each department was spending on external consultants;
- It was noted that an assumption of growth of services delivered by Adult Services was built into the presented figures;
- There were a number of special items proposed for 2023/24. If there was a risk of this not being one-off spends, would it be prudent to budget for them accordingly? Deputy Chief Executive response – The General Fund Balance was there to be used for true unknown spends. The change infrastructure team had always been classed as a special item, and it was now being embedded into the revenue budget as an ongoing

service. There were also a number of major set pieces within the Planning service which would require a one-off spend;

- It was agreed that the capital budget and outturn for the previous financial year would be provided at a future meeting;
- It was noted that delivery of solar farms was certainly expected to pay for itself over their lifetime whilst providing a revenue income stream to WBC. Additional specialist works and investigations would be carried out by officers to ascertain what future delivery might be possible and feasible;
- What did reprofiling of capital schemes entail? Deputy Chief Executive response – This was where a scheme which, for example, was proposed to be delivered in 2022/23 would be moved to a later year such as 2023/24 either in part or in total. This could be for a number of reasons, including defraying costs or prioritisation of other major capital schemes;
- It was noted that it was much cheaper for WBC to borrow from itself where possible, rather than from the market;
- Were capital projects being prioritised which would generate a revenue income for WBC? Deputy Chief Executive response – Any scheme which would generate more income than its overall delivery costs was an attractive proposition, which could provide revenue income for many years;
- Was a £14m capital budget gap in Year 1 particularly abnormal? Deputy Chief Executive response – A gap of this magnitude was not uncommon for a Year 2 budget, however it was comparatively large for Year 1;
- It was noted that refugees and asylum seekers moving into the Borough were likely to continue. Officers would be monitoring the situation closely;
- What was the process for a growth bid being withdrawn – what were the criteria and how frequently did this occur? Deputy Chief Executive response – The process for bids being sent to Executive and then Council for approval began with a considerable amount of departmental and corporate wide work. Once proposals were more formalised, they were released to Overview and Scrutiny for consideration. At any stage prior to the February Budget Executive and Budget Council meeting, there was always the opportunity for a bid to be modified or pulled by the Executive Member in consultation with the relevant director;
- It was noted that officers were always looking at Government Bills which could impact on WBC's finances.

RESOLVED That:

- 1) Clive Jones, Imogen Shepherd-DuBey and Graham Ebers be thanked for attending the meeting;
- 2) The overall existing departmental budgets be outlined next to bids at future meetings;

- 3) The contractual inflation figure be split into its component parts (for example: contractual inflation, national pay award, utilities etc.) and provided at a future meeting;
- 4) The current budgets for staff pay be provided at a future meeting;
- 5) A calculation be provided as to whether the average new property being built in the Borough broke even in terms of the cost of the average service provided compared to the income provided for example by Council Tax;
- 6) The Capital budget and for the previous financial year and the capital outturn be provided at a future meeting;
- 7) The existing budgets for services be outlined next to bids at future meetings;
- 8) The timetable for scrutiny of each Directorate's proposed bids be noted.

36. WORK PROGRAMME

The Committee considered their work programme, set out in agenda pages 53 to 58.

RESOLVED That:

- 1) Callum Wernham be thanked for attending the meeting;
- 2) An extraordinary meeting be arranged for 17 October 2022 to consider the items of the postponed Extraordinary Committee which was scheduled for 19 September 2022, in addition to an update on the Borough's response to the Cost of Living Crisis;
- 3) A training session be arranged for the Committee during lunchtime on 1st November 2022 in relation to Domestic Abuse, ahead of their consideration of this item at an upcoming meeting.