

SHOPSHIRE COUNCIL

PERFORMANCE MANAGEMENT SCRUTINY COMMITTEE

Minutes of the meeting held on 2 December 2015

2.00 - 3.30 pm in the Shrewsbury/Oswestry Room, Shirehall, Abbey Foregate,
Shrewsbury, Shropshire, SY2 6ND

Responsible Officer: Julie Fildes

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Present

Councillor David Minnery (Chairman)

Councillors Steve Davenport (Vice Chairman), David Lloyd, Joyce Barrow, Gerald Dakin,
Roger Evans and Vince Hunt

26 Apologies for Absence and Substitutions

Apologies for absence were received from Councillors A Mosley, D Tremellen and
Councillor Miles Kenny for whom Councillor H Fraser attended as substitute.

27 Disclosable Pecuniary Interests

None were declared.

28 Minutes of the meeting held on 21st October 2015

RESOLVED:

That the Minutes of the meeting of the Performance Management Scrutiny Committee
held on 21st October 2015 be approved as a correct record.

29 Public Question Time

No public questions were received.

30 Member Question Time

There were no questions from Members.

31 Consideration of the Financial Strategy

The Performance Manager confirmed that as agreed at the previous meeting of the
Committee, the other Scrutiny Committees had taken the opportunity to consider the
Financial Strategy and the Chairs of those Committees were present to present the views
expressed. He continued that once the Performance Management Committee had
received those responses, a submission to Cabinet would be formulated which contained
the views of the other Scrutiny Committees and any comments that the Performance
Management Committee wished to make.

Councillor Roger Evans expressed concern that Members of the Committee would not have the opportunity to comment on the report submitted to Cabinet on their behalf. He continued that he had not had the opportunity to view the reports from the other Scrutiny Committees prior to the meeting and he had not had sufficient time to consider the points made. The Chairman explained that there were no reports from the other Committees and each Chairman had an aide memoir which had not been circulated. He continued that the time frame for the consideration of the Financial Strategy before the Cabinet Meeting on 9th December 2015 did not allow the Committee to develop a full report, only the main points raised by each Committee were being submitted, as had been agreed at the previous meeting and was set out in the minutes of that meeting.

The Chairman continued that should Members be minded to establish the Budget Task and Finish Group proposed under Agenda Item 7 this would enable a more considered response. He added that the framework of Task and Finish Groups allowed more in-depth consideration of a matter than was possible within the Committee structure. Councillor Evans requested that members of the public be admitted to the task and finish group meetings. The Chairman responded that he did not have an issue with this.

In response to a request from Members the Finance, Governance and Assurance Officer outlined the information contained within the latest announcement from the Chancellor regarding funding of Local Government. He observed that the announcement had not contained detail, but the headline point had been that Councils would be allowed to precept up to 2% of Council Tax for Adult Social Care. Any precept funds would be ring-fenced for this purpose. The Chancellor had not announced any lifting of the Council Tax referendum limit of 1.99%, but combined with the precept this would result in Councils being able to increase Council Tax by 3.99% without having to call a referendum. He continued that there had also been an announcement on asset sales, with the benefit of capital receipts from assets sales to be used as revenue capital receipts on a one off basis.

The Finance, Governance and Assurance Officer continued that no further details had been released on the Government's proposal to allow Councils to retain funds raised through Business Rates expect that it was expected to be implemented by the end of the Parliamentary term and the uniform national multiplier would come to an end, although only devolved areas with an elected mayor would be able to increase the multiplier.

Responding to a Member's query, the Finance, Governance and Assurance Officer explained that the Settlement Figure from Central Government for 2016/17 was expected to be published around between the 14th and 24th December 2015.

Each Scrutiny Chair was then invited to relay the views of their individual Scrutiny Committees. Each Committee considered the Financial Strategy from their respective remit and took the opportunity to question the Directors and Portfolio Holders who attended the meetings. [The feedback notes are attached to the signed copy of the Minutes.]

There were a number of common themes in the feedback as well as some specific items pertinent to specific Committees. Members had noted that the details of the potential changes to the way services would change were not contained in the Financial Strategy,

however they recognised the scale of the challenge and found the sustainable Business Model useful and allowed the identification of high-level issues.

