

mWAVERLEY BOROUGH COUNCIL

MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE - VALUE FOR MONEY &
CUSTOMER SERVICE - 22 JANUARY 2018

(To be read in conjunction with the Agenda for the Meeting)

Present

Cllr Mike Band (Vice Chairman)
Cllr Nicholas Holder
Cllr Peter Martin

Cllr Nabeel Nasir
Cllr David Round

Cllr Liz Townsend (Substitute)
Cllr Richard Seaborne (Substitute)

Cllr Jerry Hyman (Substitute)

Apologies

Cllr John Williamson, Cllr Stephen Mulliner and Cllr Libby Piper

Also Present

Councillor James Edwards

33. MINUTES (Agenda item 1.)

The Minutes of the Meeting held on 30 October 2017 were confirmed as a correct record and signed.

34. APOLOGIES FOR ABSENCE AND SUBSTITUTES (Agenda item 2.)

Apologies for absence were received from Cllrs John Williamson, Stephen Mulliner and Libby Piper. Cllrs Liz Townsend, Richard Seaborne and Jerry Hyman attended as substitutes.

35. DECLARATIONS OF INTERESTS (Agenda item 3.)

There were no declarations of interests in connection with items on the agenda.

36. QUESTIONS FROM MEMBERS OF THE PUBLIC (Agenda item 4.)

There were none.

37. MEDIUM TERM FINANCIAL PLAN 2018/19 - 2020/21
GENERAL FUND BUDGET 2018/19 (Agenda item 5.)

Graeme Clark, Strategic Director, introduced the report setting out the General Fund Budget for 2018/19. He explained that the Council was faced with a Budget shortfall of £2.7m over three years however Heads of Service had worked through the detailed budget with their Portfolio Holders and officers were now in a position to present a balanced budget for 2018/19. Key changes from the original projection for 2018/19 included a transitional arrangement with SCC on recycling income, new income from property investments and some changes to fees and charges.

The Government had made changes to the criteria for New Homes Bonus. While this had an impact on income, officers advised that the Council did not rely on this to balance the budget. Instead, the funds were used for invest to save schemes, specifically property investment.

There was a proposed increase of 2.99% to Council Tax, and no changes were proposed to the Council Tax Support Scheme. The Chancellor's Budget had made provision for an increase to the Council Tax premium charged on empty properties; it would be Waverley's intention to implement this as soon as it is able to. In response to questions, officers clarified that the additional charge would only be applied once the property had been empty for two years. Cllr Hyman felt that a Council Tax increase each year would negatively affect Waverley's older residents who were asset rich but cash poor and suggested that the Council look for other ways of generating income.

Graeme Clark also reported that the Council had been corresponding with the Government regarding the negative grant. The Chancellor would be undertaking a 'fair funding review' in the Spring which would set new baseline allocations for local authorities based on relative needs and resources. Officers hoped that this might result in the delay or removal of the negative grant and the Committee recommended that the Executive continue to engage with local MPs to have this negative grant removed.

The Committee commented that for 2018/19 the expected income from property would be £250k and queried how conservative this estimate was. Officers responded that this amount would be achieved from recently acquired property, and any further acquisitions during 2018/19 would simply enhance this.

In addition to the 2018/19 budget, some measures were set out which would help to achieve a balanced budget to 2021. These included procurement savings, property income, and efficiency savings. Cllr Holder asked for further details as to where the proposed efficiency savings would come from. Officers responded that reviews would be ongoing throughout the year to identify efficiencies and that these would come to this Committee throughout the year, not just at budget-setting time.

Members noted that there were some proposed increased to fees and charges, but commented that without knowing how frequently a service was used, it was difficult to quantify how much income would be generated. Peter Vickers, Head of Finance, responded that there was information available about how much income was generated from these services, and that this could be made available. Cllr Hyman was concerned that by continuing to increase the charges for services, such as garden waste, a tipping point would eventually be reached, and take-up of the service would drop. Officers responded that while this was something to consider for the future, Heads of Service were confident that with the current fee increases, take-up would not be affected.

Additionally, the Committee noted that delegated authority was sought to set the Building Control fees. Officers explained that this was due to the extremely competitive market in which the Building Control Service operated, and therefore there was a need to be flexible and able to respond quickly to changing circumstances. Members accepted this rationale, however recommended that the fees be reported once they had been agreed.

