

## MINUTES OF A MEETING OF THE COMMUNITY AND CORPORATE OVERVIEW AND SCRUTINY COMMITTEE HELD ON 22 JANUARY 2024 FROM 7.00 PM TO 10.05 PM

### **Committee Members Present**

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

### **Other Councillors Present**

Councillors: David Hare, Imogen Shepherd-DuBey and Stephen Conway

### **Officers Present**

Neil Carr (Democratic and Electoral Services Specialist), Narinder Brar (Head of Enforcement & Safety), Graham Ebers (Director, Resources & Assets), Kajal Patel (Finance Specialist), Karen Howick (Head of Operations - Loddon Homes Limited), Liam Oliff (Democratic and Electoral Services Specialist) and Simon Dale (Managing Director - Loddon Homes and Berry Brook Homes)

### **84. APOLOGIES**

There were no apologies for absence.

### **85. MINUTES OF PREVIOUS MEETING**

The Minutes of the meeting of the Committee held on 19 December 2023 were confirmed as a correct record and signed by the Chair.

### **86. DECLARATION OF INTEREST**

There were no declarations of interest.

### **87. PUBLIC QUESTION TIME**

There were no public questions.

### **88. MEMBER QUESTION TIME**

There were no Member questions.

### **89. REVIEW OF THE COUNCIL'S HOUSING COMPANIES**

The Committee considered a report, set out on agenda pages 11 to 44, which was a high-level review of Wokingham Borough Council's Local Housing Companies.

Stephen Conway (Executive Member for Housing) attended the meeting supported by Simon Dale (Managing Director, Loddon Homes and Berry Brook Homes).

The report stated that three primary strategic options had been identified. Option 1 was to merge the companies into a more streamlined group structure based around Loddon Homes and Wokingham Housing Ltd. Option 2 was to absorb the company assets into the Council's HRA and close the companies. Option 3 was to sell the companies as assets owning going concerns. The report highlighted some key issues for the housing companies such as changes in market conditions, more Section 106 agreements, changes in political leadership and steady turnover of elected WBC Members. Simon Dale added that the relationship between the housing companies and the Council was currently the

best it had been. The report also discussed the idea of a Shareholders Committee, within the housing companies, that would be tasked with providing a strategic direction.

In the ensuing discussion, Members raised the following points and questions.

Members questioned the idea of Option 3 because it would make no sense selling the companies and would not help residents. Stephen Conway responded by assuring Members that Option 3 was off the table.

The structure of the proposed Shareholders Committee was discussed, specifically whether such a committee would be the best way to make strategic decisions. What checks would there be to say the committee could and could not do things? It was confirmed that the Council would still set the strategic direction for the companies, and that the role of the Shareholder Committee was to oversee what was happening. Decisions made by the companies would still come to Overview and Scrutiny before consideration by the Executive and Council.

Concerns were raised over 3.2.2 in the report (page 22) which stated that ‘the companies do not seem to have any clear growth or investment strategy’ and 3.2.3 which mentioned that the pipeline was diminishing. Simon Dale commented that the companies went through a significant period of change, with interest rates rises, changes to Section 106 agreements and turbulence at the companies themselves. He reassured the Committee that the companies had the mandate to re-establish the pipeline and to provide a financial plan. Work was underway to address these issues.

Para 5.1.2 of the report (page 37) referenced a breakdown in trust between the housing companies and the Council. This was a reflection of a historic situation when the companies did not feel the support by the Council. It was confirmed that the relationship was the best it had been and that the companies existed to meet the Council’s objectives.

Would having Members on the boards make WBC an outlier? It was explained that there has been a churn of WBC Members which meant that expertise could not be developed. Best practice was for politicians not to sit on the company boards.

Was the vision to build bespoke homes for children, or to alter existing homes? It was confirmed that, at the moment, the companies were looking at existing houses. The current priority was to get people into accommodation in the short term in order to address the Adult Social Care and Children’s Services budget challenges.

What was the future-proofing in this strategy with the potential of a change of Government in the near future? It was explained that the Council was keen to grow the HRA. If a new government made this easier, then that would be a positive. It was added that there was nothing in the strategy that would be incompatible if a new structure was to allow for more council houses.

In the short term would Berry Brook Homes and Loddon Homes stay separate? It was confirmed this was the case.

When would the companies be in a position to come back to the Committee with more information? It was explained that progress could come back to scrutiny on a regular basis. The Chair added that it would be useful if the companies could get in touch with Democratic Services when they have information to share with the Committee.

Stephen Conway conveyed his thanks to the officers of the companies and WBC, for their efforts on this issue.

