

## MINUTES OF A MEETING OF THE COMMUNITY AND CORPORATE OVERVIEW AND SCRUTINY COMMITTEE HELD ON 30 OCTOBER 2023 FROM 7.00 PM TO 9.05 PM

### **Committee Members Present**

Councillors: Chris Johnson (Chair), Peter Dennis (Vice-Chair), Laura Blumenthal, David Cornish, Norman Jorgensen, Pauline Jorgensen, Charles Margetts, Alistair Neal and Marie-Louise Weighill

### **Other Councillors Present**

Councillors: Rachel Bishop-Firth, Stephen Conway, Sarah Kerr, Imogen Shepherd-DuBey and Ian Shenton

### **Officers Present**

Neil Carr (Democratic & Electoral Services Specialist), Graham Ebers (Deputy Chief Executive), Louise Livingston (Assistant Director - HR and Organisational Development), Sarah Morgan (Assistant Director - Commercial Property), Sally Watkins (Chief Operating Officer) and Jackie Whitney (Assistant Director - Digital, Change & IT)

### **50. APOLOGIES**

There were no apologies for absence.

Councillors Norman Jorgensen and Ian Shenton attended the meeting via Microsoft Teams.

### **51. MINUTES OF PREVIOUS MEETINGS**

The Minutes of the meetings of the Committee held on 2 and 9 October 2023 were confirmed as a correct record and signed by the Chair.

### **52. DECLARATION OF INTEREST**

There were no declarations of interest.

### **53. PUBLIC QUESTION TIME**

There were no public questions.

### **54. PROCEDURAL ISSUES AT OVERVIEW & SCRUTINY MEETINGS**

The Chair stated that there had been a number of procedural issues at recent Overview and Scrutiny Meetings. Consequently, a briefing note had been produced and would be circulated to Members, covering the following issues:

- Substitutes
- Recorded Votes
- Formulation of Recommendations
- The Party Whip

A copy of the briefing note is appended to the Minutes for information.

### **55. MEMBER QUESTION TIME**

There were no Member questions.

## **56. MTFP 2024-27**

The Committee considered a report, set out at Agenda pages 19 to 100, which gave details of the Revenue and Capital Bids for the Resources & Assets and Chief Executive Directorates. A supplementary paper provided an update on the Inflation Analysis contained in the report.

Executive Members attended the meeting to answer Member questions on their service areas, supported by Graham Ebers (Deputy Chief Executive and S151 Officer) and the relevant Assistant Directors.

Councillor Imogen Shepherd-Dubey and Graham Ebers introduced the report and stated that the previously reported pressures from statutory services such as Adult Social Care and Children's Services continued to increase, placing additional pressure on the Council's finances.

The report stated that considerable work had been undertaken by budget managers, senior officers and Executive Members in arriving at the proposals set out in the Agenda for this meeting. Some of the proposals could be seen as challenging or even contentious, but this was inevitable in the context of the severe financial challenges facing the Council. The Council was required to set a safe and balanced budget. The Committee was requested to provide challenge and new ideas which would help to bridge the current Revenue budget gap of £5m and the Capital funding gap of c£34m.

Responses were provided to questions arising at the previous meeting and questions submitted in advance of this meeting, as follows.

Request to show the savings that were put forward in Year 2 of the previous year's MTFP. These savings had been incorporated into the schedules submitted to this meeting. The level of savings illustrated the work carried out since the previous MTFP was approved.

Total budget for each item – the templates now showed the existing budget for each item, the financial impact of the proposal and the revised budget.

Councillor Pauline Jorgensen sought clarification on – what does a negative figure on expenditure/income mean? Should the total budget plus or minus the cumulative movement be equal to the revised budget? Graham Ebers suggested that these points be addressed through examining specific templates.

The report (Page 26) presented a comparison of this year's inflation assumptions compared to Years 1, 2 and 3. The supplementary paper provided more detail and updated the assumptions. This included the late addition to the Adult Social Care budget following the local government finance settlement. Other factors related to pay and pensions, Adult Social care cost increases and contract inflation in Children's Services and Place and Growth.

The value of the Shute End site versus the cost of refurbishing the potential new site at 23-38 Peach Street. Graham Ebers confirmed that, at this stage, the figures were high level, pending more detailed analysis. The high level difference in running costs was around £200k. However, the Shute End figures did include an assumption relating to potential income from renting out parts of the building. There was clearly a significant risk associated with this assumption. The results of the more detailed analysis would be reported to Overview and Scrutiny in due course.

