

Overview and Scrutiny Management Committee

MINUTES OF THE OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE MEETING HELD ON 15 NOVEMBER 2023 AT KENNET ROOM - COUNTY HALL, BYTHESEA ROAD, TROWBRIDGE, BA14 8JN.

Present:

Cllr Graham Wright (Chairman), Cllr Christopher Williams (Vice-Chairman),
Cllr Richard Britton, Cllr Ruth Hopkinson, Cllr Jon Hubbard, Cllr Tony Jackson,
Cllr Johnny Kidney, Cllr Gordon King, Cllr Jerry Kunkler, Cllr Pip Ridout, Cllr Jo Trigg,
Cllr Tony Trotman and Cllr Tom Rounds (Substitute)

Also Present:

Cllr Nick Botterill and Cllr Derek Walters.

42 **Apologies**

Apologies for absence were received from Councillors Richard Clewer, Tony Pickernell and Jonathon Seed.

Cllr Jonathon Seed had arranged for Cllr Tom Rounds to attend the meeting in his absence.

43 **Minutes of the Previous Meeting**

The minutes of the meeting held on 26 September 2023 were presented for consideration, it was;

Resolved:

To approve and sign as a true and correct record of the minutes of the meeting held on 26 September 2023.

44 **Declarations of Interest**

There were no declarations of interest.

45 **Chairman's Announcements**

The Chairman made the following announcements:

a) Scrutiny engagement on the council's Stone Circle companies

In September, the Committee established a new task group to look at how Scrutiny should engage on the council's Stone Circle wholly-owned

companies. The first step to support the task group is set to be a briefing to be provided by officers, covering:

- what Stone Circle companies the council has created, and their purpose;
- the council's financial exposure in regard to the companies;
- the companies' performance so far and future projections; and
- the current governance structure.

This online briefing is open to all members and has now been scheduled for 10.00am on Wednesday 29th November. The Chairman invited those interested in taking part in the Stone Circle task group, to contact Henry Powell.

b) Financial scrutiny

The chairs and vice-chairs of the four select committees had a regular catch-up last week and we discussed the approach to financial scrutiny. It was agreed that the scrutiny of the council's financial position itself was well covered, echoing what the cabinet member and Section 151 officer have said to the Chairman. However, it was agreed that from now on, the select committee chairs and vice-chairs would take a lead in considering whether any over- or underspends in their areas might have an operational impact. Where this is the case, they would pursue the matter with the relevant cabinet members and directors and undertake further formal scrutiny work if needed.

46 Public Participation

There were no questions or statements submitted by members of the public.

The Chairman welcomed Cllr Derek Walters to the meeting, who had approached in advance of the meeting with a suggestion of a topic he believed required scrutiny input.

Cllr Derek Walters stated that currently there was confusion as to how a speed limit assessment takes place, with the Department of Transport currently supplying guidance to local authorities but not dictating how such guidance should be applied. Furthermore, that there was confusion within the consultation process. Cllr Walters outlined that speed assessments had the support of Parish Councils and Area Boards and that by reviewing them there was an opportunity for them to be evidence based.

Cllr Jerry Kunkler, Chairman of the Environment Select Committee outlined that he had spoken to Senior Scrutiny Officer, Simon Bennet about this to discuss finding a way to put this issue into scrutiny and that though it might not take place in January, it was agreed that something would be done.

The Chairman noted that he had spoken to the Cabinet Member responsible for Transport and that he was aware that a lot of changes were taking place with a new process set to follow soon with the Head of Highways developing a

document. Attention was also drawn to a trial which was taking place in Netheravon.

Comments from other Members included that there was shared concern about the way that Highways applies the provided guidance and that there was a shared interest expressed in potentially getting involved in a scrutiny exercise. Clarity was provided by officers that it was possible for a Member of a Scrutiny Committee to have the power to want an item to be scrutinised, with further investigation to take place as to which other Members of Council might have such power. The Director for Legal and Governance also provided guidance upon the matter, with attention drawn how it should be remembered that this area was relatively operational.

