

South Somerset District Council

Draft Minutes of a meeting of the **Scrutiny Committee** held at the **Main Committee Room, Council Offices, Brympton Way, Yeovil BA20 2HT on Tuesday 3 January 2017.**

(10.00 am - 1.05 pm)

Present:

Members: Councillor Sue Steele (Chairman)

Mike Beech	David Norris
Amanda Broom	Sue Osborne
Dave Bulmer	Rob Stickland
John Clark	Martin Wale
Tony Lock	

Also Present:

Ric Pallister	Angie Singleton
Jo Roundell Greene	

Officers

Jayne Beevor	Principal Accountant
Catherine Hood	Finance Manager
Donna Parham	Assistant Director (Finance & Corporate Services)
Alex Parmley	Chief Executive
Martin Woods	Director (Service Delivery)
Colin McDonald	Corporate Strategic Housing Manager
Paul Wheatley	Principal Policy Planner
Jo Gale	Scrutiny Manager
Emily McGuinness	Scrutiny Manager

89. Minutes (Agenda Item 1)

The minutes of the meeting held on 29th November 2016 were approved as a correct record and signed by the Chairman.

90. Apologies for absence (Agenda Item 2)

Apologies for absence were received from Councillors Jason Baker, Val Keitch and Garry Shortland.

91. Declarations of Interest (Agenda Item 3)

There were no declarations of interest.

92. Public question time (Agenda Item 4)

There were no questions raised by members of public at the meeting.

93. Issues arising from previous meetings (Agenda Item 5)

There were no issues raised from previous meetings.

94. Chairman's Announcements (Agenda Item 6)

The Chair informed members that the Transformation Board scheduled for the 10th January has been cancelled and there will now not be a meeting until February. It was her understanding that the programme is currently running two months behind with regard to the procuring of software and additional monies may be required to achieve the required timescales to realise the savings. Members of the Committee were encouraged to bring any issues or comments to either the Chair or the Vice Chair in advance of the Transformation Board meetings.

Members were also informed that a Call-in request had been received from Cllrs Mike Beech and David Norris pertaining to a recent decision on Recycle More by the Somerset Waste Board. In line with the agreed procedure, the Somerset Waste Board have been informed, but given that the timing of the submission of the Call-in just before the offices closed for the Christmas Break, officers had not yet had chance to discuss the implications with officers from the Waste Partnership. If the matter progresses to the Committee Stage, it is anticipated that it will be considered at the SSDC Scrutiny Committee Scheduled for 31st January.

95. Verbal update on reports considered by District Executive on 1 December 2016 (Agenda Item 7)

Members noted the District Executive minutes and the feedback provided by scrutiny members who attended.

96. Budget / Finance Skills for Scrutiny Members (Agenda Item 8)

The Assistant Director (Finance and Corporate Services) supported by members of the Finance team gave a presentation to members, covering the following points: (a copy of the presentation can be provided on request)

- Legal Requirements of setting a balanced budget by the 11th March
- The Financial Management Process and the relationship between the Council Plan and Key Strategies and financial planning. Members were reminded of the key Scrutiny role of ensuring that the Council plan is adequately resourced on an annual basis.
- The SSDC approach to setting the budget including the annual setting of priorities, identifying underspends and unavoidable budget pressures.
- Signs that an authority may be reaching the 'Tipping Point' including decision paralysis and an inability to fulfil statutory functions.
- How to Scrutinise a budget by checking it aligns with an up to date Council Plan and other key strategies, what are the risks? Are the judgements sound? Have

the appropriate Equality Impact Assessments been conducted? Has the necessary consultation been carried out?

- The difference between Audit and Scrutiny roles in financial planning and monitoring.

During discussions, the following points were raised:

- As the authority moves forward, there will continue to be a reduction in the level of funding available and members will need to make informed decisions about what services and projects are priorities and what cannot be done. All members need to be a part of this discussion and there will need to be an updated Annual Action Plan to inform these discussions.
- The key is to ensure the Financial strategy provides the ability to move quickly and adapt, for example needing to reduce the Dependency on New Homes Bonus.
- It's important not to take 'knee jerk decisions' in relation to financial decisions, and continuing with our robust financial management arrangements will mean we should be able to take a considered approach, considering all of the evidence and assessing the risks.
- The benefits of internal borrowing were explained to members in that using our own capital to purchase items such as fleet vehicles was a better long term options as the capital sum would be repaid by the service and the council would be the owner of the asset.
- Business Rate growth is very risky.
- Members need to always assess the impact when considering financial decisions, this requires ensuring appropriate consultation.

The Scrutiny Committee thanked the officers for a very informative presentation and discussion.

97. Reports to be considered by District Executive on 5 January 2017 (Agenda Item 9)

Members considered the reports contained in the District Executive Agenda for 5 January 2017 and made the following comments:

Report from Yeovil District Hospital NHS Foundation Trust (Agenda item 6)

- Members noted this report.

Direct Hostel Provision, Move on Accommodation and Support (Agenda item 7)

- Scrutiny members were grateful to the Corporate Strategic Housing Manager for attending the meeting at short notice to answer members questions.
- Members sought assurance that multi-agency solutions to addressing homelessness are being sought where appropriate and that effective monitoring arrangements are being put in place to ensure that long term solutions are being provided to our most vulnerable residents?
- Members noted that £160k would be added to the MTFP for the next 2 financial years whilst the impact of recent legislative changes are assessed.
- Scrutiny Committee were keen that the scheme is effectively measured in terms of outcomes achieved particularly in the longer term and suggested collecting

data with regards to the issues that have been experienced accessing mental Health Services.

Council Tax Support Scheme for 2017/18 (Agenda item 8)

- Members supported the recommendations and specifically made reference to supporting the current 15% minimum payment being retained whilst the impact of the roll out of Universal Credit is assessed.

Strategic Commercial Land and Property Project (Agenda item 9)

- Members supported the principles of becoming more commercially minded to support SSDC's ambition to generate further income streams to support our corporate priorities. The committee noted that it will be important to ensure governance arrangements do not unnecessarily hinder a more commercial approach but would like to reiterate the importance of accountability and transparency when dealing with public funds.
- Members welcomed the potential for SSDC to develop the in-house capacity so that in the future we will be better placed to put suitable regeneration schemes together ourselves and sought assurance that the money being spent at this stage would lead to knowledge being retained within the organisation over the longer term.
- Members sought clarification as to what the decision making process will be for the final strategy and assumed that it will need to be a Full Council decision?
- The importance of looking at other authorities **comparable** to SSDC was stressed as part of the Strategy development process.

Policy for Awarding Private Sector Housing Grants/Loans and other Financial Assistance (Agenda item 10)

- Scrutiny supported this approach to maximising available funding streams to provide DFGs. They asked for clarification that any monies paid into funds such as the Joint Community Equipment Service would be solely for the benefit of SSDC residents and wouldn't be spent elsewhere in the county?
- In light of the issues currently facing local authority financing and the importance of needing to retain an element of flexibility, members questioned the prudence of allocating specific levels of funding within the policy and suggested that robust monitoring would be needed to ensure that resources were allocated to where they are most needed.

Medium Term Financial Plan and Capital programme Update 2017/18 (Agenda item 11)

- Members thanked members of the Finance Team for the informative training session held prior to the consideration of this item.
- The Committee noted that a fundamental role of scrutinising the budget is to assess whether resources are being allocated to support the delivery of the Council's priorities. Currently, we do not have an updated Council Plan which in turn means that Capital bids cannot be assessed, thus leading to an MTFP that is not as complete as it has been in previous years. We were pleased to note that the Leader stated that the updated Action Plan would be available for comment before budget papers are considered at Full Council in February.