What was the status of the £6m provision for WBC Holdings? It was confirmed that this figure was similar to the provision for the Community Investment Fund in that it was included as permission to spend but only following the agreement of a detailed business case or cases. It was also confirmed that any spending against this provision would be reflected in the six-monthly report to the Executive from the Council-owned companies.

Toutley development – what was the status of the area marked for residential and, potentially, a care home? It was confirmed that a market analysis had examined different options for the site. The potential for a care home on the site remained – further details would be reported to Members in due course. Not proceeding with the care home proposal would lead to a write-off of £300k to £350k. However, if a care home proposal was progressed at Toutley or another site, a proportion of that sum could be reused as it reflected organisational intelligence which could be transferred to other sites.

Commercial portfolio – what was the status of the two £100k items. It was confirmed that the two £100k items related to the impact on the Council's portfolio of the cost of living crisis, Covid-19 and the economic downturn, etc. One of the items related to the Council's more commercial properties (including Wokingham town centre) while the other item related to more recent properties purchased through the Community Investment Fund. These two Special Items were considered to be modest in light of the impact of various external issues on the Council's commercial holdings. It was expected that there would be a gradual return to the levels set out in the Budget.

The individual Executive Members introduced the Growth, Savings, Special Items and Capital Bids relating to their individual portfolios.

Members raised the following points and questions.

In relation to the earlier request for clarification on negative figures for expenditure and income, Graham Ebers explained the presentation of RA.19 (Investment & Estates property pressures from the depressed market) and RA.R11 (Remodel of Sports and Leisure Service). RA.R19 showed a positive expenditure of £100k i.e. the budget moved from £1,642k to £1542k. Re RA.R11, there appeared to be an inconsistency as the budget went from £841k to £656k and the expenditure was negative. Graham Ebers confirmed that for RA.R11 the credit had erroneously been put under expenditure rather than income, hence the apparent inconsistency.

Stephen Conway referred to RA.R3 (Election cycle) and stated that this proposal would require a policy change as Council had agreed to retain elections by thirds. In financial terms this proposal would generate a modest saving of £80k in Year 3. Council had agreed to maintain elections by thirds on the grounds of democratic accountability and greater stability, in the light of neighbouring authorities which had undergone major upheavals following all-out elections.

Re RA.R3 - how did the proposed saving of £80k in Year 3 square with the much bigger saving of c£300k reported to Council earlier in 2023? Graham Ebers stated that the cost comparison was (roughly) between an election every four years with an election every year (i.e. £80k x 4).

RA.R13 – Review of Commercial Property capitalisation – what was the status of this growth bid? It was confirmed that, over time, the Capital programme changed, e.g. the

town centre regeneration required a lot of Capital. A reduction in Capital projects meant a reduction in opportunities for the capitalisation of staffing costs which then resulted in a Revenue pressure. The proposals included an associated savings bid reflecting a changed service model for Property Services.

Re RA.C3 – Renewable Energy Infrastructure – the provision of solar panels above car parks – how would this work in practice? It was confirmed that the proposal represented the installation of solar panels above existing car parking spaces. There would be no reduction in the number of spaces. A detailed business case, including site feasibility would be submitted to the Executive in due course. The business case would cover the implications for potential future change of use of existing park and ride sites.

Re RA.C2 – Solar PV Site 2 – It was confirmed that the provisional connection date for the Barkham Solar Farm was 2026. Informal discussions were ongoing about the potential second site. A detailed business case would be submitted to the Executive for the second site.

Re the Central Contingency of £1.5m per annum to cover overruns on the Capital programme and unforeseen events – how was this figure determined? It was confirmed that the £1.5m was not the result of a detailed scientific process – it was felt to be a modest level of contingency based on previous experience of delivering the Capital programme.

Re RA.R6 (Contracts and Commissioning) and RA.R9 (Benefit realisation from Commercial activities) – it was noted that the Contracts and Commissioning team were working across the Council to understand the opportunities to reduce costs and/or generate additional income. How realistic were the savings targets being put forwards? Graham Ebers confirmed that this issue would be addressed in the annual CFO report to Council. The £500k savings target in RA.R6 was a relatively small percentage of the Council's overall commissioning spend.

Re RA.R7 (Review of financial processes and automation opportunities) – what type of opportunities were being looked at? It was confirmed that this included high volume transactions, administration, payment of invoices, etc. However, the Council remained committed to ensuring that residents retained a variety of means to pay bills, Council Tax, etc. depending on their specific needs.

