

## MINUTES

### FINANCE AND RESOURCES OVERVIEW AND SCRUTINY

7 JULY 2020

**Present:**

**Members:**

|                                 |                               |
|---------------------------------|-------------------------------|
| Cllr Adeleke                    |                               |
| Cllr Barrett                    | Cllr Sinha                    |
| Cllr Chapman                    | Cllr Symington                |
| Cllr Cloughton                  | Cllr Taylor                   |
| Cllr Guest                      | Cllr Tindall                  |
| Cllr Suqlain Mahmood (Chairman) | Cllr Townsend (Vice Chairman) |

**Also Present:**

Councillor Williams – Leader of the Council and Portfolio Holder for Corporate and Contracted Services

**Officers:**

|            |   |
|------------|---|
| S Marshall | Chief Executive   |
| J Deane    | Corporate Director – Finance and Operations             |
| M Gaynor   | Corporate Director – Housing and Regeneration           |
| M Brookes  | Assistant Director – Corporate and Contracted Services  |
| L Roberts  | Assistant Director – Performance, People and Innovation |
| N Howcutt  | Assistant Director – Finance and Resources              |
| T Angel    | Corporate and Democratic Support Officer (Minutes)      |

The meeting began at 6.30 pm

#### **1**            **MINUTES**

The minutes of the meeting held on 9 June 2020 were agreed by the members present and will be signed by the Chairman at the next available opportunity.

Councillor Tindall referred to page 4 regarding the delay in recruiting apprentices and asked if we were able to start recruitment for this financial year so that the apprentices can start as soon as possible. L Roberts said she would provide all members with the programme of the plans for recruitment. **Action: L Roberts**

Councillor Cloughton referred to page 5 relating to the cost of the Berkhamsted multi-storey car park. He said he couldn't understand how the cost had gone up but the payback period remained the same. He asked for the actual financial workings behind these figures for clarification. M Brookes said he would arrange for this to be sent to members. **Action: M Brookes**

Councillor Symington advised that her queries relating to Water Lane car park were still ongoing.

## **2** **APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of Councillor Sobaan Mahmood.

## **3** **DECLARATIONS OF INTEREST**

There were no declarations of interest.

## **4** **PUBLIC PARTICIPATION**

None.

## **5** **CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO CALL-IN**

None.

## **6** **GARAGE PROGRAMME UPDATE**

L Roberts introduced the report and advised this was a brief progress update from when they had last discussed garages in February this year. She advised that the plan had been impacted by Covid-19 and the programme had to be paused as one of the key suppliers (Orchard) had been furloughed. We re-engaged with them once their surveyors started to return and some work had been completed over the weekend. She said the mobile surveys start tomorrow with a local firm we had appointed called Aitchison Rafferty.

She highlighted that the garages team had continued to work through all the garage applications during the lockdown period and had worked really hard to achieve 263 e-form enquiries, 93 offers made, 60 commencements and 56 terminations. Also the DBC surveyors who have been unable to go into tenant buildings due to Covid-19 have carried out 756 inspections. She explained that once the surveys have been completed they will be able to map the data against the demand. This information will be reported to this committee at the meeting in November.

Councillor Chapman asked if they would consider new roofs for the garages where asbestos had been found and cleared and were in disrepair. L Roberts advised that would need to be decided when the data comes back so they can understand the life span of the garages and whether it would be cost effective.

Councillor Tindall asked if we held a record of how many garages were occupied or vacant. L Roberts advised that the current void rate was 31% and the stock was approximately 7,500. She added that the performance from this quarter was significantly better than it was this time last year despite the pandemic.

Councillor Tindall asked if there was any scope for levelling the garages and just using the area as off street parking spaces to get some cars off the roads. He added that most garages were too small for modern cars so most people end up using them for other purposes. L Roberts suggested that could be considered as an option but it would depend on the condition of the garages. She said there was a range of options to consider once they had the data.