Further comments included that there was frustration that sometimes the Scrutiny Committee were only able to scrutinise things after their conclusion and that there was a desire to be involved in overview before the document was completed. It was suggested that the relevant officers developing the strategy should be invited to the next meeting of the Environment Select Committee to explain the process in place, therefore allowing Members an opportunity to scrutinise.

At the conclusion of discussion, it was,

Resolved:

The Overview and Scrutiny Management Committee agreed:

To ask the Chair and Vice-chair of Environment Select Committee to investigate the proposed scrutiny topic of Speed Limit Assessments and the most appropriate approach to considering it, with a proposal brought to the next meeting of Environment Select Committee as appropriate.

47 **Financial Year 2023/24 - Quarter Two Revenue Budget Monitoring**

The Chairman noted that in the agenda was a report which set out the second quarterly revenue budget monitoring forecast for the financial year 2023/24 based on the position at the end of September 2023. It also provides an update on the Medium Term Financial Strategy (MTFS) and budget gap for the financial year 2024/25 and beyond. It was noted that the report had been considered by Financial Planning Task Group on 10th November and Cabinet on 14th September. A summary of the Task Group's discussions was provided in a report in the Agenda Supplement.

Cllr Nick Botterill, Cabinet Member for Finance, Development Control and Strategic Planning stated that with the net budget of £469m, at the halfway stage there was a projected underspend of £400,000, which provided a favourable shift from the Quarter One forecast. The Cabinet member drew attention to overspends within the families and children area, with it noted that though the number of children presenting themselves was stable, there had been an increase in cost pressures relating to care packages due to inflation.

These overspends had however been offset by the corporate side, which was benefitting from a strong balance sheet.

Further reference and concern was raised towards inflation, with it stated that it was not believed that these cost pressures would retreat. In addition, reference was drawn to how a number of people presenting themselves could cause a shift in position. In summary, the Cabinet Member expressed that comfort and pride could be taken from the Quarter Two position.

The Chairman welcomed Lizzie Watkin in her role as Section 151 Officer and Andy Brown as Deputy Chief Executive, who made the following comments that there was a risk associated with the dedicated schools grant and an increasing deficit within this area. In addition, Wiltshire Council was in negotiations to be part of the Safety Valve Programme and that risk had been flagged associated with this work with significant support required to be implemented.

Cllr Pip Ridout, Chair of the Financial Planning Task Group (FPTG) invited the Chairmen and Vice-Chairmen of Select Committees to investigate over and underspends within their respective areas. In addition, Cllr Ridout warned that apart from any complacency, the figures were in a good place for the half year stage with no severe problems.

The following comments were received by Members of the Committee, including that regarding the Safety Valve Scheme there was set to be a special Childrens Select Committee meeting on 7 December 2023 to scrutinise the bidding process as part of a Department for Education requirement, with all Members welcome.

Clarity was sought regarding the Dedicated Schools Grant with questions placed regarding how it was possible for a deficit on a reserve to arise, to which it was clarified that when assessing children who present needs, the cost is more than is allocated through the Grant and therefore a deficit occurs. This happens across the county and the government have recognised this and therefore provide a statutory override and once this override comes off it will hit balance sheets and offset positive reserves and would have to be funded. It was also noted that this override would end in March 2026 but could potentially be extended with negotiations about how the deficit could be brought back into balance.

A further question was asked regarding the transfer of reserves and what would happen to the projected £400,000 underspend if such transfers did not happen, to which it was clarified that the reality would be that the Council would be in an overspend position, however some of the funding received in grant form such as for families and children straddle multiple years. There was also an agreement with Transformation programmes across the Council to prioritise. It was also clarified that if not spent, funding for children would have to be returned, therefore it was critical for the Council to do as much as it can.

Reference was drawn to the way in which data is presented, including variants to which it was noted by officers that to be transparent that reserve movements are shown, with it noted that some activities would not happen without reserves

set aside. Clarity was also provided that information had been included within the capital report relating to savings from reduction, which had been requested at the last meeting.

