

WAVERLEY BOROUGH COUNCIL

MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE - VALUE FOR MONEY &
CUSTOMER SERVICE - 25 JANUARY 2021

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

Present

Cllr Peter Martin (Chairman)
Cllr Joan Heagin (Vice Chairman)
Cllr Roger Blishen
Cllr Jerome Davidson
Cllr Jerry Hyman

Cllr Peter Marriott
Cllr Stephen Mulliner
Cllr Peter Nicholson
Cllr Julia Potts

Also Present

Cllr David Beaman, Cllr Peter Clark, Cllr Paul Follows, Cllr John Gray, Cllr Mark Merryweather, Cllr Richard Seaborne, Cllr Liz Townsend

40. MINUTES (Agenda item 1.)

The Minutes of the Meeting held on 16th November 2020 were confirmed as a correct record. They would be signed by the Chairman after the Covid-19 situation had abated.

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

There were no apologies or substitutions.

42. DECLARATIONS OF INTERESTS (Agenda item 3.)

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

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

There were none.

44. QUESTIONS FROM MEMBERS (Agenda item 5.)

There were none.

45. GENERAL FUND BUDGET 2021/22 MEDIUM TERM FINANCIAL PLAN 2021/22 -
2024/25 (Agenda item 6.)

This agenda item was introduced by the Portfolio Holder for Finance, Assets and Commercial Services Mark Merryweather. He showed a slide presentation. He noted that the discussion was just related to the general fund budget not the social housing budget which was dealt with through the Housing Revenue Account.

Key points were as followed:

- The budget had already been under pressure before the Covid-19 pandemic. The Council had been needing to find £1.5 million each year to make up for cuts to its income.
- The Covid-19 situation had left a lot of uncertainty about the future.
- In August 2020 the Council estimated the gross financial impact of the Covid-19 situation to be £6.6 million. Government support had been less than ¼ of that amount so the Council had identified reserves which would be used.
- The Government provided £1,507,000 support for the Covid Contingency Budget 2020/21.
- There would be £2.3 million further Government Covid support towards lost income.
- £2.8 million losses were expected for 2021/22
- The Council had agreed a reserve drawdown of £2,874,000 in 2020/21.
- The Council's property investment strategy had been severely impinged by Government changes.

There was a question regarding Annexe 1 line 6 of the budget papers regarding inflation and contractual increases. There was a big jump between years. The strategic director explained that there was an assumption that inflation would increase to 2% in 2022/23. It was further explained that there was an assumption that some staff would move up the payscale so there would be incremental increases to their salaries. There were also going to be contractual increases to the Biffa contract as more houses were being built so there would be more waste collection. The strategic director Graeme Clark agreed to circulate more information on inflation and contractual charges.

The Chairman requested more detailed budget papers in future. It was also suggested that it would be helpful to see causal analysis showing the effect of Covid-19 on the budget. The Strategic Director agreed to include a table in the report.

There was a query about the £2.7 million impact of closing the leisure centre set against the £400,000 claimed from the Government. The strategic director explained that it was not possible to claim the full impact as the Council didn't run them directly.

£2.2 million had been requested from the Government to cover loss of income. At the time of the request, the loss of income from car parks could not be measured precisely. The Council had received £1.2 million and had just submitted a bid for more. It was now estimated that the loss of income due to lost revenue from car parks would be £2.4 million. The Council had got its first instalment of requested money from the Government. Three claims had to be made throughout the year. The first payment received was for about £1.2 million. The Council were about to submit another claim. It wouldn't be possible to submit the full claim until the year end. The Council were likely to receive over £2.2 million which was partly due to loss of income from car parks. The loss of income grant would be carried over to the following year however only a fraction of what was lost is eligible to be claimed for.

The Capital Projects Spending Review would look at whether the Council's spending priorities were still correct in the time of Covid-19.

There was a question around costs set aside for the replacement of Cranleigh Leisure centre. The Accounts Manager was going to follow that up in relation to annexe 5.

There were questions around the loss of income from business rates. It was stated that there would be a fair funding review of business rates by the Government in 2021.

There was a question about whether the Council would be penalised by the Government if it did not increase council tax by the full amount allowed. The strategic director said the Council would not be punished if it set lower than the maximum increase allowed, but if that was done, the Council would feel a financial impact in future years and the budget gap would be bigger.

There was a comment about the amount which the Council were spending on consultants and there was a request for the work programme to look at the amount spent on consultants. It was agreed that this would be looked at in the March 2021 committee meeting to see if the Committee wish to pursue this exercise.

The committee also requested separate pages of information about property. The Strategic director said that this would be part of the review of the Property Strategy in March / April.

There was a comment that the work of the Budget Strategy Working Group needed to continue.

There was a further comment that there should be a decrease in funding for museums and Farnham Town Council should be asked to contribute to Farnham Museum. The Strategic Director would look at the funding arrangements for Godalming Museum and report back to the Committee's Vice Chairman.

RESOLVED

- To pass these comments and observations to the Executive.
- The Chair would work with the Strategic Director Graeme Clark and the Head of Finance and Property Peter Vickers to consider ways to present the budget in a more comprehensive way in future including showing the original budget.