Cllr Townsend noted that the business rates pilot was not included within the budget. Graeme Clark responded that this had not yet been budgeted for as the Council would only be able to calculate what gains had been received at the end of the next financial year.

The Committee considered the potential impact of the Homelessness Act and whether a contingency budget should be put in place. Members concluded that this was not required at the current time, as the impact would be difficult to quantify, but recommended that the Executive be made aware of this potential risk and that the situation continue to be monitored.

The Committee thanked officers and Portfolio Holders for their hard work in delivering a balanced budget for 2018/19 and looked forward to continuing to work with officers to deal with the budget challenges for coming years.

38. BUDGET STRATEGY WORKING GROUP - SUB GROUP OPTIONS (Agenda item 6.)

The Committee received a report setting out proposals which would enable Scrutiny Members to add more strategic value to the Council's financial plan. Peter Vickers highlighted the plan to establish a working group that would maintain an overview of Heads of Services' progress towards efficiency targets. Additionally, he presented four key work streams that would enable the working group to look in more detail at key transformation issues.

The first work stream would involve looking at the split between mandatory and discretionary services and would seek to ensure that the costs of discretionary services were recovered in some way. The second work stream would relate to demand management, and would involve ensuring that Council services meet the needs of the user. The third work stream would relate to procurement, focusing on the balance between planned and reactive spend. And the final work stream would involve looking at the Council's assets and people resources; questioning assumptions about the way we do business; and examining recruitment issues.

The Committee felt that the report set out a good structure for the work of the sub-groups. Members agreed that an additional work stream should be added, looking at service delivery, and also suggested that the procurement work stream be expanded to cover the bigger picture of project execution. Members also commented that in addition to savings, the Council should be looking for income opportunities too.

The Committee queried how the working group would operate; and whether it would be expected to analyse each individual department within the Council. Graeme Clark responded that officers could remove the areas that wouldn't generate significant returns which would enable the group to focus on areas to add real value. Additionally, the Committee noted that a growth bid had been included within the budget report for budget community engagement. This could be used to help residents identify which services are their highest priorities.

The Committee approved the recommendation that the Value for Money and Customer Service O&S Committee be the coordinating committee for progressing

the Budget Strategy Working Group's cross-cutting topics. The Committee also agreed to the inclusion of a fifth work stream on Service Delivery.

The Committee requested that officers prepare a list of key topics and priorities under each of the work stream headings and agreed that these would be considered by the O&S Coordinating Board at its next meeting. In the meantime, Members were asked to consider which of the work streams their individual skills would be most suited to.

39. PROPERTY INVESTMENT STRATEGY - VERBAL UPDATE (Agenda item 7.)

Prior to the meeting, the Committee had received a briefing on Property Investments, delivered by external consultants.

The Committee received an update on the progress that had been made by the Property Strategy Working Group. The Group had initially been established to examine the proposals for the creation of a Property Company, however it had become apparent that the Investment Strategy document needed to be revised before this could be progressed.

The Group had met three times and had worked to develop and refine the Strategy under the broad topics outlined by the consultants. Cllr Band indicated that one or two further meetings of the Working Group would be required before the Strategy could be brought to the March meeting of the Committee.

40. CAPITAL EXPENDITURE PROCESS AND MANAGEMENT SCRUTINY REVIEW - VERBAL UPDATE (Agenda item 8.)

The Committee received an update on the progress that had been made by the Capital Expenditure Working Group. The Group had met three times to look at General Fund Capital expenditure and would be looking at the HRA Capital Programme at its next meeting. The Group had identified several issues including examples of multi-year projects being budgeted for in single year. It was hoped that the new Capital Expenditure process implemented by the Accountancy team would help to avoid this in future. The Working Group's final report would be submitted to the March meeting of the Committee.

41. UNIVERSAL CREDIT (Agenda item 9.)

The Committee received an update on the work that was being undertaken to mitigate the impact of Universal Credit. The majority of risks related to housing, and issues concerning rent arrears. Officers informed the Committee that a contingency fund of £1m would be set aside in the HRA which could be used if required. Additionally, there was a dedicated Welfare Officer in place, and the Rents team had a strategy in place to assist more vulnerable tenants.