Reference was drawn to an overspend in children's services where there had been an overspend with the cost for each person in care higher than the budgeted cost, to which officers noted that the forecast included additional activity to address overspend such as moving people into more cost-efficient placements and the use of early intervention work to keep children out of this service. A point was raised regarding the report having broad headlines, to which officers noted that Table One of Page 22 provided an insight into which areas were seeing levels of pressure.

A point was made about savings made through staff vacancies, to which officers stated that recently the Council had transferred to the new Oracle system, which would have additional functionality and eventually in the next financial year would be able to provide data which would enable officers to look at the impact of vacancies and retention.

At the conclusion of discussion, it was,

Resolved:

The Overview and Scrutiny Management Committee agreed to note:

- 1. The current revenue budget is forecast to underspend by £0.402m by the end of the financial year;**
- 2. The current forecast savings delivery performance for the year;**
- 3. The report of the Financial Planning Task Group.**

48 **Financial Year 2023/24 - Quarter Two Capital Budget Monitoring**

The Chairman noted that in the agenda was a report which set out the Capital Programme for 2023/24 as at 30th September 2023 for the second quarterly budget monitoring period. It included the additional funding approved by Full Council at its meeting on 17 October 2023 and movements from quarter one, and set out how the programme was forecast to be financed. It provided an update on the significant schemes that were planned to be delivered and those that had been reprofiled to future years. The report was considered by Financial Planning Task Group on 10th November and Cabinet on 14th September. A summary of the Task Group's discussions was provided in a report in the Agenda Supplement.

Cllr Nick Botterill, Cabinet Member for Finance, Development Control and Strategic Planning stated that improvements had been put in place to fine tune the ability to provide more realistic capital forecasting. It was outlined that usually at this stage of the year, cuts would take place and that more had been spent this year compared to the previous year, with circa £66m spent. It was stated that though the Council would not be likely to spend the budgeted £195m, it was likely to be higher than £128m, which had been spent in previous

years, suggesting that the Council had improved at forecasting and programming.

Cllr Pip Ridout, Chair of the Financial Planning Task Group (FPTG), stated that the report was better than previous iterations and demonstrated that the Council was getting better at forecasting, though this would be subject to the state of the market.

The following comments were received by Members of the Committee, including a query as to whether spending commitments had been included within the report, to which it was clarified that this had been raised by the Financial Planning Task Group with the finance team investigating this. Officers drew attention to limitations caused by the current systems in place with it hoped that the implementation of Oracle would eventually lead to better forecasting.

At the conclusion of discussion, it was,

Resolved:

The Overview and Scrutiny Management Committee agreed to note:

The capital programme position as set out in the report and the comments of the Financial Planning Task Group.

49 **Mid Year Treasury Management Review 2023/24**

The Chairman noted that The Treasury Management Strategy was prepared in accordance with the CIPFA Code of Treasury Management in Public Services and included Prudential and Treasury Indicators, Minimum Revenue Provision Policy and the Annual Investment Strategy. In addition to an Annual Report, the Treasury Management Strategy required a midyear report reviewing the Treasury Management activities for the current year so far. This report covered the period from 1 April 2023 to 30 September 2023.

Cllr Nick Botterill, Cabinet Member for Finance, Development Control and Strategic Planning outlined that the Council had taken out loans of £400m and was paying 3.43% interest on long term loans. On the other side of this, there was investments and a cash surplus of £165m, which was invested into markets and was receiving 4.87% interest. Reference was drawn to the breach of a counter party limit, which was reported and rectified within 24 hours with no cost to the council and that steps had been taken to ensure that it would not happen again. Reassurance was provided by officers that this had been investigated and had been down to a staff issue which had since been resolved. In summary, the Cabinet Member stated that the balance sheet was healthy and that there was satisfaction of the management of this.

Cllr Pip Ridout, Chair of the Financial Planning Task Group (FPTG) drew reference to the prudent decision involving two loans of £20m which had been taken out with interest rates of 1.95% and 1.98% before interest rates rose.

