

## CORPORATE OVERVIEW AND SCRUTINY PANEL

Tuesday 19 December 2023

Present: Councillors Chris Moriarty (Chair), Mark Howard (Vice-Chair), David Buckley, Maureen Hunt, Helen Price, Gary Reeves, Genevieve Gosling, Julian Tisi and Mark Wilson

Also in attendance: Councillor Lynne Jones

Officers: Mark Beeley, Stephen Evans, Andrew Durrant and Kevin McDaniel

Officers in attendance virtually: Elizabeth Griffiths and Lin Ferguson

### Apologies for Absence

An apology for absence was received from Councillor Sharpe, Councillor Gosling was attending the meeting as a substitute.

It was noted that the Executive Director of Resources was unwell but would join the meeting virtually.

### Declarations of Interest

Councillor Price declared a personal interest as she was a member of Maidenhead Golf Club.

### Minutes

Councillor Price was concerned that the Panel had not held an offline meeting to discuss the work programme. She was unsure that items suggested at the beginning of the year had been scoped and would be brought forward for the Panel to consider.

Councillor Howard said that he had initially scoped some topics but needed to clarify if they were appropriate for consideration by the Corporate Overview and Scrutiny Panel.

Councillor Reeves felt that previous agendas had been full and the Panel had held some constructive discussions at meetings but it would be good to explore items for the New Year.

Councillor Wilson said that the work programme was filling up, he was not sure whether a separate offline meeting was needed.

Councillor Hunt added that she had brought Pickins Piece to the attention of the Chair and this had been considered in November, Panel Members should suggest items to the Chair if they were interested in it coming to a Panel meeting.

The Chair said that the work programme was on the agenda but would not be discussed at the meeting due to the time taken to scrutinise the budget. He understood the point made by Councillor Price and he could explore the best way for the Panel to discuss the work programme.

**AGREED UNANIMOUSLY: That the minutes of the meeting held on 6<sup>th</sup> November 2023 were approved as a true and accurate record.**

## 2024/25 Draft Budget

The Chair introduced the report and suggested an approach to the meeting on how the Panel scrutinised the budget. The People Overview and Scrutiny Panel and Place Overview and Scrutiny Panel had considered their areas of the budget and these comments had been summarised for the Panel to read.

Stephen Evans, Chief Executive, said that the draft budget had been considered by Cabinet on 13<sup>th</sup> December and this was now out for consultation until 22<sup>nd</sup> January 2024. Responses to the consultation would be considered before Cabinet put forward a final budget for approval by Full Council. A huge amount of work had gone into the budget but there was still a significant risk and things like inflation and demand were outside of the council's control. Budget management and delivery of the proposals now needed to happen particularly considering the weak financial resilience of the council. There was a current projected overspend of about £7 million and this would lead to a reduced level of reserves going into next year, which could leave RBWM with some of the lowest reserves of any unitary local authority.

Councillor Price wanted to understand how robust the Medium Term Financial Plan was. Assumptions had been made about the national situation, she asked where these assumptions had come from and been evidenced. Councillor Price suggested that impacts which were anticipated to affect the council were added into the budget monitoring reports. If things were more positive than predicted, she asked what the priority would be.

Stephen Evans said that the Medium Term Financial Plan was a rolling 5 year plan and was updated annually for each budget. If a material change was to occur, the finance team could consider how to include this on the monthly reports considered by Cabinet. National sources were used for assumptions and this was updated each year. Stephen Evans believed that the first priority should be to build up the reserves.

Councillor J Tisi noted the assumptions that had been made, particularly pay inflation which had been estimated at 3%. He asked how lenient some of the assumptions were.

Elizabeth Griffiths, Executive Director of Resources, explained that pay inflation was set on a pay deal which was why it was 3% for next year. The Medium Term Financial Plan was a draft and the team were working through some of the assumptions for future years. Forecasts could lose integrity if considered too far in advance. The assumptions made were reasonable at the current point in time and considering the local government settlement which had recently been confirmed, the assumptions made had been relatively accurate.

Councillor J Tisi said that there was some commentary in the report on the level of debt, which was currently around £200 million. He asked how much it would cost for this debt to be refinanced going forward.

Elizabeth Griffiths said that the team had considered the cash flow on a week by week basis and considered when borrowing would be needed and what the interest rate would be for the proposed timeline.

Stephen Evans added that there was very little material change in the local government settlement which had been received. Reducing the level of debt was another area of priority which should be focused on.

Councillor Wilson asked what the three most significant internal risks to the council were.

Stephen Evans responded by saying that the council's financial position was the biggest risk as this had an impact on delivery across all service areas. Social care, both adult and children's, as the cost of placements could be significant. There were risks to public sector partners, for example NHS Frimley. Recruitment and retention at the council was a corporate

risk, there were limitations particularly with competitive salaries compared to other local authorities in the area. Terms and conditions and holiday entitlement were areas that were being explored to stay competitive.

Councillor Reeves asked how successful the spending control panel had been so far.

Stephen Evans felt the panel had been successful in starting to change the culture of the organisation and there being stronger consideration of spending across the council.

Andrew Durrant, Executive Director of Place, said a good example was planning recruitment. Following some vacancies, a review had been completed of the planning team structure to consider where there were gaps and where recruitment was needed.

Councillor Reeves noted that there was a significant pay inflation figure of £318,000. He asked if this could potentially increase again if this was still not at a competitive level in attracting good candidates.

Andrew Durrant was unsure whether the figure also related to contractors staff too, a standard pay inflation was being applied across all council service areas. This would not necessarily close the gap between RBWM and other local authorities.

Kevin McDaniel, Executive Director of Adult Social Care and Health, said that each council service area would need to consider the impact of pay differently. In care, a recent announcement about the rise in the living wage meant that further reconsideration would need to be given by Optalis to ensure that the funding covered the additional increase in pay.

Councillor Reeves asked if there was a figure in mind which once reached, the council would switch the focus from building up the reserves to start paying off the debt.

Elizabeth Griffiths said that there was not a specific number, it was about where the council was at the point in time and what risks there were. The council had very low reserves in comparison to the risks which were posed as significant.

Councillor Reeves asked where the council was receiving interest payments from and if there was any flexibility to move with the inflation base rate.

Elizabeth Griffiths confirmed that the council had made loans to other organisations, for example Achieving for Children. Interest was charged on these loans and they were provided to help assist with cash flow. Elizabeth Griffiths would need to confirm the detail after the meeting.

**ACTION – Elizabeth Griffiths to confirm the detail behind the interest on loans given to other organisations from the council.**

Councillor Reeves asked if the £5.1 million allocated towards transport had been considered in connection with the new highways contract and the pricing which would have been agreed, or if it was taking into account the current contract pricing.

Andrew Durrant clarified that highways sat within Neighbourhood Services, which was £6.5 million. The amount had decreased between the current budget and next year's budget due to increased additional income generation. The actual position was based on inflationary rises in-year which were currently known. The new highways contract had resulted in a cost saving for the council of around £800,000.

Councillor Price noted a £15.5 million outflow on Maidenhead Golf Club in 2025/26 and an inflow of £14.7 million in 2026/27. She wondered if this would be two years apart or at the end and start of consecutive financial years, as this could have a big impact on whether borrowing was required.

Andrew Durrant explained that the council were currently firming up the valuations for the site and considering the timescales. There was the potential for an overlap between financial years and the figure to secure the land at the Golf Club would increase over time.

Elizabeth Griffiths said that the council needed to borrow to support its cash flow and this was reported but not included in the report. The outputs were included along with narrative around what was driving them.

Councillor Price considered the efficiencies appendix and felt that the Place directorate had been tasked with maximising income and service transformation. She asked if redundancies were included as part of the efficiency savings.

Stephen Evans said that service transformation did not necessarily mean redundancies. For example, it could be the implementation of the new case management system in adult social care which would improve service delivery. Every service needed to be carefully considered and there were a number of statutory services in the Place directorate.

Andrew Durrant said that of the £2.5 million of savings delivered in-year, most of this had been achieved. There would be some challenges but based on current arrangements the Place directorate was in a good position to deliver. Positive conversations had taken place with contractors to see how things could be done differently to provide further savings.

Councillor Price said that there was a greater reliance on voluntary organisations delivering non-statutory services which were not provided by the council and she had expected a statement around this. This had only been referenced in one of the EQIAs, but Councillor Price was concerned that the council was missing an opportunity to further utilise the voluntary sector.

Kevin McDaniel confirmed that there was no reduction to the Communities service area for next year. The team had launched the Community Lottery which had generated the most revenue in comparison to other similar community lotteries. The Service Lead for Communities was now part of the Corporate Leadership Team and worked closely with the Place directorate to collaborate with community groups on things like grass verges around the borough.

Stephen Evans added that when the new Corporate Plan was published there would be a focus on the community and voluntary sector and building positive relationships with the council.

Councillor Howard highlighted the use of Community Infrastructure Levy (CIL) and S106 funds, which he understood should be used for capital projects to support development. However, the budget highlighted that it was being used in other areas, for example tree maintenance.

Andrew Durrant said that CIL and S106 had been carefully considered. Green infrastructure was a legitimate use of this funding and the CIL team ensured that regulations were abided to, in close partnership with the finance team. Going forward, the team needed to ensure that tree inspections were funded through the revenue budget.

Councillor Price continued that there was £3.7 million of CIL contributions in this area, although it was unclear how big the CIL pot was, how much was due to be received from developers and where this would be spent in future. She suggested that scrutiny should be monitoring CIL to ensure that there was a robust process in place.

Councillor Howard said that it was about transparency, it was an ongoing issue between the borough and the parish councils. He was concerned that in previous years there had been CIL funding spent on things which were difficult to justify as capital infrastructure.

Andrew Durrant agreed that there was more work to do, the team could improve communication with the parish councils. Funding was considered by the internal capital review board on a regular basis. The entire capital programme for Place next year would be funded through CIL, S106 and grant funding and therefore no capital borrowing would be required. An audit had recently been undertaken on CIL practises and forecasting was starting to improve.

Councillor Howard felt that CIL and S106 funding was often spent in a small geographical area and he wanted to make sure that communities were being engaged with to understand the best way to spend the funding. Councillor Howard considered contract management and the defects which had been noted at Braywick Leisure Centre. This was a surprise and a concern given how new the leisure centre was and that the council could be required to pay for this.

Andrew Durrant said that there were some historical issues around the design and make up of Braywick Leisure Centre where air and moisture transfer from the pool to the gym area had been damaging gym equipment. The council were working closely with the Property Services team and Leisure Focus to try and recoup some of the liability and costs. Discussions were ongoing and it should be the responsibility of the building contractor to rectify the defect.

Councillor Howard said that he had seen an improvement in the last three to six months around how contracts were being managed. There had been a change in culture and this was positive.

Councillor Wilson asked if there was any warranty that the council could claim on with regard to Braywick Leisure Centre.

Andrew Durrant confirmed that the council were looking at this but there was a risk that Braywick Leisure Centre was outside the warranty period.

Councillor Wilson asked where parking income sat in the budget. This was confirmed to be Neighbourhood Services.

Councillor Wilson asked if the £20 million on contracts in Neighbourhood Services was an annual cost and how much was cost and income.

Andrew Durrant said that this included parking income and leisure management which were two large sums of income but expenditure was effectively net of income. The area included the highways, ground maintenance and waste contracts.

Councillor Wilson noted that there was a line in capital for lamppost repairs. He asked if people who crashed into lampposts could be charged for damage to council infrastructure.

Andrew Durrant said it was a challenge for all local authorities particularly to access the right level of evidence to claim the money back. The insurance route was also an option but evidence was still needed.

Councillor Howard wondered why the council was reluctant to go down the insurance route.

Andrew Durrant said that he'd need to clarify with the Insurance and Risk Manager, as it could be around an increase in insurance premiums each time a claim was made.

**ACTION – Andrew Durrant to ask Insurance and Risk Manager for further information around insurance claims for damage to council street furniture.**

Councillor Price considered service reductions and felt that there should be further transparency with Councillors and the public that this was the reality of the situation. On temporary housing costs, these were rising and many were unable to afford the deposit.

Councillor Price had suggested to a housing organisation of putting money into a pot to act as the guarantor, this was an idea to reduce the council's housing costs.

Andrew Durrant said that the administration and how the fund was applied would need to be looked at. He added that the council did offer an interest free loan scheme on rental properties, he could share further details of this with the Panel after the meeting.

**ACTION – Andrew Durrant to share information on the interest free loan scheme available to residents for rental properties.**

Councillor Reeves said that the cost of housing in the borough was high compared to neighbouring areas and there was a shortage of affordable housing. There was no mention of social housing. He felt that social housing was key to ensuring that residents stayed in the borough. Councillor Reeves asked when the council would be able to invest in more temporary accommodation as it was needed now. On council tax, there had been reductions in both growth estimates and collection rates and this was concerning. He welcomed the move to levy 100% empty home premiums and dwellings occupied as second homes.

Stephen Evans said that the Cabinet had spoken about social housing, the council was not a stock holding authority. The recent Sawyers Close application in Windsor was a good outcome and would provide more social housing. Abri and Housing Solutions would be working closely with the council. Buildings in the borough were being considered for suitability to be used as temporary accommodation.

Councillor Hunt raised concern about one social housing provider putting a property on the open market. She was against this as she did not want to see a loss in social housing. Councillor Hunt asked if the council was satisfied that housing providers were selling social housing stock.

Stephen Evans responded that there could be a number of reasons why a housing provider would be looking to sell a property and this was within their own Terms of Reference.

Councillor Howard congratulated officers on the increase in council tax levied against those with second homes, he considered whether this was the maximum that could be charged.

Elizabeth Griffiths said this was the projected estimation of what could be collected following this raise. The council tax base was an estimate of what could be collected and this was based on the current number of homes, the growth that was estimated, and an estimated collection rate. In previous years, the collection rate had been overestimated.

Councillor Reeves said that it was good to clarify that the decrease in the council tax collection rate was to ensure that estimates were realistic.

Councillor Jones, Cabinet Member for Finance, made a point of clarification around the empty homes. The current legislation allowed for 100% premium on top of council tax to be charged for empty properties after two years. The proposal in the legislation was to reduce this to one year which was where the increase in income came from.

Councillor J Tisi said that high risk savings totalled a 'relatively low amount', he asked if this could be quantified.

**ACTION – Amount of high risk savings in the budget to be shared with the Panel.**

Councillor J Tisi considered the efficiency savings to children's services, particularly around stepping down placement support when it was appropriate to do so. He questioned whether this would have a high impact on children.

Lin Ferguson, Executive Director of Children's Services and Education, said that that it would be a challenging savings target but it was achievable. A new team was in place which were making sure that the right children could remain with their extended family rather than coming into care and there had already been significant cost avoidance. Reviews were being done for children who were currently in expensive residential placements to either change to a foster home or be rehabilitated into the extended family, where appropriate. It was also designed to ensure that the right children were coming into care.

Councillor J Tisi asked for further information on service reductions in adult social care.

Kevin McDaniel said that the significant growth in the adult social care budget reflected the cost to the council of looking after people on a statutory basis. The preventive work came from some of the efficiency savings, making sure that people did not start receiving support from the council before it was actually needed.

Councillor J Tisi noted £548,000 which was allocated to supporting charities which were local and not national. Councillors had been approached by local charities who were concerned that they would not be able to budget for next year. He asked if the council was looking to retain the relief for local charities.

Stephen Evans clarified that this was planned for 2025/26 but was not proposed for next year.

Councillor J Tisi said that the saving for the removal of the 'Around the Royal Borough' magazine was small and understood why this decision had been made. He asked if this was intended to be permanent or if this could be brought back in future years.

Stephen Evans said it was considered by the spending control panel and it was decided to not go ahead for this year. It was not an essential service and while it helped with communication other sources would need to be explored.

Councillor Wilson felt that 'Around the Royal Borough' should be reconsidered in future years should funding allow it to be brought back. On adult social care, there was an uptick of around £5 million on each budget. He asked how much of this was due to previous budgets being underestimated.

Kevin McDaniel said that the shortfall was highlighted in the budget growth items, the additional cost was the expected inflation pressure costs driven by the rise in the cost of the living wage and other cost of living demands.