Councillor Guest asked if we had the information on a ward basis for where the enquiries and offers were. L Roberts said she didn't think they had that information on a ward basis. Councillor Guest asked if it was possible to produce that information for members. L Roberts said she wasn't sure how much work would be involved to produce that information so she would need to look in to it. **Action: L Roberts**

The Chairman said it would be interesting to know how many garages in total were in each ward and asked if L Roberts could take that on board. **Action: L Roberts**

Councillor Symington queried the cost for the surveys to be completed. L Roberts advised just under £20k.

Councillor Symington said she was curious how a company that was a supplier to the Council was able to furlough their staff if they had an ongoing work programme with us. L Roberts felt she couldn't answer that on behalf of Orchard but suggested they would have needed to look at their level of resourcing and some of their other work may have stopped.

Councillor Symington asked if we were still on track for completion at the end of August despite the delays caused by the pandemic. L Roberts confirmed we were and having the mobile app was the key.

The Chairman asked if the report in November would include the survey results and the recommendations on how to move forward. L Roberts replied that was the plan.

#### Outcome:

The report was noted.

## **7 COVID-19 IMPACT PAPER**

S Marshall thanked members and staff for adapting to new ways of working so quickly as it was a massive task. She said the first three months had been hectic with Incident Management Team meetings on a daily basis and working alongside our colleagues across the County and the Region, she felt it was a testament to our staff to have been able to achieve what we have.

She felt working from home had worked well for us, which had been helped by the fact we have been preparing for more home working since 2016/17. Despite that making it easier to transition, working from home still has its challenges and we will be looking at the feedback from staff to see what has worked well and what could be done differently moving forward.

We are now moving from the pandemic crisis in to recovery, and the work we are doing links in to the wider Hertfordshire Local Resilience Forum and also across the County. She highlighted that section 2.11 addressed the roles of members. She explained that the structures within the report related to officer working groups as officers were responsible for the day to day operational issues and then referring matters on as recommendations to Cabinet and Council if required. There is also a role for Overview and Scrutiny across the board.

With regards to key actions, Cabinet has approved the support to the voluntary sector and we have also extended core contracts with Citizens Advice Bureau, Age UK, Community Action Dacorum and Relate, and a one year extension for The Elms. That gives those partners stability and a platform to seek other funding from partners across the board. Cabinet has agreed to extend the criteria for the Community Grant scheme. She said there has been tremendous work done between the Finance team and Economic Development team to ensure we could rapidly get grants out to our local businesses with the local authority discretionary grant funding.

In terms of support for individuals, we managed to house all rough sleepers overnight which required support from the Police and other sectors. She advised that we usually had approximately 95 people in temporary accommodation but that had risen to 185 and we are averaging at 160. We have been delivering food parcels to very vulnerable individuals in partnership with Herts Health and the County Council which is something we set up from scratch.

Section three of the report detailed the return to work at The Forum. She said we needed to ensure it was safe for the public to access the building but also that it was safe for staff to return to work. She advised there was a webinar this week to run through the arrangements with staff but she had also discussed running a webinar for members with the Leader so that everyone is made aware of the changes. Extensive safety measures have been put in place such as Perspex screens, contactless temperature screening, automatic doors and carpet tiles showing directions. Public can only enter the building if they have made an appointment but that would be reviewed at the end of August and then we need to look at ways to open the building more broadly including our partners returning to work at The Forum.

Parks and play areas have now opened and detailed risk assessments and reviews have been carried out. Adventure playgrounds opened yesterday for equipment use only but not as a day care centre. Some public conveniences were able to reopen in the park and town centre but unfortunately some vandalism occurred on the opening day so they had to be closed again.

The economic impact is ongoing. 19,800 people have been furloughed in the Borough and the number of unemployed has increased from 1.9% to 5.2%. It has been agreed with the Cabinet that this item will be included within the strategic risk register and will be reported through the audit committee in the usual way.

The Chairman thanked S Marshall and her team for an impressive report which was easy to follow and full of information.

J Deane advised he would be covering the sections for the financial impacts of Covid-19 over the short to medium term as well as the medium financial pressures we're facing in the current year. He highlighted that within the current year and current forecast we're expecting a net pressure of £5million which is a significant amount and approaching a third of our net cost of services. This is broadly made up of £5.6million forecast loss on income together with £1million increase in expenditure partly offset by £1.6million of government grants.