- The committee noted that the Car Parking ANPR project will not now go ahead leading to a loss in anticipated income.
- Members questioned the profiling of the savings attributed to the Transformation Programme and sought reassurance that the programme is on track to deliver the anticipated level of savings.
- The Chief Executive Officer explained that delivering a successful Transformation Programme would be an inevitable draw on organisational capacity. Transformation will need to be a priority and this will mean there are some things that we can no longer do and that members would be consulted as soon as possible about indicative priorities.
- The Committee were reminded of the need to conduct appropriate consultation on proposed changes as well carrying out Equality Impact Assessments.
- The Committee questioned the Unavoidable Budget pressure of removing the Intern Levy and whether this meant we were ceasing the Intern programme. Members were pleased to note as part of transformation the intention is to increase the number of Interns.
- Members questioned if there was a chance that the capital costs for Transformation could increase as we have not yet procured the software and hardware.
- The Assistant Director (Finance and Corporate Services) confirmed that only £1.3 million of the £2million originally allocated had been used and therefore the £.7million could be utilised for any increase in projected costs and that reserves were also in place.
- Cllr Ric Pallister – Transformation Sponsor assured scrutiny members that changes to forward plans and budgets that result/materialise after the budget that they will come forward to Scrutiny and District Executive.

South Somerset Economic Development Monitoring Report (Agenda item 12)

Members thanked the Principal Spatial Planner and his team for all their hard work in bringing forward this report and wished Paul well for his future role.

- Members noted that going forward it would seem more appropriate to slightly shift the focus of reporting to the additional employment floor space provided as opposed to land used as this would be a more realistic measure. Simply looking at the land target a little too simplistic and would we be better taking a more holistic approach to measures we can introduce to stimulate the economy?
- Scrutiny Committee noted the obvious link between this work and the emerging Economic Development Strategy and asked that Scrutiny, as has been the case previously, would be involved in the development of the policy.
- Members supported the suggestion that SSDC start on the Local Plan refresh process sooner rather than later – now would seem a perfect time to start planning in workshops as we have 11 years of data to make more informed policy decisions and to ensure resources are more accurately directed going forward.
- Scrutiny Members supported the approach of consulting with businesses to build up an accurate local picture and SSDC maintaining an active role in the multi-agency discussions about the future of the A303 and the A358.

CONFIDENTIAL – Exclusion of the Press and Public

In accordance with Section 100A(4) of the Local Government Act 1972 (as amended), the Committee resolved that the press and public be excluded from the following items in view of the likely disclosure of exempt information as described in Paragraph 3 of Part 1

of Schedule 12A to the Act, i.e. "Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Disposal of the Former Stables at Churchfield, Wincanton (Confidential) (Agenda item 16)

Members supported the recommendations contained in the report.

98. Final Report from the Monitoring SSDC Council Tax Support Scheme Task and Finish Group (Agenda Item 10)

This matter was discussed as part of the Committee's consideration of the District Executive agenda as stated above.

99. Appointment of Members to Somerset Rivers Authority Scrutiny Panel (Agenda Item 11)

The Committee appointed Councillors Mike Beech and Val Keitch to the Somerset Rivers Authority Joint Waste Panel.

100. Verbal update on Task and Finish reviews (Agenda Item 12)

The following Task and Finish Groups are currently in progress:

Consent for Disposal of properties – A report would be coming forward re-focusing this work on the SSDC Rural Lettings policy and how the impact of Yarlington's continued disposal of rural properties can be mitigated.

Discretionary Housing Payments – Final report of this group will to Scrutiny in March

Street Trading – The draft Street Trading Policy is now out for consultation – the consultation period will end on 3rd February.

Council Tax Support – Members supported the Task and finish group recommendations, this group has now finished.

National Non Domestic Rates Discretionary Relief –. The task and Finish group are still waiting on the data specific to charitable organisations, to inform their recommendation to Peter Seib- Portfolio Holder for Finance

Right to Buy Clawback –The task and Finish group met just before Christmas and a draft letter is being considered by the group to sendin response to the request from Garry Orr.

101. Update on matters of interest (Agenda Item 13)

There were no updates on matters of interest.

102. Scrutiny Work Programme (Agenda Item 14)

Members noted the content of the Scrutiny Work Programme. Members were reminded that as from the 20 January there would only be 2 days a week dedicated Scrutiny Manager time and that the priorities of the Committee will need to be adjusted accordingly.

103. Date of next meeting (Agenda Item 15)

Members noted the next meeting of the Scrutiny Committee would be held on 31st January 2017, in Council Chamber B, Brympton Way.

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Chairman