At the conclusion of discussion, it was,

Resolved:

The Overview and Scrutiny Management Committee agreed:

- 1. That the contents of this report are in line with the Treasury Management Strategy 2023/24;**
- 2. The performance of the Council's investments and borrowings against the parameters set out in the approved Treasury Management Strategy for 2023/24;**
- 3. To note the report of the Financial Planning Task Group.**

50 **Performance and Risk Report 2023-24 - Quarter Two**

The Chairman noted that in the agenda was a report which presented quarter two update on performance against the stated missions in the Council's Business Plan 2022-32. The Strategic Risk Summary was also included. It was noted that the report was considered by Cabinet on 14th November.

The report was introduced by Perry Holmes, Director of Legal and Governance, who summarised that this report demonstrated the difference and outcomes for communities that had been made by spending. Additionally, the risk register provided oversight of areas which could potentially stop the Council from spending money and have an impact on communities through the business plan. Feedback was provided that following the previous Committee and Cabinet meetings changes had been made to the report, with volume-based data now presented as rolling figures and SWAP, internal audit advice, applied to the risk summary, with the current risk scores demonstrating residual risk following mitigations that had been put in place.

The following comments were received by Members of the Committee, with clarity provided regarding the percentage of P1 potholes that had been repaired, to which it was noted that in August and July 80 P1 potholes were identified a month, however these were the months in which most employees took annual leave. It was noted that the current contract with Milestone was new and that since these months there had been a noticeable improvement of circa 90% of potholes identified repaired within the next working day.

Regarding newsletter open rates, detail was provided that 27,209 people were subscribed to the newsletter which was sent out weekly and that often this number saw an increase when such issues as storms took place. Further work was set to take place in the addition of a pop-up on the Wiltshire Council website to draw further attention to the newsletter. It was suggested that updates could be provided to Members through their Members newsletter, which could then be shared to draw the attention of residents to such things as consultations.

Clarity was provided about the delivery of affordable housing following market downturn, with it stated that though the Council was reliant on developers, it was acquiring homes through other methods such as through Stone Circle. Though there were currently limitations on the delivery of affordable homes, it was hoped that following a blip on the metric, this would then return.

A question was raised as to how staffing capacity had impacted on delivery and whether this could be brought back into control, to which it was noted that certain areas such as social workers had a high vacancy rate above the budgeted level, however recruitment campaigns were taking place as well as looking at the market to supplement hard to fill roles. Individual services directors would also be consulted for innovative ideas as well as sharing learning if they are experiencing success. It was also stated that complaints are considered at Performance Outcome Boards, with such data triangulated when considering factors for vacancies.

Furthermore, it was outlined that Performance Outcome Boards were focused on the data and ensuring that departments were able to deliver the business plan, with transparency and accountability across all areas with services very aware of the data operationally before it was presented.

The Director of Legal and Governance suggested that for future reports he would like to produce an infographic to accompany the report which would provide context for the data, for example how many miles of road there was in Wiltshire and how many children in care.

At the conclusion of discussion, it was,

Resolved:

The Overview and Scrutiny Management Committee agreed to note:

- 1. The updates and outturns against the measures and activities mapped against the Council's priorities.**
- 2. The Strategic Risk Summary.**

The Chairman called the meeting to a break at 12.34pm and then resumed at 12.41pm.

51 **Transformation**

The Chairman introduced that the next agenda item was to receive a presentation regarding the council's transformation activity. The inclusion of an item on this topic was one of the outcomes from a recent work planning meeting between the Chairman, the Committee Vice-chair, the Deputy Chief Executive and the Director for Transformation.