It was suggested that there could be savings through delivering a more streamlined and focussed Member training programme. There was also potential for savings from the costs associated with the democratic process, e.g. printing of Agenda, evening meetings, etc. although this had to be balanced against the provision of an effective, visible process, including the role of Overview and Scrutiny.

**RESOLVED** That:

- 1) the Executive Members and officers be thanked for attending the meeting to present the budget proposals and answer Member questions;
- 2) the unprecedented financial challenges faced by the Council be noted;
- 3) the imperative for responsible financial management be supported;

- 4) the comments and challenges provided by the Committee, relating to the proposals for the Resources & Assets and Chief Executive directorates, be fed into the Budget development process for 2024/25.

## **57. WORK PROGRAMME**

The Committee considered its Work Programme for 2023/24.

The following amendments were agreed:

St Crispins Leisure Centre Consultation to be considered at the meeting on 14 November 2023.

Bins Task & Finish Group – Terms of Reference to be considered at the meeting on 28 November 2023 (to include details of the current contract). Members to submit ideas for the task and finish group to Chris Johnson.

Chair and Vice-Chair to consider need for an additional meeting of the Committee in order to deliver the work programme.

**RESOLVED** That:

- 1) the Committee's Work Programme for 2023/24, as amended, be noted;
- 2) Chris Johnson attend the Executive meeting on 30 November 2023 to present the Committee's views on LTP4 and the St Crispins Leisure Centre consultation outcomes.

## **58. ACTION TRACKER**

The Committee considered the regular Action Tracker report.

22 May 2023 – Combatting Drugs Partnership – Officers to ascertain if the police operation over Christmas (2022) was random or intelligence based – update to be circulated to Members.

**RESOLVED:** That the Action Tracker report be noted.

## Appendix

### **Briefing Note on Procedural Issues at Overview and Scrutiny Meetings**

A number of procedural issues have arisen at recent meetings. Here is a brief summary of advice, based on provisions in the Council's Constitution.

#### **1 Substitutes**

Para 6.1.2.2 of the Constitution - Appointment of Substitute – states that a Member of an Overview & Scrutiny Committee may appoint one of the nominated substitutes to attend on their behalf, but they (or their Group Leader or Political Assistant) must notify Democratic Services of the name of the substitute no later than midday on the day of the meeting.

If a Member attends a meeting in order to act as a substitute, without appropriate notice being given to Democratic Services, as set out above, they will not be able to act in that capacity.

#### **2 Recorded Vote**

As Members are aware, a Recorded Vote can be requested at Council meetings if six Members make a request (Para 4.2.15.5 of the Constitution applies). This provision also applies to other meetings, including Overview & Scrutiny, but the requirement for six Members to request a Recorded Vote also applies. There is no provision for a smaller number of Members to request a Recorded Vote at meetings outside full Council.

Para 4.2.15.6 of the Constitution states that a Member may request that their vote on a particular item – for, against or abstain - be recorded in the Minutes of the meeting.

Members should also note Para 6.3.15 of the Constitution which states that, whilst debate at Overview & Scrutiny meetings should follow the procedure used at Council meetings, Members should be mindful of the need to adopt a less formal approach where possible.

#### **3 Formulation of Recommendations**

At recent Overview & Scrutiny meetings, Members have tried to propose recommendations at the beginning of consideration of an item. As Members are aware, their role on Scrutiny is to consider written and oral evidence and reach conclusions which may then translate into recommendations. It is better practice, therefore, to listen to the evidence presented and the relevant questioning before considering and formulating recommendations. The Chair will guide the Committee in these circumstances.

#### **4 The Party Whip**

Para 6.3.12 of the Constitution – The Party Whip – states that “the Council views the use of the Party Whip as incompatible with the aims of Overview and Scrutiny.” When considering any matter at Overview & Scrutiny which is subject to a party whip the relevant Member or Members must declare it before commencement of the Committee’s deliberations on the item. Details of the whipping arrangements will then be recorded in the Minutes of the meeting.

As stated above, the role of Members on Overview & Scrutiny is to act as independent scrutineers – to reach conclusions on the weight of evidence, not on party political grounds. This is stated on each Overview & Scrutiny Agenda. Following this logic, it is also inappropriate to ask for an adjournment in order to consult with fellow Group members on a specific item under consideration.

