

MINUTES

FINANCE AND RESOURCES OVERVIEW AND SCRUTINY

6 DECEMBER 2022

Present:

Cllr Cloughton	Cllr Suqlain Mahmood
Cllr Douris (Chairman)	Cllr Guest
Cllr Freedman	Cllr Symington
Cllr Tindall	

Officers:

Catherine Silva-Donayre (Strategic Director, Corporate and Commercial)
Aidan Wilkie (Strategic Director, People and Transformation)
Nigel Howcutt (Chief Finance Officer)
Mark Brookes (Assistant Director, Legal and Democratic Services)
Ben Hosier (Head of Commercial Development)
Matt Rawdon (Assistant Director, People)
Jennie Webb (Opposition Group Support Officer)

Also in attendance:

Cllr Andrew Williams (Leader of the Council and Portfolio Holder for Commercial Strategy and Delivery)
Cllr Graeme Elliot (Portfolio Holder for Corporate Services)

Following a joint meeting of the OSC's where a presentation on the budget proposals for 2023/2024 was given, the Finance & Resources OSC meeting began at 8.05 pm.

56 MINUTES

The minutes of the previous meeting were agreed by the members present and then signed by the Chairman.

Councillor Symington referred to an agreement that there would be a report on Electric Vehicle (EV) charging points coming to the committee in March but noted it wasn't included on the work programme.

The Chairman confirmed this would be amended.

57 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Adeleke, Chapman and Townsend.

58 DECLARATIONS OF INTEREST

There were no declarations of interest.

59 **PUBLIC PARTICIPATION**

There was no public participation.

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

None.

61 **ACTION POINTS FROM THE PREVIOUS MEETING**

The Chairman confirmed the action points had been circulated and were also included in the agenda.

62 **DRAFT 2023/24 BUDGET PROPOSALS**

The draft budget 2023/24 proposals relating to the finance and resources overview and scrutiny committee were presented by N Howcutt.

With regards to the commercially sensitive information in the presentation it was agreed that the committee would briefly move into Part II and exclude the public. N Howcutt asked the members present to maintain confidentiality on these matters.

Full details can be found in the Part II minutes.

Transformation, Customer and People Strategies

The next section of the report was presented by A Wilkie.

Councillor Mahmood questioned the intended saving of £1.8m on general fund efficiencies against the additional costs of £0.5m. He wondered where savings would be made when so much is being spent.

N Howcutt outlined the pay award as being a cost increase and reductions in government funding, which would need to be balanced. He felt the PMO (programme management office) was providing resources to deliver savings, being there to support the delivery.

A Wilkie added that in reality, people were needed to work on the strategy. A further point being that in terms of efficiencies, A Wilkie suggested that through digitisation and better structuring we would need fewer people, which would deliver a better service for residents. A Wilkie felt that the majority of spend was on people, which was where he thought efficiencies would be made.

Councillor Mahmood thought apprentices and graduates were a great thing for the community, he thanked A Wilkie for his explanation.

Referring to 5.6, where a vacancy of 5% was quoted, Councillor Tindall wondered whether they were looking for staff to fill those vacancies, questioning the current vacancy rates, staff shortages and fluctuations going forward.

N Howcutt explain that vacancies were due to the time lag between somebody leaving and starting, reporting that there had been an assessment done several years ago where it was shown that that was around 5% of total staff costs. N Howcutt went on to outline scenarios where the 5% would or would not be achieved, saying it was an assumption that had worked out effectively over the past few years.

Councillor Tindall wondered whether recruitment costs were added in, he further questioned the phrasing of A Wilkie 'needing fewer people,' wondering whether this was a hint towards digitalisation.

A Wilkie reported that feedback from the customer strategy work with residents had been that they want to use the digital strategy to engage with the council, he felt more could be done in that space by automating and introducing more self-service. A Wilkie referred to vacancies in the system particularly at the moment because of recruitment and retention challenges, thinking that identifying different parts of the business doing similar types of work could be brought together to do it more efficiently. He looked forward to the output of the commercial strategy early in the New Year.

Councillor Tindall stressed the importance of ensuring that people who were not digitally aware do not lose out because of digitalisation,

A Wilkie gave his assurance that would not happen and that it was front and centre.

Councillor Freedman suggested that there were metrics available around the cost of staff retention, stating that he had asked for human resources metrics to be added on monthly reports, which he had received responses back and thought that the use of such metrics would help continue to justify the programme.

A Wilkie would look into that suggestion.

With the 20% assumption for inflation for utilities and fuel, Councillor Guest wondered what assumptions there were for other items, giving the examples of supplies and services.

N Howcutt confirmed 5% was allowed in the budget for supplies and services, confirming that there would be continued assessment of contracts. N Howcutt felt

there was significant control over budgets and that new contracts were coming in at higher costs, with the 5% equating to around £400k for supplies and services.

The Chairman wondered how customers would hear about the customer charter mentioned in the report. He further questioned the 'unnecessary contact' line, asking A Wilkie to comment.

With regard to unnecessary contact, A Wilkie outlined that this was linked to the customer's view, giving the example of when a customer made a request to the council and didn't know when they would get a response or whether they would have to chase up their query. In terms of the customer charter, A Wilkie described that the aim was to set out the vision of creating standards of how the council are going to engage with residents and the standard that residents could expect. He felt this was starting to be done with work around complaints where a response was promised within an amount of time.