He advised that we had suffered an extreme loss in car parking due to the lockdown period but hoped that would improve slowly once the restrictions were lifted more. He

said he was content with the rationale behind the current forecasts at the moment but we had to continue to monitor the situation and wait and see what happens.

In terms of the overall package for additional government funding, we were still waiting for the detail but is split in to two parts. He said there was £500million of additional grants yet to be allocated to cover expenditure pressures but he didn't expect a significant amount through that. The second element was around income guarantee and the Government have suggested that the first 5% of any losses of income will need to be met by the Council and beyond that point the Government will underwrite 75% of the remaining losses. He said there was a huge caveat to that; the biggest driver of forecast income losses for us comes from investment property and garages income but the Government have stated that they're not going to provide support for anticipated rental losses. . He suggested we could potentially see £1.8million of additional funding.

He welcomed questions from the committee.

Councillor Claughton asked if he was correct that our best hope was more money from the Government and lower losses than anticipated but as a last resort we could use reserves if there was no other option. J Deane felt it had to be a wait and see approach as we don't know enough information to take immediate action. He advised that if a worst case scenario occurred we could look at one-off reserve funding but we really didn't want to do that.

Councillor Guest noted that we were working with the LEP Economic Resilience Cell and the £3.6b that the Government were giving for infrastructure across the country is being given through the LEPs. She asked how much of the money was coming to the Hertfordshire LEP coming to Dacorum, and is DBC going to be involved with it. S Marshall advised there was a call for each authority to submit schemes that were ready to run and various schemes were submitted. The LEP will be considering schemes that were predominantly submitted in to the growth fund. M Gaynor provided some details of a couple of schemes that they had submitted. Councillor Guest asked for members to be informed if there were any further updates.

Councillor Tindall asked if the signage in the town centre and the old town high street could be increased to make it more prominent. M Gaynor said we had been working with the County Council and we had produced some of our own signage so it had been a joint exercise. He advised we had been liaising with the County Council on potential interventions but their approach has been that they will respond when a problem emerges.

Councillor Tindall referred to the increase in Universal Credit claims and asked if we were ensuring our staff weren't under too much pressure with all the extra work. M Gaynor advised that Universal Credit claims weren't processed by DBC staff. The increase in claims was reported due to a 5 week delay in processing applications and getting funds to individuals causing rent arrears. Councillor Tindall said he was concerned for the welfare of our staff with all the extra pressures and he wanted to make sure everyone was coping. J Deane felt that the staff were coping well and had a desire to get the job done and help those that are struggling. He said the team went above and beyond to get the grant money out and everyone has been supporting each other and communicating well. Councillor Tindall asked if the officers

could thank the staff on behalf of the members for the efforts they're putting in and to let them know they are appreciated.

Councillor Symington referred to paragraph 1.6 and sought clarification on whether the HRA expenditure had been reduced or deferred. J Deane advised that it was a consequence of the lockdown restrictions as non-urgent repairs were unable to happen but that work would need to be picked up at some point in the future.

Councillor Symington asked if the supplier relief to Everyone Active was effectively an interest free loan and would only be considered a risk if the company became insolvent. J Deane said there were two elements to it but in relation to Everyone Active the only supplier relief they have received at this stage was the management fee being waived for the first five months of the financial year.

Councillor Symington asked how many businesses received the grant monies and how much will they be topped up by in the second phase. J Deane said the figures were still being finalised so he was unable to give an accurate answer at this stage.

Councillor Adeleke asked how we would make sure that the reopening of the library and public entering the building was a safe process. S Marshall advised that Ben Hosier had been liaising with all our partners to ensure a plan is agreed that keeps everyone safe. The library will use the side doors of the building for access and would be using a click and collect type service called ready reads. There will also be a time limit for browsing.

Councillor Adeleke referred to the £1.6m from the Government. He asked if we had been given a fair share compared to other authorities and if we could ask for any more if required. J Deane advised that the money wouldn't cover all our additional costs but it would cover a high proportion. That is the Governments allocation method and we couldn't individually ask for any more.