46. ICT STRATEGY (Agenda item 7.)

The Portfolio Holder for Business Transformation and IT Peter Clark said that the ICT Strategy needed to focus on six areas:

Agility – a lot of staff were working from home

Transition – developing in-house skills

Skills – developing the skills of the staff in the IT department

Data management – centralising customer data to improve the Council's response to give the management team the bigger picture to be able to improve policy and services.

Cyber security – protecting data

Customers - some had limited access to IT and some elderly residents did not want to engage with IT.

The Head of Business Transformation noted that the previous IT Strategy had been written five years ago and since then there had been big changes such as people needing to work from home. This had led to big investments in terms of internet capacity and video conferencing.

There had been £50,000 additional spending on cyber security including a full time member of staff. Network traffic was being monitored into and out of the organisation. There had also been investment in ransomware products. An external company did three tests a year on how easy or not it was to break into the Council's systems. Regular tests were also run regarding disaster recovery. Information was backed up to a cloud rather than being held on Council servers.

It was noted that the Council's Communications team managed the social media accounts.

It was further noted that there was a feedback section on the new Council website to report anything which didn't work. Nothing had been purposefully deleted when moving over to the new website.

47. CORPORATE PERFORMANCE REPORT (Agenda item 8.)

The Head of Business Transformation stated that his service had seen the introduction of the Customer Service Centre. He had also written a new ICT strategy.

There was a question about the hybrid mail contract. It was given to a third party and this saved seven pence per item. It would enable an overall saving of £70,000 but it was not yet used by all of the Council. For example the Council Tax teams did not yet use it.

The Head of Finance and Property stated that the pandemic had caused a reduction in the amount of Council tax and business rates collected.

He also noted that in addition to their normal work, his section had managed the Covid support grants.

The service had also had to devise their third budget in six months because of the ongoing pandemic situation.

There was a question about assurances that correct grants were paid. The Head of Finance and Property assured Councillors that time had been taken to make sure this was the case. It was suggested that the Audit Committee might want to look at this in more detail.

There was a question about why absence rates were lower when staff were working from home and the question was raised about staff accountability.

The Head of Policy and Governance stated that the big change in his service area had been the move to online meetings. His area were also part of a Surrey network of services trying to give information to people regarding Covid.

It was explained that it was hard on staff working on their own at home rather than in their teams.

48. REVIEW OF COMPLAINTS CLOSED IN 2019/20 (Agenda item 9.)

This agenda item was led by the Corporate Complaints Officer. The largest number of complaints were concerning housing operations but there had been a decrease on the previous year. The Corporate Complaints Officer stated that it was very good that 75% of complaints had been resolved at level 1.

It was stated that the current complaints database was very basic for analysis and the IT department was in the process of building a new one.

The Corporate Complaints Manager agreed to look into a complaint about postal voting following a comment from a member of the committee.

A new complaint handling code had been produced by the housing ombudsman in 2020 and the Corporate Complaints Manager drew members' attention to it regarding best practice for dealing with complaints. The Council's current complaints system was compliant with current guidance.

The Chairman of the Housing Overview and Scrutiny Committee requested that lessons learnt from the Housing Complaints be brought to the Housing Overview and Scrutiny Committee in the spring or summer.

He also enquired whether the self-assessment about complaints handling had involved anyone from the tenants panel. He was informed that it had been an officer exercise.

It was stated that where something went wrong it was flagged up with the head of service to deal with.

RESOLVED

The lessons learnt from the housing complaints would be taken to the Housing O&S committee with a breakdown of what had actually been done about the complaints.

49. COMPLAINTS TO LOCAL GOVERNMENT OMBUDSMAN (Agenda item 10.)

This agenda item was also led by the Corporate Complaints Manager. She stated that 4 detailed complaints had been investigated by the ombudsman; they were all planning issues around parking. 2 of the 4 complaints had been upheld.

She noted that comparative statistics had been produced for the first time.

75% of complaints regarding the Housing Landlord Service had been closed without further investigation.

50. COMMITTEE WORK PROGRAMME (Agenda item 11.)

Some Councillors wanted to see an Economic Development Strategy on the Overview and Scrutiny agenda. Some also wanted a review of whether the Community Infrastructure Levy process was working.

Some Councillors wanted to see reports coming to the Committee in a more timely fashion. The Corporate Policy Manager explained that in one quarter of the year, the November cycle, the reports never made the correct reporting schedule because of the time it took for the data to come through. It was agreed that the Corporate Policy team would circulate the data as soon as it became available.

There was a question about why the ICT strategy had not gone for public consultation and it was noted that it never had before. The Head of Business Transformation said people would have to understand the complexities of the IT environment in which the Council was working in order to be able to comment even if they were IT experts.

RESOLVED

That the Chair and the Vice Chair continue to develop the work programme and decide on items for the Committee agenda.

51. **PROPERTY INVESTMENT ADVISORY BOARD ACTIVITY UPDATE** (Agenda item 12.)

There was a discussion around the risks of purchasing further properties in the present climate. Some Councillors felt that the Council must protect capital before thinking about revenue income. The budget strategy was to find £150,000 additional property income each financial year. New Government rules had made it harder to purchase property because public works loans could not be used anymore to invest in property primarily for yield. The target for the investment strategy had been halved and the Property Investment Strategy was being rewritten. It would be going to the April Council meeting so it would be discussed at the next Overview and Scrutiny Value for Money Committee.

The meeting commenced at 7.00 pm and concluded at 9.30 pm

Chairman