

**MINUTES OF THE MEETING OF THE OVERVIEW & SCRUTINY COMMITTEE  
HELD ON TUESDAY, 4 OCTOBER 2016**

**COUNCILLORS**

**PRESENT** Derek Levy and Abdul Abdullahi, Nneka Keazor, Toby Simon, Terry Neville and Michael Lavender

**ABSENT** Katherine Chibah, Joanne Laban and Edward Smith

**STATUTORY CO-OPTTEES:** *1 vacancy (Church of England diocese representative), Mr Simon Goulden (other faiths/denominations representative), Mr Tony Murphy (Catholic diocese representative), Alicia Meniru & 1 vacancy (Parent Governor representative) - Italics Denotes absence*

**OFFICERS:** James Rolfe, Director, Finance, Resources & Customer Services.  
Claire Johnson, Governance & Scrutiny Manager  
Stacey Gilmour, Scrutiny Officer

**Also Attending:** Councillor Ertan Hurer, Councillor Dino Lemonides (Cabinet Member for Finance & Efficiency)

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**WELCOME & APOLOGIES**

Attendees were welcomed to the meeting.

It was noted that Councillor Toby Simon was substituting for Councillor Katherine Chibah; Councillor Terry Neville was substituting for Councillor Joanne Laban and Councillor Michael Lavender was substituting for Councillor Edward Smith.

Apologies for absence were received from the Co-optees Simon Goulden and Tony Murphy.

The Chair outlined how the meeting was to proceed and guided Members to focus on the Call-in – Cabinet Decision (6 September 2016): Revenue Monitoring Report 2016/2017 and questions would be taken on this item in relation to the ‘Reasons for Call-in’.

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**DECLARATIONS OF INTEREST**

No declarations of interests were put forward.

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**CALL-IN: REVENUE MONITORING REPORT 2016/2017**

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1. The Chair invited Councillor Hurer to elaborate on the reasons for the Call-In.
2. Councillor Hurer stated:
  - With regards to the first reason for the Call-In, which sought clarity on the £7.9m overspend this had now been explained in the Response to the Reasons for Call-In.
  - However, there were other aspects of the report that needed to be addressed. It was lacking in detail and further clarity and information was sought on many of the figures, comments and phrases contained within the report. There were also too many acronyms in the report
  - Reference was made to the various aspects of the report where further clarity and explanation was required. This included Appendix A3 where clarification was sought on the information provided regarding ICT, Unfunded MFD costs, Legal & Corporate Governance Services and Property Services.
  - Parts of Appendix A4 also required further detail. This included information on Strategy & Resources where a maximum figure for transport pressures was sought. Clarity was also sort on the Community Support aspect of the report and specifically whether the proposed savings around Housing Related Support had now been achieved.
  - There was confusion as to why there would be an overspend for SEN Transport this year when the service was anticipating the same level of expenditure as last year. Why therefore was the same figure as the previous year not budgeted forward?
  - With reference to Appendix B, it was felt that it would not be clear to someone looking at the report in isolation as to why more money was being borrowed from other Authorities etc. The report was lacking in detail and information to support these figures.
  - Reference was made to page 25 of the report; Financial Planning & Budget Setting Process. It was felt that it was dangerous to mention Meridian Waters as an income stream, when this particular project was so far in the future and would not therefore yield any fruit financially for a long while to come.
  - With regards to the penultimate paragraph on page 25 of the report, assurances were sought that the fees and charges detailed would not increase.
  - In conclusion it was suggested that there be a change to the template of the Revenue Monitoring Reports, to include much more detail and information thus ensuring that this issue did not reoccur and therefore avoiding the need to Call-In future reports.
3. The Chair invited James Rolfe (Director of Finance, Resources & Customer Services) and Councillor Lemonides (Cabinet Member for Finance & Efficiency) to respond as follows:

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James stated:

- The comment regarding acronyms was accepted and this would be addressed in future reports.
- A review of the whole ICT programme was currently being undertaken. Once IT packages had been stripped out and understood he said that they would be in a much better position to understand any ongoing risks and pressures.
- Clarification was provided on Unfunded MFD costs (Multi-Functional Devices). It was explained that there were still a number of assets to review in line with the smaller workforce and further analysis of usage was required.
- Overspend in Legal & Corporate Services was as a result of staffing costs which was driven by a demand for extra services. There had also been a reduction in grant from the Home Office for Citizenship Ceremonies.
- With regards to Property Services the variances were due to a shortfall in income and loss of income from vacant properties. A major piece of work was currently taking place to address some of these issues within Property Services to look at ways of maximising income over the next financial year.
- In relation to the Community Housing and Housing Related Support he advised that the decommissioning of the Supporting People Service had taken slightly longer than anticipated. However these savings had now been achieved.
- Further clarity was provided on the Health, Housing & Adult Social Care aspects of the report, and more detailed information was given on various areas including Adult Social Care, Strategy & Resources and other control measures.
- There had been bigger demands on SEN Transport which had resulted in an increase in spend. More detailed work was currently taking place in order to produce a more robust figure in this area for the next monitoring report.
- Information within the Financial Planning & Budget Setting Process part of the report reflects the reality of where we are at. Fees and charges are agreed every year in February by full Council in the Budget Report. Details of future fees and charges will be included in the Budget Report that will go to Council in February 2017.
- Although the point was mainly taken regarding Meridian Waters he pointed out that this was a long term financial gain for the borough. Land was already being rented out at the site and therefore generating income.

Councillor Lemonides stated:

- The report had come to Cabinet for noting in September 2016. However it was a misnomer that it had just been for noting. The expectation was that all Cabinet Members would set up regular meetings with their Directors to discuss and gain a better

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understanding of what pressures and issues were affecting each department.

- It was recognised that although the first monitoring report always presented a picture of doom and gloom, it also gave people a flavour of where the issues and pressures were. However these will be addressed as the year goes on. The next monitoring report would be coming to Cabinet on 19 October 2016 and more in-depth questioning was anticipated at this meeting.

4. The following questions and comments were then taken from Members of the Committee.

Councillor Neville commented that these papers are supposed to be easily read by a layman. It is therefore very important that these reports are written with lack of jargon and acronyms so that members of the public can understand them

Councillor Simon asked whether the next monitoring report would be month five or six. James Rolfe advised that it would be month five.

Councillor Lavender commented that none of the figures in the report should come as any surprise to Cabinet members. They should know what areas are red/amber and green and be discussing and exploring measures with their Directors to deal with the pressures and issues. He questioned where the 'proper' decisions were being made.

James Rolfe responded that the Audit Committee already takes 'deep dives' on particular risks. He agreed however that it may be useful in the future for the Audit Committee to look more closely at particular pressures.

Councillor Hurer felt that it needed to be clear what part of the report the Audit Committee would be asked to look at, e.g. risk, overspend or the whole report

The Chair agreed to look at the possibility of a joint meeting in the future between O&SC and the Audit Committee to look at the whole monitoring report in general,

**Action: Chair**

With regards to Property Services, Councillor Neville said that he assumed that someone within the Service was closely monitoring the budget and finances and feeding back accordingly.

Councillor Levy reminded members that this Called-In report was a monitoring report which is normally very much a headline report. He said that there is continued behind the scenes monitoring taking place and future monitoring reports will pick up any risks.

Further in-depth discussions took place and comments were made on the wider budgetary issues facing the council.

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5. Councillor Hurer summarised by stating that he formally proposed a compromise. As the next monitoring report was going to Cabinet in two weeks' time (19 October 2016) it was not worth referring this Called-In report back to Cabinet in this instance. He did however ask for assurances that the future reports contained much more detail and clarity based on the discussions tonight. He also requested that a further appendix be attached to future reports to cross reference other reports.
6. The Chair proposed therefore not to refer the report back to Cabinet, however with a caveat that future monitoring reports will have more detail and clarity. The suggestion was to accept the decision and see what the October Monitoring report shows and whether any of the pressures detailed in this Called-In report have been addressed.
7. Having considered the information provided the Committee **CONFIRMED** the original decision subject to future Monitoring Reports being more detailed and providing more clarity.

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### **ANY OTHER BUSINESS**

No other business was discussed.

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### **MINUTES OF THE MEETING HELD ON 8 SEPTEMBER 2016**

The Minutes of the meetings held on 8 September 2016 were **AGREED** by the Chair.

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### **DATES OF FUTURE MEETINGS**

NOTED the dates of future meetings as follows:

#### Business meetings

Tuesday 11 October 2016  
Thursday 10 November 2016

#### Provisional Call-In

26 October 2016