**RESOLVED** That:

- 1) Stephen Conway and Simon Dale be thanked for attending the meeting to present the report and answer Member questions;
- 2) updates on the Council's housing companies be reported to the Committee as and when necessary;
- 3) further details on the proposed Shareholders Committee be submitted to the Committee in due course;
- 4) officers of the housing companies and WBC be commended for their work in supporting progress made to date.

**90. VAWG STRATEGY UPDATE**

The Committee considered a report, set out on Agenda pages 45 to 54, which provided an update on the Violence Against Women & Girls (VAWG) Strategy, progress against the VAWG Action Plan and the Anti-Abuse Charter. The VAWG Strategy supported the strategic priority of providing safe, strong communities.

David Hare (Executive Member for Health, Wellbeing and Adult Services) attended the meeting supported by Narinder Brar (Head of Enforcement and Safety).

The report highlighted a number of key priorities reflected in the VAWG Strategy and Action Plan:

- Putting the victim/survivor at the centre of service design and delivery.
- Taking a strategic, system-wide approach to commissioning.
- Having a clear focus on perpetrators and holding them to account.
- Safeguarding and supporting individuals and victims at every point with a strong emphasis on early identification and help.
- Raising local awareness of the issues and involve, engage, and empowering communities to seek, design and deliver solutions.
- Changing inappropriate attitudes and behaviours of men and boys.

In the ensuing discussion, Members raised the following points and questions.

It was stated that, in September 2022, the Committee were told that the VAWG Action Plan would include smart outcomes but that this was not visible in this current action plan. How would the Action Plan measure progress? It was explained that many of the actions within this plan have detailed measurements which fed directly into it. The VAWG Action Plan was more of a summary plan with more detailed plans underneath it.

Why were the more detailed action plans not reported to the Committee? It was confirmed that the detailed action plans could be circulated to Members outside the meeting.

Did officers benchmark against neighbouring authorities, for example Reading Borough Council's achievement of Safer Streets funding? It was confirmed that WBC did not qualify

for the latest round of Safer Streets funding because WBC had already received funding for Anti-Social behaviour activities. It was further explained that WBC also did not qualify for the Safer Streets funding because the number of recorded incidents was too low.

What were the plans to engage with residents and victims? It was confirmed that car parks would be a good opportunity to start this work. It may have been better to start with action rather than starting with data gathering. It was confirmed that the majority of car parks in the Borough had the Park Safe award, were floodlit and had CCTV.

The Chair commented that the officers should look to bring forward smart objectives possibly to the Committee's meeting in July 2024, with details of the supporting action plans to be circulated after the meeting.

**RESOLVED** That:

- 1) David Hare and Narinder Brar be thanked for attending the meeting to present the report and answer Member questions;
- 2) a further update on the VAWG Action Plan, including SMART targets and outcomes, be submitted to the Committee's meeting in July 2024;
- 3) details of the action plans underpinning the VAWG Action Plan be circulated to Members after the meeting;
- 4) the report to the Committee in July 2024 include an update on the Anti-Abuse Charter.

**91. MEDIUM TERM FINANCIAL PLAN 2024-27**

The Committee considered a report, set out in the Supplementary Agenda, which provided a summary of the latest MTFP Revenue and Capital position, incorporating the outcome of the Local Government Finance Settlement and revisions made to bids following previous reports to the Committee.

Councillor Imogen Shepherd-Dubey (Executive Member for Finance) attended the meeting supported by Graham Ebers (Deputy Chief Executive and Director, Resources and Assets).

Members were informed that there was a gap in the Revenue budget for 2024/25 (£4.7m) and that the gap would be bridged from WBC's reserves. The previous gap in the Capital budget had been closed. Significant financial challenges in Children's services would continue over the MTFP period. A significant saving would come from reducing staffing costs, with departments holding vacancies and carrying out in year reviews. Headcount at WBC would be reduced by 9% over two years with an ongoing focus on reducing the use of agency workers.

Graham Ebers summarised the different parts of the report and concluded by emphasising the challenging situation that WBC were in:

- Difficult and challenging times lay ahead.
- The 2023/24 Revenue Budget included the delivery of £11.8m savings.
- The proposed 2024/25 Revenue Budget included a savings target of £12.6m, of which £3.5m related to staffing.

- The projected Revenue Budget gap for 2025/26 already stood at £8.8m.
- The Capital Programme gap over the three year MTFP stood at £8.5m.

In the ensuing discussions, members raised the following points and questions.

In terms of staffing changes, could Members assume that natural wastage would happen in the right areas? It was stated that natural wastage will not always come in the right areas. The process would require effective management. It was important, however, to make sure that the workplace remained flexible.