Councillor Jones explained that there had been significant discussions on the decision to stop 'Around the Royal Borough'. It had been explored to include something in council tax demands.

Councillor Price said that adult social care precept from next year was 0, she asked if this was confirmed or if it was because officers had not yet been informed.

She was told that officers had no confirmation as the government had not yet confirmed if the adult social care precept would continue.

Councillor Price commented on special educational needs and disabilities in the EQIA around the review of school transport. It had been stated that the proposal did conflict with statutory requirements but the risk to the policy was overruled.

Lin Ferguson said that home to school transport was one of the costliest budget lines, a peer review was currently ongoing into home to school transport and recommendations would be made on the way forward following completion.

The Panel considered the recommendations which they wanted to make for consideration by Cabinet.

Councillor Howard said that the Panel should express its concern with the Braywick Leisure Centre situation and that the council was forthright in negotiations with the contractor and operator.

Councillor Price said that savings should be openly communicated so that Councillors and residents understood the reasons and impacts. A more robust and transparent process around CIL was requested.

Councillor Reeves said that there needed to be consideration on social housing and a social housing plan as there was no narrative around this in the budget. Cabinet should consider buying housing stock to use as social housing.

Councillor J Tisi suggested that more clarity should be provided to local charities around the support being given by the council, particularly as there was still time before it was brought forward in the 2025/26 budget.

**AGREED UNANIMOUSLY: That the Corporate Overview and Scrutiny Panel noted the draft budget for 2024/25 and requested that Cabinet:**

- i) Noted the concern of the Panel on the Braywick Leisure Centre defects and encouraged officers to be forthright in negotiations with the contractor to ensure that this was not paid for by the council.**
- ii) Ensured that savings were openly communicated so that residents understood why they were being made and what would change as a result.**
- iii) Considered a more robust and transparent process around Community Infrastructure Levy, particularly on how funds were being spent.**
- iv) Gave further consideration to social housing as there was a lack of comment on this in the draft budget. Consideration should also be given around the viability of the council buying its own housing stock to provide further social housing.**
- v) Ensured that further clarity should be given to local charities, in advance of any proposed changes to the support provided in the 2025/26 budget.**

### Proposed increases to Fees and Charges

Councillor Howard commented on the parking charges and asked why there were so many different levels of charge. He felt that some of the charges were not realistic, as it seemed a percentage charge had just been added each year.

Andrew Durrant said that there were different rates at different locations. In future, the rates could be rationalised. There had been a standardised increase in parking charges while maintaining a free residents discount. A sensible approach had been applied to maximise revenue but there was further work to do to rationalise this going forward.

Stephen Evans said that some fees were discretionary and some were non-discretionary. This meant that some were set by central government while others were set at a level where the council could only recover its costs.

Councillor Jones added that parking income was a driver in balancing the budget, particularly with the low council tax base. Charges had been increased each year without a full review,

each of the borough's towns were different and a standardised approach was difficult. Councillor Jones suggested that she would like to see a parking charges strategy come forward to serve the residents better.

Councillor Howard supported this suggestion, it was good to reconsider parking charges using a proper review rather than just increasing by a certain percentage each year.

Councillor Price said that in previous years the Panel had seen the percentage increase for each fee but this had not been included. She requested that this was added for future years. Councillor Price asked for reassurance that a drop in demand had been factored in when parking charges were increased. On charging for use of parks, a discretionary charge for local charities was very open and this could put off charities from running events at an early stage. Councillor Price had noted that for charges on fines and anti-social behaviour, the council was not charging the maximum amount.

The Chair added that enforcement was needed for fines, he asked for further information on the relationship between the level of the fine and the amount of resource for enforcement.

Andrew Durrant said that there was an application process which would be considered by the Parks team, this discretion would allow the team to charge a smaller fee for certain groups and events. The Safety Advisory Group would consider applications for larger events. The Communities team would work in partnership with any events and could look to support with the event fee through the Community Lottery, for example. On enforcement, price points had been considered and a new enforcement contract had recently been agreed. A higher charge could be tabled but this would not necessarily lead to a behaviour change.

Councillor Wilson considered charges for betting shops, he asked if this was a national charge level.

Andrew Durrant explained that many of these charges had not changed, they were reviewed on a regular basis but not annually. These were mostly around cost recovery rather than generating further income.

The Chair noted that there was a 3% increase in the budget to cover pay inflation but there was not a 3% rise in fees being charged, which could be needed to ensure that costs were recovered.

Stephen Evans said that he was unsure of when the cost recovery fees were last reviewed, they could significantly increase to cover the gap once they were next reviewed. The Assistant Director of Housing, Environmental Services and Trading Standards would be looking at the level needed for cost recovery in due course.

Councillor Reeves considered the cost for funeral memorials and why there was an additional charge for an inscription.

Andrew Durrant explained that the plot was purchased at a specific point in time to co-bear two people. The further cost was paid at the point in time when the individual passes away and would be buried, as there was no way of knowing when this would be.

Councillor Reeves mentioned the discretionary charges for events in parks. He asked how the council was planning to promote this application form and ensure that groups were not discouraged from applying.

**ACTION – Andrew Durrant to confirm what the application process would look like and how this would be communicated out to local charities and community groups.**

Councillor Jones confirmed that the council would be in contact with groups and organisations which ran existing events to make them aware of the change.

Councillor Reeves noted the increased charges to the hiring of the Desborough Suite at the Town Hall for both commercial and non-commercial uses. He asked why this had been increased for non-commercial events as the council should be supporting community groups.

Stephen Evans said that the Desborough Suite was currently being used as a vaccination centre but charges could be looked at.

Councillor Hunt supported Councillor Price's suggestion to include the percentage increase from the previous year. She understood that charges needed to be raised but this needed to be balanced. There was a new charge on CCTV but this was listed as three separate lines. There were also new charges on pre-applications and enforcement, she asked who was charged with planning enforcement.

Stephen Evans said that the budget needed to balance from the main sources of income, which was council tax, business rates and fees and charges. Income needed to be maximised from fees and charges and they played a significant role in ensuring that sufficient income was raised by the council.

Councillor Howard felt that there was a lack of parking enforcement and this could impact on maximising revenue. He felt that there should be better communication between enforcement and the local community.

Andrew Durrant said that there would be a mixture of days and times where enforcement officers would visit different areas of the borough. There was capacity for mobile surveillance too as part of the new enforcement contract.

Councillor J Tisi agreed with the point made by Councillor Howard on parking enforcement. The council had little choice but to raise fees and charges as there were no credible other options. He asked if there was a material cost difference on car parking permits between one, two and three permits. Councillor J Tisi asked how the council compared to other local authorities on the cost of parking permits.

Andrew Durrant said that the consultation was live until 1<sup>st</sup> January 2024. The comments and feedback would be reviewed and the planned implementation was 1<sup>st</sup> February 2024.

**ACTION – Andrew Durrant to check the detail on the cost difference on the number of vehicles in relation to parking permits.**

The Chair asked how benchmarking was done and whether it was left to each service area or if there was a formalised approach.

Stephen Evans confirmed it was largely down to each individual service area and benchmarking was normally done against neighbouring and similar authorities.

Councillor Reeves felt that charges on CCTV were largely commercial in nature and would help the council to maximise its income. It would be good to reassure residents who had to pay for parking permits that the council would provide appropriate enforcement measures.

Stephen Evans confirmed that Councillor Reeves was correct with his comments on CCTV.

Councillor Price said that there was little choice for residents as bus services were not being improved to help encourage them to not use or have a car.

The Chair summarised the discussion, particularly that communication was a key piece on fees and charges and that a review structure for all fees and charges had been suggested.

Stephen Evans said that if there was a service change as a result of proposals in the budget, this would require a consultation from the service area.

Councillor Price felt that the budget consultation was very well presented.

Stephen Evans thanked Councillor Price for her comments and said that her positive feedback would be passed on to the team.

**AGREED UNANIMOUSLY: That the Corporate Overview and Scrutiny Panel noted the proposed changes to fees and charges and:**

- i) Provided comments on the proposed fees and charges to be considered as part of the consultation period.**

Work Programme

This item was not considered.

The meeting, which began at 7.00 pm, finished at 9.50 pm

Chair.....

Date.....