Stuart Honeyball, Director for Transformation; and Andy Brown, Deputy Chief Executive provided a presentation to the Committee. It was agreed that the

presentation would be attached to the minutes. The presentation covered the following points:

- Context was provided regarding the creation of the Transformation Team as well as the focus areas identified by the team and how outcomes would be aligned to the business plan.
- The importance of enabling services was outlined with it noted that services had been brought together so that when projects start, they can be supported and receive the required resources.
- The principles of the Transformation Team were outlined, which would allow for a consistent and joined up approach. The funding of Transformation work was outlined, with it noted that initially there had been £10.9m earmarked for Transformation, which had now gone down to £5.7m following significant funding towards Transformation programmes. It was outlined that funds would be one off funding for one off activities with it hoped that the savings generated through Transformation projects would replenish the resource for a continuous cycle.
- The Transformation Pipeline and process was outlined and broken down into key stages as well as the structure in place and reporting lines.
- An overview of the current tasks within the Transformation Pipeline with tasks and their progress statuses.
- The importance of data and insight was outlined and the opportunities that such work would create.

The following comments were received by Members of the Committee, with clarity provided regarding the sustainability of funding, with it noted that though this wasn't an immediate risk or pressure, there was a recognition that once the reserve was gone and funding was not replenished through savings, then this would have to be built into the base budget. The notion of Transformation being never ending was discussed, with positive feedback placed towards the team.

Clarity was provided regarding how a culture change would be completed and how this would be completed through a top-down approach with a shift from systems thinking. Additionally, a complete restructure of the team had taken place, with an aim to move away from professional specialisms with a focus on role descriptions and skillsets. It was noted that the Corporate Peer Challenge had stated that the approach needed to be embedded and communicated, with conversations now taking place with heads of services. The toolset for departments to engage with the Transformation Team had been created in a way that would be easy with the governance in place also simplified. It was also noted that by nature the team was currently in a reactive position, however work was being done to be more proactive with two business partner posts recently recruited to, whose job would be to identify opportunities.

At the conclusion of discussion, it was,

Resolved:

The Overview and Scrutiny Management Committee agreed to note:

- 1. To note and welcome the information provided regarding the council's approach to transformation.**
- 2. For the Chair and Vice-chair to explore the merit of establishing a Transformation Task Group with a proposal coming to committee in due course.**

52 **Management Committee Task Groups**

A report was received on the Task Groups and Panels established by the Management Committee.

Evolve Programme Task Group

Cllr Jon Hubbard, Chairman of the Evolve Programme Task Group noted that having being through a testing period, Evolve was now in the final stages before going live and though it had been delayed by a week, the Payroll element was set to go live in March with the April deadline unable to be extended. It was noted that further work would be conducted by the Task Group following the project conclusion in April to consolidate and learn. Praise was placed towards officers for their professionalism and transparency throughout the process, with a willingness to listen to what was being said.

Cllr Ruth Hopkinson, Member of the Evolve Task Group, echoed that the openness and professionalism had been appreciated, however there were some lessons to be learned following the conclusion of the project, including matters relating to resourcing and procurement.

The Director of Legal and Governance reflected the comments made by the Chairman that the project could not have happened without Stuart Honeyball and Andy Brown, who had been a reason for the success.

Financial Planning Task Group

Cllr Pip Ridout, Chairman of the Financial Planning Task Group drew attention to the written report attached to the agenda pack.

After which it was,

Resolved:

The Overview and Scrutiny Management Committee agreed:

- 1. To note the update on the Task Group activity provided.**
- 2. To note the Financial Planning Task Group's forward work plan.**

3. To add Cllr Philip Whitehead to the membership of the Financial Planning Task Group.

53 Forward Work Programme

The Committee considered the forward work programmes for each select Committee, as well as updates from the Chairman for each Select Committee.

At the conclusion of discussion, it was,

Resolved:

The Overview and Scrutiny Management Committee agreed to note:

The updates on select committee activity and approve the Overview and Scrutiny Forward Work Programme.

54 Date of Next Meeting

The date of the next meeting was confirmed as 25 January 2024.

55 Urgent Items

There were no urgent items.

(Duration of meeting: 10.30 am - 1.40 pm)

The Officer who has produced these minutes is Ben Fielding - Senior Democratic Services Officer of Democratic Services, direct line 01225 718656, e-mail benjamin.fielding@wiltshire.gov.uk

Press enquiries to Communications, direct line 01225 713114 or email communications@wiltshire.gov.uk

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