Councillor Guest referred to page 38, the general fund budget change to employee expenditure. Councillor Guest declared that she was Chair of the Development Management Committee, asking how that resource would be used to deliver income from the pre-application advice service to achieve the goal of delivering income.

N Howcutt requested that he come back to that at the end of the meeting as he had no access to notes, which Councillor Guest agreed.

Commercial Strategy Update

C Silva-Donayre presented the commercial strategy update and outlined that there would be a fuller update presented to the Committee in February, at which point most business cases in the commercial programme would be either concluded or near conclusion.

Councillor Tindall asked whether the final business case would be going just to the service committee concerned or whether it would come to this Committee as well.

C Silva-Donayre confirmed as coming to this committee.

Councillor Claughton drew attention to paragraphs 4.7 and 4.8 where there was mention of a review of fees and charges, thinking this wasn't borne out in the appendices to the report where he noted that car parking charges had not increased and that most other fees and charges were going up at around 3%, which was below inflation. Councillor Claughton wondered how fees and charges had been approached and why there were different results across different services.

Councillor Elliot felt there was a view that the economics side of attracting people into the town centre had to be balanced with retail employment and the environmental impact.

Councillor Cloughton wondered whether that was based on behaviour analysis or whether it was an assumption, arguing that if people were not travelling into the town centre it might be because they did not need to, whereas those who did have to might be prepared to pay more.

C Silva-Donayre said there was recognition that there are a variety of complex factors affecting customer behaviour around parking, which was being looked at and would be considered.

Councillor Mahmood referred to a programme on BBC Radio 4, *You and Yours*, which he suggested people listen to as it was around regenerating small town centres and included some detailed informative information.

Councillor Douris suggested Councillor Mahmood send a note to all councillors regarding the programme.

Councillor Mahmood asked how staff had reacted to the work of C Silva-Donayre and her team, if they had found it intrusive or if there was a positive feeling.

C Silva-Donayre thought the role of the commercial board was around empowering, and that it was a collective effort across offices in the council rather than being driven top-down.

Councillor Symington wondered whether any work had been done on price elasticity of car parking.

C Silva-Donayre said that was a complex area and that B Hosier and his team were still working through that.

Councillor Williams outlined that the reason car parking hadn't been increased in this budget was because of ongoing work on the smart parking strategy, which wouldn't be ready for changes to tariffs in line with this budget. Councillor Williams was reluctant to implement a modest set of changes in this budget which would have to be reviewed within months in the light of smart parking, which would mean two changes. He argued it would be better to incorporate the review of tariffs and smart parking in one package, and as part of that to look at the types of tickets purchased. Councillor Williams was of the opinion that the more cars in car parks the better, further that there was no downside to attracting people to town centres.

Referring to car parking charges, Councillor Guest remembered the Audit Commission saying they were not making the best use of car parks. She thought there was still a need to make the best use of car parking in terms of the commercial strategy. Councillor Guest asked whether in the commercial strategy there was a view to setting a pricing level that would make shops attractive to customers.

C Silva-Donayre referred to the review, saying the team had been benchmarking pricing against both local authorities and private car parks in the area. She outlined that there was scope and opportunity to generate more income and still be competitively priced, due to being in the lower price quartile presently.

Councillor Freedman disagreed with Councillor Guest and Councillor Williams, commenting that use of high streets and people coming into town is a completely different metric to cars coming into town, those things being related but not the same thing.

Councillor Williams agreed that people arrive in other ways, however cars that arrive in towns bring people, which means car parking revenue and footfall to shops, summarising that a town centre without parking would be a dead town centre.

Councillor Douris expressed his trust that Councillor Williams and Councillor Elliot had noted comments made through the discussion.

Councillor Guest asked, are we making the best use of pre-application advice and maximise any income out of that within the rules of planning. She referred to page 38, asking how the resource delivered income from pre-application advice would be used to achieve that goal.

N Howcutt noted that as part of the 2022-23 budget there was a new income around the planning pre-application advice service offered to the private sector, which consisted of additional growth to the staffing contingent to allow continued expansion and development of opportunities around pre-app advice. He reported that they had a significant income budget in 2023-24 in planning and pre-app, which was there to support that service to achieve those income levels.

Councillor Douris was under the impression the government were looking at the planning regime and the potential for councils to be able to charge for the planning system so that there was no loss. He did not know whether that had been taken into account.

N Howcutt confirmed that the government were looking at planning throughout and the role of the local authority in the planning process. He was not aware of any specific impacts that will impact the budget proposed for next year.

Councillor Tindall was hoping for confirmation from the government soon.

Outcome:

That the Finance and Resources Overview and Scrutiny Committee reviewed and scrutinised the draft budget proposals for 2023/24 and provided feedback to be considered by Cabinet, for each Committee's specific area of responsibility.

63 **QUARTER 2 FINANCIAL MONITORING REPORT 2022-23**

N Howcutt gave a brief synopsis of the report which he noted had already been to Cabinet. N Howcutt outlined that the budget showed an improved performance on Q1 and that they were on track to achieve a balanced budget by year end. The Q3 budget report would be presented to the committee in the New Year.

There were no questions.

Outcome:

The report was noted.

64 **WORK PROGRAMME**

The Chairman highlighted that one additional item, the EV charging report, would be added to the March meeting.

65 **LEISURE CONTRACT**

Full details can be found in the Part 2 Minutes.

The Meeting ended at 9.38 pm