The Scrutiny Chairs talked of the interdependences between the breadth of the services provided by the Council and Members had highlighted their concerns regarding the risks of unforeseen consequences, where the reduction or cessation of a service could impact negatively on protected services.

Members of the Scrutiny Committees had highlighted the importance of continued infrastructure development and the need to retain and attract businesses to the County. Members had suggested that the Council should be proactive in the way it responded to opportunities to generate income to off-set the reduction in the Revenue Support Grant.

Members had expressed concern regarding the funding of Adult Social Care and the need for it to be put on a sustainable footing, they suggested that a system wide view should be taken to develop a robust long term solution. Members were also concerned that people receiving Council services should receive services of the same quality in the future, however they were provided and new ways of quantifying this were required.

All of the Scrutiny Committees had discussed the Big Conversation and had raised concerns regarding lack of Member involvement in developing the survey. There was also recognition that robust engagement to inform decisions was needed. Members highlighted the importance of community involvement in the process of transformation and the need for communities to understand the challenges and choices faced. Members identified this as a key role of the local Member.

The Scrutiny Committees had also considered their involvement in the Big Conversation and the role they played in engagement. They had identified opportunities for the formation of Task and Finish Groups to consider emerging topics and issues arising from the first phase of the Big Conversation. They had also identified that they were well placed to take part in the next phase of the process beyond April 2016, by assisting with the progress of the engagement activity.

A Member referring to changes to Children's Services outlined in the Financial Strategy asked for assurance that the funding cuts would not prevent the Council providing a safe service for children and that the available funding would allow service delivery. The Finance, Governance and Assurance Officer responded that the reduction in Council funding had to mean that key services whilst still being delivered had to be done differently. The Chief Executive commented that all Councils were in the same position and had made central Government aware that the reduction in finance put risk into the system that was not currently present, but he added that it was recognised that although it was a difficult situation there was not a correlation between money spent and outcomes. The Council need to achieve the best outcomes with the funding it had available. He continued that traditionally Councils had focused on service delivery, under the new regime the focus had to move to outcomes, and it was important that local communities understood that their role was transforming and they now played a part in delivering successful outcomes in many situations.

Members discussed the demography of the County and the growing number of people moving into the County to retire. Members suggested that planning policies should

promote the establishment of businesses and housing which would encourage young people and families to remain in the County.

Members requested more information on uncollected Council Tax. The Finance, Governance and Assurance Officer explained that unpaid Council Tax was not immediately written off, and in actuality only a small percentage of it was, steps were taken to obtain payment. He added that collection rates had improved but it had not been possible to significantly reduce the historic amount still owing.

In response to a Members concerns regarding the loss of services that acted to prevent more serious problems develop in the protected services, the Chief Executive responded that the importance of these services was understood and that CIPfA had pointed out that budget failure procced service failure, but for Councils there was legal requirement that service failure came before budget failure and this was a problem that the Council was addressing through the development of the Financial Strategy as neither budget or service failure were desirable and would be avoided. It was recognised that to continue providing the service things had to be done differently and the first step in the process was to engage the local communities in the process.

A Member expressed concern that the Big Conversation may not reach the more vulnerable members of the Community. The Chief Executive explained that they survey was the first step in the process and would give a direction of travel, workshops and focus groups would develop the initial findings and drill down to discover exactly what people were saying. There would be a concerted effort to ensure that the focus groups and workshops represented all parts of the community. A Member commented that it was important that communities understood the interconnectedness of services and the possible consequences of the choices they were making.

Member commented on the format of the Big Conversation questionnaire and its limitations. The Chief Executive explained that this was the first point of the process and would be used to stimulate real conversation. It was recognised that the challenges facing Local Government had to lead to societal and cultural change in communities with the Council supporting them in this.

The Chief Executive outlined the role of the Scrutiny process as he saw it, and the need for Scrutiny Committees to look at the budget and services in detail. Identifying gaps in information and data that was missing. Task and Finish Groups would be employed to consider the topics coming out of the Big Conversation Data.

32 Council Budget 2015/16

RESOLVED:

That the Budget 2016/17 Task and Finish Group be established.

33 Date/Time of next meeting of the Committee

It was noted that the next meeting of the Committee was scheduled to be held at 2.00pm on Wednesday 27th January 2016.

Signed (Chairman)

Date: