

Scrutiny Committee

At the Scrutiny meeting held 29th November, members considered the District Executive reports due to be considered on 3rd December, and made the following comments:

South Somerset Community Infrastructure Levy Report

The Portfolio Holder for Strategic Planning introduced the report, the Principal Spatial Planner went on to give an overview of the process going forward, and during discussions the following points were made:

- The Committee supported the suggestion that a recommendation be added asking Full Council to accept a CIL Implementation date of 3rd April 2017.
- Members sought assurances that the implementation date of 3rd April 2017 is achievable bearing in mind the potential impact of the Transformation programme, given that the successful implementation of CIL will rely on several different service areas – each being ‘transformed’ at different times, combined with the need to procure a new IT system?
- CIL and Section 106 payments may need to be paid on a site, Section 106 would only be paid for very site specific issues such as landscaping, street lighting and accessibility.
- The Regulation 123 list is produced with member involvement, if something is on the Regulation 123 list you cannot then ask for a Section 106 contribution for this.
- There is no back on CIL, it is non-negotiable.
- Member’s clarified self-builders are still exempt from CIL.
- The Committee were pleased to note that due regard had been paid, and would continue to be given to the Equalities throughout this process.

Members thanked the Planning Policy Team for all their hard work in bringing the scheme forward.

2016/17 Revenue Budget Monitoring Report for the period ending 30th September 2016

- Members sought clarification about how and where vacant posts are accounted for. Members were unclear whether vacant posts agreed in years 2015/16 and 2016/17 would be claimed as Revenue Budget savings or would be attributed to Transformation? Members stressed the importance of avoiding double counting and that greater clarity is needed in the future – this is a high profile, high cost project. The Committee were informed by the Transformation Programme & Performance Manager that he had prepared a short note explaining this point, members requested that this is distributed to all members to help explain this complex issue.
- The delay in delivering the ANPR project and the resulting shortfall in anticipated savings was noted – members asked for further details about the delay.
- Members queried the statement that EDM savings from within Housing would now be incorporated into Transformation and delivered in a different way. The Finance Manager explained that the original budget was £100K, £75k had been transferred to the Transformation budget but £25K had been assigned as a saving in 16/17 and was agreed at Management Board in July.
- On page 3 of the Appendix under Procurement and Risk, members queried why an £8k underspend had been allocated to be transferred to the Transformation budget?

2016/17 Capital budget monitoring report for the period ending 30th September 2016

- Members sought clarification on the role and purpose of the Affordable Housing – Mortgage Rescue Contingency Fund and the Affordable Housing – Bought not Built Allocation – is it a statutory requirement to have these funds, have we assessed the need to maintain current levels given the statement that they are ‘unlikely to be spent this financial year..’
- Members questioned the MTIG Reserve and why so much of it remains unspent. The Committee were grateful to the Portfolio Holder for expanding on the comments within the report, and noted that a new raft of Community Plans are currently in production and new projects will emerge in due course.

Final Recommendation of the Community Governance Review of Yeovilton Parish Council

Members noted the report and made no comments.

Draft Proposals of the Community Governance Review of Brympton Parish Council

Members noted the report and made no comments.

District Executive Forward Plan

Scrutiny Committee made no comments regarding the forward plan but requested the Strategic Director (Operations and Customer Focus) attend the next Scrutiny committee meeting to answer any questions with regard to the District Executive report about the Somerset Waste Partnership – Recycle More project.

Members also invited the CEO to meet with members to discuss how Scrutiny Committee can effectively be part of South Somerset moving forward, with a particular focus on the Transformation Programme.

The CEO explained that in his previous roles he has developed the role of Scrutiny and values constructive challenge to assess processes are sound and the council is delivering for the community and people of South Somerset. He commented on the agenda noting the number of Task and Finish reviews and felt this approach was useful to get under the skin of issues and that from his perspective it is all about striking a balance to not get too immersed in the detail as this can have a detrimental impact as it should be being reviewed on behalf of the community.

During discussions the following points were made:

- Task and Finish work provides non-executive members a good opportunity to work with officers and representatives of the community and external organisations to develop policy and get a thorough knowledge of the services SSDC provides.
- The overview that comes from Scrutiny Committee in the form of recommendations is taken into account by the Executive.
- The committee provides insight and knowledge that provides confidence and encourages members to ask difficult questions effectively.
- Some Scrutiny Committee members would like a more formal scrutiny arrangement of the transformation involving more members.
- The Transformation Board agenda is sent to all members so they can contribute through Cllrs Sue Steele and John Clark.

- The next Transformation Board is on 18th November- as at yet there are no reports scheduled to go before District Executive
- No CRM system, software or hardware has been procured yet, IT and Ignite consultants have met with every service and conducted analysis of all the IT Systems that are in use and are required in the near future and a draft plan is being developed now.
- In the future model there will still be clear lines of accountability but they will run across the organisation opposed to up and down as they do now, there will still be a named report lead and manager.
- There is a relationship between Income Generation and Transformation, it takes a long time to build up an income stream and to generate other efficiencies, it is not realistic to think we can achieve enough through Income Generation to lessen the pressure to achieve savings through Transformation and we should always be looking to achieve the most efficient way of doing things on behalf of our residents.

Members commented that they had been advised at their Transformation workshops that they would need to change with regard to Transformation and asked for clarification and examples. The CEO responded “A detailed transition plan will be developed for how members’ will engage with the authority, for example if members’ continue to go to Officers X for this and Y for that this could undermine the process. Ultimately what it means for members is still in member hands, how do you want it to benefit you and your work?”

The CEO went on to explain that in Eastleigh members had Members View, this enabled members to request support and raise issues and track the progress of their requests.

Scrutiny Committee asked what consultation has and is being done to identify what our residents want and need from SSDC.

Officers explained there would be service testing with customers before we go live and an evaluation of how customers think our services are improving and have also conducted a study of social media.

Scrutiny Committee raised concerns of this process and said they felt more needed to be done to ensure we identified exactly what customers want and need to inform the process moving forward and that we don’t assume.

Scrutiny Committee members requested they have sight of the member’s transition plan identifying the main steps of members’ involvement with an accompanying communication plan for member involvement. It was also suggested that Scrutiny Committee could aid this part of the process with a Task and Finish group.

Scrutiny Committee – 3rd January 2017

At the January meeting, the Assistant Director for 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.
- 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.

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

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

Report from Yeovil District Hospital

Members noted this report.

Direct Hostel Provision, Move on Accommodation and Support

Scrutiny members were grateful to Colin McDonald for attending the meeting at short notice to answer their 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.

Also if we could collect data with regards to the issues that have been experienced accessing mental Health Services.

Council Tax Support Scheme

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

Strategic Commercial Land and Property Project

Members supported the principles of becoming more commercially minded to support SSDC's ambition to generate further income streams to support our Corporate priorities. We would note 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

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

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 on Friday prior to adoption by Full Council.

We 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.

We noted the CEO's explanation that delivering as 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 with 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. We were pleased to note that in fact we were hoping to increase the number of Interns and apprentices and that the staffing structure after Transformation will incorporate interns and apprenticeships.

South Somerset Economic Development Monitoring Report

Members thanked Paul Wheatley 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 ED Strategy and asked that Scrutiny, as has been the case previously, would be involved in the development of the policy.

Members would support a 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.

We would support SSDC maintaining an active role in the multi agency discussions about the future of the A303 and the A358.

Appointment of Members to the Somerset Rivers Authority Joint Scrutiny Panel

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

Scrutiny Work Programme

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 would need to be adjusted accordingly.

Task and Finish Work

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 –** The Task and Finish report is being compiled and is scheduled to come forward to Scrutiny Committee next month.

- **National Non Domestic Rates Discretionary Relief –** The scrutiny manager explained that within the Autumn Statement it was announced that Rural Rate relief would be increased. This will remove the disadvantage that would have been caused by the change to the small business rate relief policy. This leaves a disconnect with organisations that are in receipt of charitable relief that have a small Rateable Value that needs to be considered and will be reported on.

- **Right to Buy Clawback –** A meeting date is being co-ordinated, hopefully for December.

Sue Steele
Chairman of Scrutiny Committee