How would reserves be used to fund the £4.7m Revenue gap in 2024/25. It was explained that £1.5m came from the Council Tax Collection Fund (this was the current surplus), and that £3.2m came from the Fair Funding Review reserve, which reduced the balance from £19m to £16m.

Re the £1.4m of reserves used to fill the Revenue gap in 2023/24 – Waste Equilisation Fund – was this reserve being topped up? It was confirmed that the £1.4m was an ongoing challenge in the proposed MTFP.

Adult Social Care inflation had increased by £0.4m. What was the split between price and volume? It was explained that this increase was all price.

Looking at the Capital summary on pages 14-16, carry forwards had been included on page 14 but not on page 16. Would that be updated in the MTFP? Officers noted this point and stated that it should be included if possible.

In terms of changes from the previous version of the MTFP presented to the Committee in October 2023, how could Members understand what had been taken out from the Capital budget in the previous version? It was confirmed that the intention was to focus on the impact of schemes in terms of changes in one table to another, it wasn't intended to be a full reconciliation.

What was the reason for the £1.53m retained business rate income benefit? It was mentioned that page 21 showed the £1.53m whilst page 22 showed the retained business rate credit. It was explained that £1.53m of ongoing business rate credit came from an increase in business and an increase in the business rate multiplier.

Officers were asked to clarify comments made on the Household Support Fund and whether it was going to continue. It was revealed that officers had not been notified of the continuation of the fund, but also had not received a definitive no.

Relating to ongoing significant growth in Children's Services spending, could officers reassure Members that the forecasts were robust, that the growth was under control and not running away? It was commented that Children's Services was the biggest area of concern. It was added that if the Council had no growth in Children's Services, then it would be in a much more comfortable position. It was mentioned that most time spent at the Council's Corporate Leadership Team meetings was on home-to-school transport and SEND areas, looking at how the Council could intervene earlier to stop issues and cost escalating.

Looking at previous MTFP on page 19, the three year growth figure for Children's Services was £8m and in the revised MTFP it was £12m. With decisions being made today taking

time to take effect, when would did the Council expect to see growth coming back down? It was explained that there was confidence in the forecast in this current version of the MTFP. It was projected that growth would be more modest in future years.

Had officers carried out benchmarking on Children's Services, including neighbouring councils? It was confirmed that expenditure on Children's Services was in the lowest quartile in the country, but looked at per head, it would be highest in Berkshire. It was added that this was down to lack of self-provision and that the Council aimed to become more self-proficient with solutions such as building SEND schools and purchasing a care home.

Re the online survey with 488 responses, did this lead to any changes in the MTFP? It was explained that it focused the thinking and did lead to discussion on the projects residents wanted the Council to deliver.

Were there areas of the Budget that were dependent on grants? It was explained that big areas were wrapped up in Local Government Finance Settlement with the New Homes Bonus included in that. It was added that if settlement criteria was calculated by deprivation then the Council would continue to suffer. It was also mentioned that all future grants would suffer unless the Council could convey an argument that, in addition to deprivation, need was driven by affluence, for example the growth in demand for Education, Health and care Plans in more affluent areas in the Borough.

**RESOLVED** That:

- 1) Imogen Shepherd-Dubey and Graham Ebers be thanked for attending the meeting to present the updated MTFP, 2024/27, and answer Member questions;
- 2) the imperative for responsible financial management in the current unprecedented financial circumstances be supported;
- 3) Member comments and questions be fed into the development of the MTFP for 2024/27, prior to its submission to the Executive and Council;
- 4) the Committee agree a report on the Budget Scrutiny process for 2024/25, to be submitted to the Executive and Council as part of the MTFP reports;
- 5) the Committee, along with the Children's Services Overview and Scrutiny Committee, monitor the financial position and budget pressures in Children's Services during 2024/25.

## **92. WORK PROGRAMME 2023-24**

The Committee considered its work programme for the remainder of 2023/24 as set out at Agenda pages 55 to 56.

Members were reminded that the Litter Bins Task and Finish group was waiting for one more Member to be appointed before it could commence its meetings.

Members requested detailed information on how adverse weather was dealt with when discussing Flood Risk Management item at the meeting on 4 March 2024.

**RESOLVED:** That the Committee's work programme, as amended, be noted.

**93. ACTION TRACKER**

The Committee considered the regular Action Tracker report, as set out on Agenda pages 57 to 64.

Members suggested that, when an item was three months away from being submitted, officers check that it was on track so the Committee knew that sufficient information was being included.

**RESOLVED:** That the Action Tracker, as amended, be noted

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