

MINUTES OF SCRUTINY COMMITTEE

22 NOVEMBER 2021

PRESENT:

Members of the Committee:

Councillors Gillias (Vice-Chair in the Chair), Douglas (substitute for Councillor Roodhouse), Mrs Hassell, Mahoney, Mrs New, Mrs O'Rourke and Mrs Parker

Also in attendance: Councillor Ms Robbins (Finance, Performance, Legal and Governance Portfolio Holder)

Officers:

Jon Illingworth (Chief Officer – Finance and Performance), Tom Kittendorf (Chief Officer – Leisure and Wellbeing), Aftab Razzaq (Chief Officer – Legal and Governance) and Linn Ashmore (Democratic Services Officer)

14. MINUTES

The minutes of the meeting held on 13 September 2021 were approved and signed by the Chair.

15. APOLOGIES

Apologies for absence from the meeting were received from Councillors Eccleson, Roodhouse and Dr Williams.

16. FINANCE AND PERFORMANCE MONITORING Q1 AND DISCUSSION WITH THE FINANCE, PERFORMANCE, LEGAL AND GOVERNANCE PORTFOLIO HOLDER

The Chief Officer for Finance and Performance attended the meeting to answer questions from the Committee on the Finance and Performance Monitoring report for 2021/22 Quarter 1 considered by Cabinet at its meeting on 6 September 2021.

The answers to questions submitted to the Portfolio Holder by the Committee had been circulated by email prior to the meeting. A copy is attached at Annex 1 to the minutes.

Councillor Ms Robbins, the Portfolio Holder for Finance, Performance, Legal and Governance gave the Committee an overview of her portfolio area. Some of the key points were:

- This was a new portfolio and the only one supported by two Chief Officers. It consisted of the following areas:
 - Finance; including budget setting, savings, reserves, capital budget, borrowing, the management of the investment portfolio, corporate insurance, business tax and performance indicators.
 - Legal and Governance is a new area to the portfolio and includes internal administration support services for both officers and Members, Equality and Diversity which is an area the council does well in, and Electoral Services.

- Funds had been set aside into reserves to offset the business rate reset which had been anticipated for a number of years.
- Monies had been borrowed for the Rounds Gardens and Biart Place projects. These were featured in the investment portfolio.
- Interest was received from the investment portfolio and incorporated into the General Fund. Once the projects costs were paid out care would be needed to balance the accounts and the overall budget at the end of the financial year.
- There were current constraints on finances, and Covid had resulted in further problems. Funding had been received from Government, including for loss of fees and charges but this was only equivalent to 75pence in the pound resulting in a gap in the budget.
- Low interest rates would mean a lower financial return on investments.
- Car parking revenue was down. This was partly due to Covid because many people were working from home and there had been a reduction in people visiting the town centre.
- The Members Code of Conduct had recently been updated. This ensures that Members work within the code setting out standards of behaviour.
- The Constitution was due to be reviewed shortly.
- Work was continuing on a balanced financial plan and to achieve a responsible effective and efficient organisation.

During further discussion the following points and questions were raised:

Q. What will the business rates reform look like, and what would be the best outcome for the Council?

A. The best scenario for Rugby would be no business rate reset as this would allow the authority to retain all the business rates growth generated by the borough over the years. The baseline level of business rates being in the region of approximately £2.5m this year, following a full reset the Council could potentially lose up to £3m in year one.

In the event of a reset, the Council would want the baseline level of funding to increase, and the loss would be lower and avoid a cliff edge reduction. There is a business rates equalisation reserve of approximately £16m in place to support the organisation when the change takes place.

Q. What would raising fees and charges such as car parking look like?

A. It is not possible to comment on fees and charges at the moment. The forecast budget pressure for car parking income is £200,000 in 2021/22. This will form part of the budget setting process for 2022/23 and be built into the Medium-Term Financial Plan covering the next four years. There is a Covid recovery budget containing £1.1m for 2021/22 which is reduced by 25% year on year due to the expected reducing impact of the pandemic. This provides the temporary protection while understanding the long-term financial impact of Covid.

Q. What details are there for Local Council Tax Support (LCTS) and the individuals being impacted, and what is the percentage difference for the amount being provided for council tax support?

A. There is a report on the council tax reduction scheme being submitted to Cabinet in December for the 2022/23 financial year. On average 6% council tax collection is attributed to the LCTS scheme. This has been a consistent figure over four-five years. Although Covid has had an impact on the Borough, it has

not affected the scheme in place or how much support we give to the LCTS scheme.

Q. What should business rates reform look like for towns like Rugby?

A. Rugby is one of the fastest growing towns. To reduce business rates would be difficult. Other towns with slow growth would benefit from a reset.

A balance will be needed across the country. I visited the Minister with the Executive Director to discuss ways the reform could be carried out. It is a matter for Government to decide what will happen and when.