The full roll-out of Universal Credit for all new claimants would be from October 2018. The Benefits Service received approximately 500 new claims each year, with a similar amount also coming off the system. Peter Vickers, therefore commented that, with this rate of turnover, it would take around six years for all claimants to transfer to Universal Credit.

The Committee felt that this was a good opportunity to promote the use of Credit Unions. Officers responded that they had a good dialogue with Boom, the West Sussex and Surrey Credit Union, and would continue to promote close working.

Members thanked officers for the update and agreed that it was important that the Committee receives regular updates on the progress of the roll-out, emerging risks, and associated mitigations.

42. BENEFIT SERVICE BUSINESS IMPROVEMENT PROJECT - VERBAL UPDATE
(Agenda item 10.)

Peter Vickers provided the Committee with an update on the Systems Thinking Review that had taken place in the Benefits team. The service had been redesigned around the needs of the customer, so that each contact with a client was now owned by a specific member of staff. The team had been restructured and existing staff were now in new roles; a further two technical staff would also be recruited. New claims currently took around 20 days to process, however following the roll-out of this new way of working it was anticipated that new claims could be processed in seven days. Peter explained that the roll-out would be completed by the end of March and the Committee looked forward to receiving a progress report in due course.

43. WAVERLEY'S COMPLAINTS HANDLING POLICY AND REVIEW OF COMPLAINTS RECEIVED IN 2016/17 (Agenda item 11.)

Tom Horwood, Chief Executive, introduced the revised Complaints Handling Policy to the Committee. He explained that complaints made up only a small proportion of the interactions between the Council and its customers however were an important way for the Council to learn how to do things even better.

The Complaints Handling Policy had been streamlined which would help to reduce the length of the complaints process for residents and avoid unnecessary repetition. This was in keeping with Waverley's neighbouring Councils who all operated a two-stage process. Additionally, more training was being introduced for complaints administrators to ensure that customers were treated consistently and with empathy. There would be a short transition period, and the aim was to have the new procedure in place by the end of March.

Some Members had concerns about the process going straight from Level 2 to the Ombudsman, however officers responded that they would ensure that Level 2 provided an objective review on complaints, with Heads of Service being assisted by the Corporate Complaints Officer. Cllr Holder also felt that the role of the Ward Councillor was also very important, as they could help to point residents in the right direction and help avoid complaints escalating.

The Committee was generally supportive of the proposals to streamline the process, however, felt that even though the Chief Executive was no longer specifically involved in the last stage, he and the Strategic Directors would still be monitoring the process carefully to draw out the learning and that this should be set out in the procedure document.

[Cllr Nicholas Holder left the meeting at 9pm prior to the consideration of the following item.]

44. SERVICE PLANS 2018/19 (Agenda item 12.)

The Committee agreed that in order to have a meaningful discussion on Service Plans, a separate meeting should be arranged to consider these, potentially as a Joint O&S.

45. PERFORMANCE MANAGEMENT REPORT QUARTER 2, 2017/18 (JULY - SEPTEMBER 2017) (Agenda item 13.)

The Committee received the performance report, which was now presented on an exception basis. Nora Copping, Policy and Performance Officer, highlighted that only one indicator had exceeded target by more than 5% during Quarter 2; this related to a small number of Level 3 complaints that had been particularly difficult to resolve. Having reviewed the revised complaints handling policy earlier in the meeting, the Committee endorsed the proposed changes to the complaints performance indicators to coincide with the adoption of the updated policy and procedure.

Members were disappointed, however, that they were receiving the Quarter 2 figures after the end of Quarter 3. Officers responded that this was due to difficulties with the timings of the quarter ends and committee deadlines. The Committee therefore suggested that officers review the cut-off points to enable performance data to be presented more promptly.

46. COMMITTEE WORK PROGRAMME (Agenda item 14.)

The Committee noted the items on its work programme as due to be considered at its March meeting. Yasmine Makin, Scrutiny Support Officer, also advised that the Scrutiny Tracker contained within the work programme had been revised to make it clearer when a recommendation had been completed.

The meeting commenced at 7.00 pm and concluded at 9.11 pm

Chairman