Councillor Chapman asked if the Perspex screens in The Forum would be permanent or temporary. S Marshall said we would review that as we move forward but the current arrangements would be in place for the foreseeable future as a vaccine for Covid-19 was quite a way off yet.

Councillor Cloughton asked what plans were in place should we experience a second wave of Covid-19 as in the information in the lessons learnt section of the report didn't provide much detail. S Marshall advised that the lessons learnt section related to working practices and different arrangements as part of our New Normal programme. She said we were still continuing with Incident Management Team meetings 3 times a week and reviewing the implications of Covid-19 whilst also preparing for the possibility of a second peak.

Councillor Tindall referred to core principles on page 23 of the agenda. He proposed a fifth bullet point to say *recovery to be guided by and be compatible with the Councils Green Strategy and Action Plan*. He said Cabinet recently approved both and he wanted to see everyone taking those on board moving forward. S Marshall felt it was already well covered within the Corporate Plan. M Gaynor added that reports to Cabinet and Overview and Scrutiny will now include a climate emergency impact assessment so members can be reassured that it is always considered.

The Chairman advised that M Gaynor was the climate emergency champion. He also advised that the initiative was being taken on by the Strategic Planning and Environment Overview and Scrutiny Committee so members should direct their concerns and queries to them.

Councillor Townsend referred to the figures for unemployment and furloughed individuals in the Borough. He said according to his rough calculations we were looking at 10-15% unemployment in the Borough and asked for clarity. S Marshall said that the LEP had provided the figure of 19,800 furloughed individuals in the Borough and the figures were similar for the whole of Hertfordshire. As at the end of May, unemployment was at approximately 5%. She explained we were working with our colleagues at the LEP across the board and the business ambassadors to understand the potential impact. The Economic Development Team have carried out a survey of our local businesses. She said clearly we were at the start position but we are working with our partners to see how we can move forward and look at the economic impacts for us as a local authority. Councillor Townsend replied that she wasn't disagreeing with his worrying calculations. S Marshall advised that it depended on how the furlough scheme continued and also that some individuals who had lost their jobs may have found new ones. She felt it was something we would need to monitor closely and work with our partners on.

Councillor Symington referred to the vandalism and closures of public toilets. She said she understood it was a complicated issue but it would be helpful to get the toilets open again. S Marshall reassured Members it was a high priority to get public conveniences open safely again and it was a focus in the IMT meetings.

Councillor Symington referred to the section on civic sports and APG in the report, particularly relating to the provision of football pitches. She asked if we would consider the option to upgrade and invest in the pitches so that we could have the opportunity to charge the clubs a higher rent and gain more income. L Roberts explained that the issue they had with the football association and foundation is that they're only prepared to give their funding to third party maintenance organisations. DBC own the pitches and our clean, safe and green team maintain them. She said they had started conversations with the football association and have passed on our planned works for pitch maintenance so we were waiting for their feedback on that.

The Chairman asked if we had a policy in place for staff working from home. S Marshall replied we have had a policy for working from home since we moved in to The Forum. She said working from home was actively encouraged which is why we only provide 66% desk space in The Forum but some departments couldn't work from home for various reasons so it was about finding a balance. She added that we would need to look at our productivity indicators for individuals going forward.

Councillor Tindall said he hoped that we were monitoring the mental health of our staff as well as the productivity whilst working from home was being enforced. S Marshall advised that we recently conducted a Health and Wellbeing survey for staff and we intended to repeat the survey again in or around September. She gave reassurance that we were doing as much as we could to look after the mental health of our staff.

Outcome:

The report was noted.

## **8**                    **WORK PROGRAMME**

The following changes were made to the work programme:

### September

Add New Normal – L Roberts

The Chairman said he would like to see a report on Allotments come to a future committee as the meeting it was scheduled for in March 2020 was cancelled.

The Chairman asked J Deane to keep us updated on when we will receive a report on the Medium Term Financial Strategy (MTFS).

The Meeting ended at 8.20 pm