The Council also has a desire to support businesses, so they are able to excel and thrive. Covid has resulted in many effects such as working from home that could have an impact on business premises which then impacts on the income of the Council as a collector of those rates to enable it to support and carry out council services.

Q. What are your hopes for council tax for the next budget setting?

A. There are other pressures on households with interest rate and inflation increases and this also means the council's costs have increased. Services need to be provided and paid for; at present the hope is this will remain at the usual level of 2% (or £5) but there is a long period before budget setting takes place.

Q. Are you happy with the mayoral arrangements and satisfied the Council is being cautious but allowing the Mayor to attend events within and outside the Borough?

A. The Mayor has an important role as the ambassador for the town. I am hopeful it will be possible for the Mayor to attend more functions in the future. The current arrangements reflect these difficult times. I have not spoken to the Mayor about the current arrangements. She is attending events and the Deputy Mayor is also attending events if she is unable.

Q. The public not able to view proceedings of full Council when meetings are held in the Benn Hall. What are the reasonings behind not being able to live stream these meetings?

A. The decision was debated and made by full Council and not the Portfolio Holder.

It would be preferable if the public can view Council meetings via the Council's website but I do not know if it is technically possible. The decision by Council was that meetings would return to the Council Chamber as soon as possible and the position would continue to be reviewed. I would like to see the budget setting meeting and the rent setting meetings live streamed. I am in support of being able to return to meetings in the Council Chamber when that is possible.

Q. Regarding the agency staff spend and challenges, what are the risks to the Council in getting the right workforce in place and maintaining that level of expertise. A long-term plan is needed.

A. The current apprentice scheme is very successful. The Council has a good record of employment and sourcing the right people. Retaining the workforce requires work. I am confident that overall, council recruitment is successful.

The Leadership Team is carrying out a piece of work on staffing looking at all the options in liaison with the Portfolio Holder.

Agency staff had been employed in the finance team to protect key services and the wellbeing of staff. There were three vacant posts and two recruitment exercises had been carried out. Agency staff had been employed during the transition period.

Q. How many discretionary housing payments have been made following the removal of the temporary Universal Credit top up payment by Government?

The Chief Officer for Finance and Performance undertook to respond to the question after the meeting.

NOTE: the response to the above question was subsequently provided as shown below

Year	Awards	Funding Received	Spend
2021/2022 (up to 30 Sept)	72	£158,691	£92,565
2020/2021	159	£204,895	£204,660
2019/2020	188	£152,661	£154,661
2018/2019	237	£183,395	£161,71

RESOLVED THAT – the Chief Officer for Finance and Performance and the Portfolio Holder be thanked for attending the meeting.

17. APPOINTMENT TO WARWICKSHIRE COUNTY COUNCIL ADULT SOCIAL CARE AND HEALTH OVERVIEW AND SCRUTINY COMMITTEE.

The Committee received a report (Part 1 – agenda item 4) concerning the appointment to Warwickshire Council Council (WCC) Adult Social Care and Health Overview and Scrutiny Committee.

RESOLVED THAT - Councillor Eccleson be appointed to WCC Adult Social Care and Health Overview and Scrutiny Committee.

18. MOTION FROM COUNCIL – GRAFFITI.

The Committee received a report (Part 1 – agenda item 5) regarding the scoping for a review on the topic of graffiti.

It was agreed that the following changes be made to the one-page strategy:

Who shall we consult: - amend the wording to read “To engage the wider public as a whole.”

What will be the outcome? - include the following wording:

Successfully engage and involve young people previously involved in graffiti tagging reducing anti-social behaviour.
Contribute to developing local identity and generating community pride.

What should be considered? – include distinction between public and private land and the ability to signpost residents and businesses to agencies for support.

RESOLVED THAT –

(1) the one-page strategy be updated as minuted above; and

(2) the review should commence with the task group membership listed in the report.

19. OVERVIEW AND SCRUTINY WORK PROGRAMME

The Committee received a table listing future work programme topics, items due to be scheduled and outlining the current position of reviews (Part 1 – agenda item 7).

It was agreed a report attaching a detailed scope of a review on the topic of urgent and emergency healthcare would be included on the agenda for the next meeting. A one-page strategy will be produced that will include details of the external agencies and witnesses to be consulted. The review would be carried out by a task group and would include information on the provision of healthcare services to the asylum seekers welcomed into the town.

It was agreed the item on street cleansing be included on the agenda for the next meeting. The Portfolio Holder for Operations and Traded Services should be invited to attend to discuss performance in their portfolio area.

The item on Planning Enforcement would be scheduled for a later meeting to allow time for the new Chief Office for Growth and Investment to settle into her new role.

It was noted that Councillor Mrs Parker would join the membership of the Managing Arrears of Council Tax Task Group to fill a vacancy following the resignation of a councillor at the local election in May.

RESOLVED THAT – the work programme be updated as minuted above.

CHAIR

Q1. What proposals are being investigated to close the budget gap?

With the announcements on government funding as a result of the Local Government Finance Settlement not expected until December, there is still uncertainty on the value of the gap.

Answer:

As part of the process for balancing the budget gap for 2022/23 Chief Officers and Cabinet are currently looking at a variety of options to generate additional income or reduce costs and this also includes the establishment of a transformation programme.

The budget working group on the 30 November will be used to provide Cabinet and the Opposition representation the latest information available, however some of the proposals will remain confidential until the draft budget report is produced in January as further analysis is taking place.

Q2. When will a new performance framework be in place and is going to be Power BI, and how is it going to link to the corporate strategy?

Answer:

A cross organisation working group has been established to review performance management which will include what we collect in terms of performance info and how we report this.

Whatever the outcomes of the review all performance reporting will be linked to the delivery of the Corporate strategy. As the work of the group is still in its infancy it is proposed a further update is provided at a later session.

Q3. Please provide an update to the following questions and responses that were given by the Leader at the meeting held on 13 September:

Question:

With the rest of the country opening up, returning to work and government guidelines being issued, what is the council's strategy for RBC staff to manage the return to offices? When will you be publishing a clear strategy that quantifies this process in terms of staff numbers, clear timelines, departments and functions and when will this be made available to members?

Answer:

Whilst the covid regulations are one factor in any return to work, we are also paying careful consideration to the following relevant factors;

1. how we can use the existing buildings more effectively,

2. a strategy for the longer-term future of buildings,
3. the wellbeing of employees and
4. building on the climate change benefits realised during the last 18 months.

The current message is to work from home where you can, on average this has led to approximately 60 employees in the Town Hall on a typical day and manual employees operating as usual. During the last 18 months, HSE have made two unannounced visits to the Town Hall and have been satisfied with the covid secure measures in place.

A squad was formed early summer to explore how a return to work might look and three sub teams have been canvassing staff and managers to look at aspects such as:

- Space requirements in the Town Hall
- Business requirements and how we can deliver services effectively with a hybrid approach
- Any barriers to effective home working, technical or otherwise
- The changing culture of managing performance
- Any staff anxieties about returning to the office or working from home
- Reinforcing the support available to staff through initiatives such as the Mental Health First Aiders
- Re-iterating the existing covid safeguards in place to make the workplace safe
- Employee flexibility and any adaptations that we may need to make to policies and procedures

The findings of this work will be reviewed, and progress updates presented to Members over the coming months.

Furthermore, the Council is mindful of the winter months approaching and uncertainty over possible increased covid threat. Ensuring the safety of our employees and business continuity is a key priority. As can be seen from the impact on the refuse service over recent weeks, positive covid cases and self-isolation requirements for non-double vaccinated staff continue to impact on service delivery.

Updated response

At this stage there are no further updates from the original response

Question:

Over the next two years or so which services are likely to put the most strain on the Council's budget and how are we planning to mitigate this effect?

Answer:

The long-term legacy of the pandemic is still in the process of being analysed which makes understanding service pressures over the medium term difficult

to determine. Through the establishment of the latest Medium Term Financial plan and the update of the Medium-Term Financial Strategy which will replace the 2018-2023 document, the Council will be able to take a strategic approach to understanding service pressures.

Updated response

At this stage there are no further updates from the original responses

Question:

Given the underlying discussions surrounding Unitary Status, how is this influencing current decision making by the Executive?

Answer:

We do not know what the forthcoming white paper will bring, however we have ensured that we are prepared for every eventuality. This includes having the data to truly understand the pros and cons of each available option. Clearly any future changes to the structure of local government in Rugby would have a huge impact on our communities, and we would not go ahead with any proposed change without consulting the public first.

Updated response

The Executive is focused on the delivery of its Corporate Strategy. We presently await the government's White Paper and upon publication it will be duly considered.

Q4. I would also like to ask the Portfolio Holder about the impact the decision to **continue** to limit numbers for funerals at Rainsbrook Crematorium (against current Gov guidance) is having on the number of funerals taking place. If customers can't host large numbers of mourners, they will seek alternative provision which has a financial impact on RBC and our partner WNC. Can the portfolio bring the numbers and the reasoning please?

Answer:

The answer is none that officers are aware of. The number of services increased due to the pandemic. Bereavement Services kept the guidance under constant review using national and trade guidance and also compared the services provided to other local bereavement services. Live streaming was also made available.

Our Bereavement Services have an outstanding reputation for supporting families.

Following a recent change in the guidance most restrictions are being removed Monday 22nd November, and local funeral directors have been notified. For example the Avon Room the number of seated mourners will increase from 72 to 120 and in the Drayton Room from 20 to 50.