

CORPORATE SERVICES OVERVIEW AND SCRUTINY PANEL

TUESDAY, 20 NOVEMBER 2018

PRESENT: Councillors David Burbage (Chairman), Mohammed Ilyas, Eileen Quick, Gerry Clark (Vice-Chairman) and Paul Brimacombe

Also in attendance: Cllr Hill, Cllr Saunders, Cllr Beer and Cllr Jones.

Officers: Hilary Hall, Lynne Lidster, Ben Smith, Russell O'Keefe, Rob Stubbs, Andy Jeffs, Kevin McDaniel and David Cook.

APOLOGIES

Apologies for absence were received by Cllr Sharma and Cllr L Evans, Cllr Kellaway attended as a substitute.

DECLARATIONS OF INTEREST

Councillor Burbage declared a Disclosable Pecuniary Interest in item 7 he left the room for the duration of the discussion and voting on the item.

FINANCIAL UPDATE

The Lead Member for Finance and Economic Development introduced the latest Financial Update report. The Panel were informed that as he had already briefed Members regarding the latest financial position he would provide an overview and answer any questions.

The Panel were informed that the financial update reports had shown that since July 2018 there had been early pressures on the budget mainly due to the increased demand and cost of children in care, pressure on parking income and recovery of . debt from revenues and benefits. It was reported that there would be a NET pressure of around £1.5 million.

The budget position was being driven by national pressures. The current pressures were being partially mitigated resulting in a net service pressure of £3,044,000 along with an additional £1,500,000 from the Business Rates Pilot, leaving a financial pressure across the Council of £1,544,000 as detailed in appendix A.

The report provided additional appendices explaining the pressures and actions taken to get to the current financial outturn position.

With regards to children in Care the Lead Member for Finance and Economic Development informed that an additional child entering the system could cost between £50,000 to over £150,000 per year. In forecasting the year end position it had been assumed that the national and local increase in demand and cost would continue.

The Lead Member also informed that the other major area of pressure was the projected income from parking. When setting the budget the Lead Member had informed that there had been a policy decision not to increase parking provision for local residents but ,after benchmarking, to increase parking charges proportionally for visitor parking. What had not been expected was that there would be a shift in an increase of resident parking and thus a corresponding drop in projected income due to increased use of the vantage card.

Officers were asked to provide a range of realistic mitigating actions which had also been appended with a matrix of delivery risk. There were also additional funding opportunities such as higher than expected revenue from Business Rates Pooling.

The Chairman asked that with regards to the AFC pressures were they due to demographic pressures or poor management. The Director of Children's Services responded that there was an appendix to the report that provided additional information on these pressures. Over the last year there had been significant variances in demand on the AFC and Optalis services. The contract for AFC had been set less than previous years as it was expected that the contract would deliver savings. AFC had provided a downward trend in the number of children in care but recently the national trend of more children going into care had hit the Royal Borough resulting in the highest rate since the 18 month of the AFC contract. It had not been possible to achieve the planned savings and there were additional pressures due to children entering the system.

The chairman said that this was a volume issue that would have an impact on any local authority. The Panel were informed that this was the case and even though we were below the south east and England average the increased demand and shortage of places had created a pressure.

Cllr Brimacombe thanked the Lead Member and officers for the briefing that had been provided. He mentioned that there was a net pressure of around £1.5 million but there was a lot going on under the surface. Joining AFC was to raise our standards but there had been a flat line budget for the last few years whilst costs were increasing. Cllr Brimacombe asked was the budget not prudent. The Panel were informed that in 2015 additional resources had been provided to improve standards as well as the additional capacity from AFC. It was felt that there was sufficient budget.

Cllr Brimacombe said that there had been previous pressures within children's services, costs were increasing and there was the national trend of more children going into care. Given these circumstances he said he was surprised that the budget had been at the level it was.

The Lead Member informed that it was clear that there had been changes to volume and price variance. Council's budgeted differently to the corporate world and were susceptible to volume and price variances.

The Interim Managing Director informed that the management team had worked hard on the budget so that next year's one would take into account the recent trends.

The Lead Member informed that the reported pressures included the projected trend continuing and that these trends would be included in setting next year's budget.

Cllr Brimacombe mentioned that appendix A1 showed two large variances to the budget in July and November and asked what had happened in the organisation that required this additional funding. The Panel were informed that they were not adverse variances but additional funding being made available. As the pressures within the organisation arose it was felt that they could be mitigated but over time this became unrealistic. It was acknowledged that the senior management team needed to be more realistic with savings and projected income and to bring forward pressures earlier.

Cllr Brimacombe said that the budget must have either been unrealistic or over optimistic. It was clear that the budget was set too low and that he wished to see next year's budget fully funded.

The Chairman said that the trend in Children's Services would be built into next year's budget. This year's budget had a lot of funds going into reserves which was prudent.

Cllr Brimacombe said that the number of un-achievable savings within the report indicated staff not being removed at the right time and adjustments not being made straight away, therefore he was not confident about the budget process. He was looking forward to seeing this being corrected.

Cllr Brimacombe questioned the budget methodology and was informed that last year the budget preparations went through O&S Panels, this process did not adequately predict the variances and pressures that arose. For this year's build he was happy to show the methodology behind the key numbers. This will show that the story behind the assumptions.

Cllr Brimacombe questioned the impact on the quality of the organisation and service provision due to the mitigating actions. If there was no impact then why were they not done sooner, for example additional parking enforcement income why was this not done earlier. He was sceptical that the mitigating actions were achievable and there were a number that were areas being capitalised and thus not savings.

The Chairman mentioned that capitalising revenue would not impact service delivery.

Cllr Quick mentioned that it was right to be scrutinising the budget and it was good that the Lead Member and officers were taking into account the current trend when setting next year's budget. Looking at the national picture it was good that we had a healthy reserve above the recommended level.

The Lead Member informed that when prudent it was the policy to add to our reserves and this would continue as we did not know what may happen in the future.

Cllr Brimacombe mentioned that there had been £8.7 million in pressures this year and asked if a similar amount would be added to next year's budget. The Lead Member said that it was too early to say but it was clear that the adverse variances would continue and thus it would be diligent to have the mitigation flow into next year's budget.

Cllr Brimacombe recommended that the other scrutiny panels should look at their areas within the budget and guide officers.

Resolved Unanimously: that the Corporate Services O&S Panel considered the Cabinet report and unanimously endorsed the recommendations.

ANNUAL REPORT ON COMMISSIONING 2017-2018

The Chairman informed that the report had been brought to Panel at the request of Cllr L Evans, it had been considered by relevant O&S Panels and Cabinet in October 2018.

The Deputy Director – Strategy and Commissioning introduced the item and explained that the report looked at Council services that were commissioned by external providers. The Council had undertaken a significant shift by introducing a commissioning model and this was the first annual report against performance targets within the contracts. The report showed the range of partners that the council commissioned and following feedback next year's report would contain more financial information and be written in plain English.

The Chairman asked if the new commissioning model was working and was informed that the council had learnt a lot during the first year especially around commissioning providing transparency and support as well as challenge. The council had gain a wider expertise base from the partner organisations. The commissioning service had undertaken a review to ensure an appropriate level of challenge was provided to the commissioned services.

Cllr Kellaway mentioned that accessibility to officers was an issue as most of the commissioned services were no longer based at the town hall and it was sometime difficult to

find the responsible officer if you have an issue to discuss. Communicating roles and responsibilities was important especially for new councillors after the May 2019 elections.

Cllr Quick agreed that it was important that Members were responded to quickly and that contact details should be available to Members and kept up to date.

Cllr Brimacombe asked if the Council had retained sufficient expertise in house and have there been lessons learnt from the contracts. The Panel were informed that capacity and knowledge had been retained. Although there had been no major issues lessons had been learnt for example better specification on certain roles such as staff supporting the council during elections.

Cllr Hill mentioned that when highways officers were in house it was easy to contact them regarding any issues, it was no longer as easy now that they are based in Slough.

Cllr Brimacombe asked if internal audit look at our commissioned services and was informed that they were audited and some of the organisations such as Optalis and AFC have their own audits.

The Panel noted the October 2018 Cabinet report.

Q2 2018/19 PERFORMANCE REPORT

The Deputy Director – Strategy and Commissioning introduced the report that report summarised the performance in the first two quarters' of the council's 25 strategic measures in the performance management framework.

The Panel were informed that the 25 key measures aligned to the refreshed Council Plan with the six strategic priorities detailed in section 2.1 of the report. The new performance management framework would also feed into the Residents Survey report that is due to come to Cabinet in January 2019.

Out of the 25 strategic measures 18 (72%) reported in Q2 had met or exceeded the target (Green), 4 measures (16%) (Amber) were just short of the target and three measures (12%) (Red) were below target.

The Chairman mentioned that there were fewer indicators than previously reported and gave the example that the attainment gap in education was no longer shown and asked if this was still recorded. The Panel were informed that attainment was still recorded and education attainment would be reported in March 2019. It was expected that the attainment gap would remain the same and that funding was focused on improving the situation. It was also noted that a wider set of indicators was reported to individual O&S Panels on a quarterly basis.

Cllr Kellaway asked why there was such a delay in releasing attainment data when school children had already received their results. The Panel were informed that this was because schools request that only ratified numbers are released.

With regards to vacancy rates Cllr Brimacombe asked if further data such as the number of posts and hours not recruited to and why was held. The Panel were informed that that type of information was held by HR and was reviewed and challenged by the senior management team. Cllr Brimacombe mentioned that there was a concern of holding managed vacancies for too long as financial mitigation purposes if they impacted on service delivery.

Resolved unanimously: that the Corporate Services O&S Panel considered the Cabinet report and unanimously endorsed the recommendations.

THAMES HOSPICE - RELEASE OF COVENANT

The Interim Managing Director introduced the report regarding the release of restrictive title covenants, at nil consideration, to assist the sale of the Thames Hospice site at Pine Lodge, Hatch Lane, Windsor.

The Panel were informed that the land, approximately 1.53 acres, was sold to Thames Hospice in two land sales in 2001 and 2012. Thames Hospice did an important role in supporting end of life care and that the proposals were an important part of the Trust's relocation strategy to enable the completion of the Trust's proposed new hospice site at Bray Lake to take place.

Restrictive covenants would be attached to the land on which the new facility will sit, to ensure that if the facility is sold at any time in the future, or redeveloped for use other than hospice care, that there is a similar covenant in place in favour of the Council.

The Chairman mentioned that the Council were proposing to invest £2.25 million of public money into the new site. The Panel were informed that this was correct as it was proposed to move the value from the current site to the new site.

Cllr Quick reported that the hospice did an excellent job and that the new site would provide more beds and a larger training centre.

Resolved unanimously: that the Corporate Services O&S Panel considered the Cabinet report and unanimously endorsed the recommendations. The Panel recommended that, as in paragraph 5.2 in the report, that the recommendation to have a similar covenant in place at the current value of £2,250,000 be amended to have this value indexed linked.

APPROPRIATION OF LAND

Cllr Burbage left the meeting and the Vice-Chairman, Cllr Clark, took the chair.

Cllr Hill reported that he owned property near the site so he would address the Panel but not take part in any discussion.

The Interim Managing Director introduced the report that sought approval for the appropriation of a selection of key council owned sites which had already been approved for redevelopment. It was best practice to undertake this action.

Cllr Hill raised concern about the report as he felt the action proposed was not appropriate. It would be seen that the Royal Borough were trying to override residents rights by taking away their rights to object to future developments. It was taking away the right to object prior to any planning applications. Cllr Hill also questioned why they were all in one report when the proposals should be brought forward on a site by site basis when required. He mentioned that he had opened a petition to protect the trees and animals on the site as this was an important green open space in Maidenhead. Cllr Hill reiterated that the recommendations would raise concern with our residents.

Cllr Brimacombe asked why all the sites were being appropriated together in one report and why now when we were six months before the local elections and a new administration may have different plans. The Panel were informed that all the sites had already been approved for development by the council. The sites would still go via the usual planning process where people could raise objections if they wished. As the land owner it was logical to undertake this action now and it was being done in one report rather than bringing nine separate reports to Cabinet.

Cllr Brimacombe mentioned that this was a technical process overriding future development, some not until 2023, there could be unknowns in the future.

Cllr Ilyas mentioned that at the St Clouds Way public exhibition it showed Ivy Leaf on the development plans. The Panel were informed that Ivy Leaf was not part of the development as they did not wish to surrender the lease. It had been included within the site plan in case they changed their minds in the future.

Resolved: that the Corporate Services O&S Panel considered the Cabinet report and endorsed the recommendations. Cllr Brimacombe abstained from voting.

WORK PROGRAMME

The Panel noted the work programme.

LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC

RESOLVED UNANIMOUSLY: That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the remainder of the meeting whilst discussion takes place on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1-7 of part I of Schedule 12A of the Act.

Resolved Unanimously: That the Panel noted the Part II Financial Update appendix,

The meeting, which began at 6.40 pm, finished at 8.30 pm

CHAIRMAN.....

DATE.....