

REPORT OF CHAIRMAN OF STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE

PRESENT:

Councillors Strachan (Chairman), A Yeates (Vice-Chair), Mrs Woodward (Vice-Chair), Mrs Barnett, Drinkwater, Powell and Tittley.

(In accordance with Council Procedure Rule No.17 Councillors Pritchard and Wilcox attended the meeting)

Apologies for absence were received from Councillors Constable, Greatorex and White.

At the meeting of the Strategic (Overview and Scrutiny) Committee held on 31 January the following matters were considered:

1 WORK PROGRAMME

- 1.1 Members considered the Work Programme. It was noted that although there was an item on today's agenda about consultation principles this would be different to a consultation strategy which was the work programme title. It was agreed to consider this if necessary following the discussion later in the meeting.
- 1.2 It was requested that an item be added regarding Communications including newsletters like Parklife. Members wished to consider cost and resources used to produce them compared to their effectiveness. It was also requested that a comparison with other Local Authorities be carried out. It was agreed to make some initial enquires and discuss further at the Overview & Scrutiny Coordinating group.

2 REVIEW OF THE COUNCIL'S CONSTITUTION

- 2.1 Members received a verbal report on the update of the Council's Constitution. It was reported that South Staffordshire District Council had been commissioned to complete the work.
- 2.2 Members requested the opportunity to consider the draft document before its approval at Annual Council. The Chairman reported that he would like a Member Task Group to do this and report back to a special Committee meeting in March 2018. It was agreed that the Members of this Task Group would be Councillors Tittley, acting as Chairman, Mrs Woodward and Powell.
- 2.3 The Committee agreed that a Member Task Group be created to consider the draft revised Constitution and report to a special Strategic (Overview & Scrutiny) Committee in March 2018.

3 MEDIUM TERM FINANCIAL STRATEGY (REVENUE AND CAPITAL) 2017-22

- 3.1 The Committee received a report on the Medium Term Financial Strategy (MTFS) for the period 2017-22. It was reported that there was a statutory duty to set a balanced budget and to calculate the level of Council Tax for the district. It was also reported that

the Chief Finance Officer (Head of Finance & Procurement) had a duty to ensure all figures provided for estimating and financial planning were robust and stand up to Audit scrutiny.

- 3.2 The Committee received a presentation from the Head of Finance & Procurement and he began by reporting to Members that there had been a change to the report following discussions with the Leader and a sum of £250k had been included in 2018/19 to enable the facilitation and development of commercialisation and transformation. When asked where this money was from, it was reported it was from general reserves and therefore these would be £250k lower than projected in the report.
- 3.3 A number of areas were discussed by the Committee, the first being retained Business Rates and it was reported that there was an assumption built into the MTFS that the growth would have to be redistributed to the higher tier Authorities. When asked what evidence had created this assumption, it was reported that as responsibilities like Social Care and Children's services are delivered at County level and that this was where there was known to be shortfall of funding it is most likely this is where it would be allocated. It was agreed that it was correct to show this as a funding gap now and develop plans to meet this shortfall rather than build in higher estimates of income which would create the need for a kneejerk reaction at a later date.
- 3.4 New Homes Bonus (NHB) was then discussed and it was noted that the Government had taken £800m to help fund Social Care and when asked if more could be taken, it was confirmed as a possibility although more likely to be taken from Business Rates. Planning performance was discussed in relation to possibility that NHB would not apply to homes built after losing a Planning Appeal. It was confirmed that this had not been implemented as yet but the Government would reconsider it in 2019/20. Members noted that due to the high risk of New Home Bonus, less reliance had been built into the MTFS and indeed many other local authorities had done the same.
- 3.5 Negative Revenue Support was considered and the Committee asked why Lichfield had the highest. It was reported that there were a number of factors but the information used to create the figures was out of date and this was being challenged by the District Council. It was noted that there was a consultation on Fair Funding and the tariffs applied along with a meeting with the Lichfield area MP in which this was on the agenda for discussion.
- 3.6 The Property Investment Strategy was discussed and there was concern that it was a high amount of borrowing and greater detail on safeguarding was requested. It was reported that it was written into the budget to allow flexibility and quick decisions however there would be a scheme of delegation and governance structure in place before any property was purchased.
- 3.7 The Budget Consultation was discussed by the Committee and it was felt that the time frame was short and too close to the Christmas period resulting in a low response rate. It was also felt that it had not informed the budget process however it was confirmed that the MTFS was a living document and comments would be considered during Money Matter reports throughout 2018/19.
- 3.8 Overall it was agreed that this was a very cautious budget due to the high level of uncertainty and the unknown direction of travel regarding funding. The Committee concurred with the Officer's prudent approach regarding the MTFS. Members also agreed that more should be done to make the public aware of the funding situation and that although Council Tax was increasing, it was due to the need to fund services locally.
- 3.9 The Committee agreed that Cabinet be advised of the comments made by the Strategic (Overview & Scrutiny) Committee especially in relation to the following

- a) The 2018/19 Revenue Budget, including the Amount to be met from Government Grants and Local taxpayers of £10,305,900 and proposed level of Council Tax (the District element) for 2018/19 of £169.99 (an increase of £5 or 3.03%) for Band D equivalent property
- b) The MTFS 2017-22 Revenue Budgets
- c) The MTFS 2017-22 Capital Strategy and Capital Programme
- d) The requirements and duties that the Local Government Act 2003 places on the Authority on how it sets and monitors its Budgets, including the Chief Finance Officer's report on the robustness of the Budget and adequacy of Reserves.

4	PERFORMANCE MANAGEMENT FRAMEWORK AND CONSULTATION PRINCIPLES
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- 4.1 Members received a presentation on the proposed changes to performance management. The Head of Corporate Services reported on what made effective performance management and how the Strategic Plan could be captured at an individual level through a Delivery Plan, Service Plans and Staff Performance Development Reviews.
- 4.2 Members asked if there was flexibility within the proposals especially as the Local Government climate was currently unpredictable. It was reported that this should be written into the Service Plans and an open and constant dialogue between all Officers would allow for quick changes.
- 4.3 It was then reported how consultations could link in with management performance and the Committee were introduced to an emerging plan. It was discussed that consultation should be a two-way process and it was reported that it was envisioned that there would be a residents panel who would inform the Delivery Plan. It was noted that resources would be required to facilitate a panel and a structure in place to ensure membership remained focused and unbiased.
- 4.4 Members felt there should be a mechanism to capture the feedback Councillors receive from residents and it was agreed to consider this further. The use of public meetings, exhibitions and social media was also deemed as effective ways to engage with residents. Members then discussed the use of print media and it was noted that not all rural areas received newspapers and so consulting with those areas had not been as successful. It was requested that more innovative ways be explored for those areas.
- 4.5 It was felt that consultation and communications went hand in hand and so it was requested that a full strategy be considered.
- 4.6 It was agreed that the comments received be fed into the development of performance management and consultation principles.

R Strachan
Chairman
Strategic (Overview and Scrutiny) Committee