



Committee and Date

Transformation and
Improvement Overview and
Scrutiny Committee

Monday 4th December 2023

TRANSFORMATION AND IMPROVEMENT OVERVIEW AND SCRUTINY COMMITTEE

Minutes of the meeting held on 15 November 2023

**In the Shrewsbury/Oswestry Room, Shirehall, Abbey Foregate, Shrewsbury,
Shropshire, SY2 6ND**

Responsible Officer: Ashley Kendrick Democratic Services Officer
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Present

Councillor Claire Wild

Councillors Roy Aldcroft, Roger Evans (Vice-Chair), Joyce Barrow, Julia Buckley,
Rob Gittins, Alan Mosley and Peggy Mullock

20 Apologies

Apologies were received from Councillor Dan Thomas (substituted by Councillor Simon Jones), Councillor Tom Biggins (substituted by Councillor Roy Aldcroft) and Councillor David Vasmer.

21 Disclosable Interests

No declarations of interests were received.

22 Minutes of Previous Meeting

RESOLVED:

That the minutes of the Transformation and Improvement Overview and Scrutiny Committee held on 4 September 2023 be approved as a correct record.

23 Public Question Time

There were no public questions.

24 Member Question Time

There were no member questions.

25 Financial Monitoring 2023/24 Quarter 2

The Portfolio Holder for Finance and Corporate Resources introduced the report which detailed how the Council were preparing for the challenges which lay ahead.

The Executive Director for Resources explained how the net budget has grown by £20m compared to last year and that £51.4m of spending reductions had been targeted to contain our spending within this financial envelope. Of this target, £20.6m has been delivered by the end of September 2023 and a further £17.4m to be delivered by March 2024. Overall, this equates to £38.0m, or 74% of the target.

Members noted that demand-led services are forecasting significant budget pressures of £22.2m in the year, which are likely to continue into the coming year, leading to an overall overspend of £32.393m. It is therefore assumed for planning purposes that 90% of the total savings will be delivered (so £8.2m further delivery expected) and short-term funding will be identified to enable sustainable demand management approaches to be implemented in social care services (total: £20.5m), with necessary plans prepared to enable this. The resulting forecast at quarter 2 is therefore a likely overall overspend of £3.6m once key management actions are implemented. This will leave the General Fund balance at £23.4m, within the target range of £15m- £30m.

Members queried whether the monthly update was available for October. The Executive Director of Resources confirmed that it had been agreed to bring detailed reports at the end of each quarter as reports take approximately six weeks to prepare after the end of each period. It would not be possible to report in such detail monthly and therefore broad figures are brought monthly.

Members expressed concern regarding the demand mitigation - short term funding of £20m as it had not yet been agreed as to which measure would be used to address this shortfall; be it external funding, releasing of earmarked reserves, general fund balance or an alternative measure.

It was felt that vulnerable residents were seeing where cuts are being made to service provision and intervention due to budget pressures. It was suggested that individual cases should be put into writing to the Executive Director of People to investigate further.

Members noted that the transformation agenda was looking into demand and identifying emerging needs, as well as reducing costs whilst improving outcomes. The Assistant Director of Efficiency and Transformation confirmed that he would be happy to bring forward specific projects and how demand is being managed and what they are looking to deliver.

With regards to staff capitalisation, it was confirmed that deleted posts were vacant and this equated to 3% of the total staffing budget.

Members noted that further detail would be included in the Mid Term Financial Strategy update.

RECOMMENDED:

That members noted the current position as outlined in the report and requested the monthly financial update and further information on demand mitigation.

26 Performance Monitoring Report Quarter 2 2023/24

The Portfolio Holder for Culture and Digital introduced the report and advised that progress was being made in terms of the number of performance indicators and that there were 3 exceptions to report this quarter. Historical data had been added, which included several additional indicators relating to systemwide long term public health prevention outcome measures which are flagging as red HP5,11,12,15, an education indicator HEc19 and an environmental indicator HEn8. These indicators are mainly annual measures and reported in arrears and when new information is published the indicators and comments would be updated. If future exceptions occur, they would be reported to cabinet and relevant scrutiny in the corresponding quarterly report.

The Head of Service – Improvement presented the dashboards to members and advised that the Portfolio Holder, the Committee Chair and Cllr Roger Evans had met with her to add indicators that members would find the most relevant.

Concerns were raised with regards to the delays in replacing streetlights and it was suggested that an indicator for how many are still waiting to be replaced should be added. It was agreed that this should be investigated further by the Economy and Environment Overview and Scrutiny Committee to enable members to understand the issues surrounding delays, what can be done about them and to ensure that residents are kept informed of how long they will be without street lighting. Members were also advised that as part of the transformation work, a project was in the pipeline to understand the current state of contracts, any underperformance and how to solve issues to ensure a better third party spend. A request was received for a report on the outcome of the investigations of contractors.

A further suggestion was received to look at the Fix My Street system and how well the system is working.

RECOMMENDED:

That the report be noted and that the conversion of streetlighting and repairs is forwarded to the Economy and Environment Overview and Scrutiny Committee.

27 Financial Strategy 2024/25 - 2028/29

The Portfolio Holder for Finance and Corporate Resources presented the report, which had been updated following its presentation to the March 2023 meeting of Full Council where they approved the budget proposals for 2023/24 and the associated MTFS. This report would be taken to Cabinet for approval on 22 November 2023.

A query was raised regarding the minimum level of earmarked reserves that the council should hold to be “safe”. The Executive Director of Resources confirmed that earmarked reserves were held for specific reasons and therefore there was no clear minimum. They were for an identified purpose and could be redistributed if it was felt that the purpose was no longer valid or was no longer a priority. It was stated that the use of earmarked reserves would not solve long term budgetary pressures. The general fund balance should be maintained between £15m-£20m and keep a balanced position going forward.

The Chief Executive expressed his confidence in the strategy as the projections had been based on a worst case scenario. The Council were already seeing the benefits with 70% of the savings being delivered at this stage in the financial year which was a huge achievement.

RECOMMENDED:

That members noted the report.

28 Capital Strategy

The Portfolio Holder for Finance and Corporate Resources introduced the report and wished to reiterate to members that there was an anticipated £93.8m capital investment into the whole of the county, including £42m for highways, £30m for primary and secondary schools, £11m for housing, £11m for economic growth and broadband, and £4m for leisure centres.

The Deputy Portfolio Holder for Children and Education, who was a member of the Capital Strategy Task and Finish Group, advised members that the group would be carrying out a review of business plans as concerns had been raised that if they were not systematically reviewed, previous mistakes could be made and opportunities to learn could be missed.

It was confirmed that the Appendix to the report had been amended following an error approved at Council for the expenditure of £93m and it was reiterated that the Capital Strategy was aspirational for the future.

Members queried the following items:

1. £3.1m on IT replacement fund – whether this a one of cost or a recurring amount.
2. £25m for swimming provision in the Quarry to be replaced – when this had been agreed.
3. £41m for the relocation of Shirehall to a multiagency hub – it was thought that costs should be combined as a single project to get a better understanding of the overall costs involved.

Members were advised that there was a full business case for the IT replacement fund for a rolling three year contract which was more cost effective. Funds had previously been held in budgets within individual service areas but would now be funded as a capital project. This would keep the Council safe from cyber attacks and ensure staff had working equipment.

With regards to the swimming provision in Shrewsbury, it was confirmed that no decision had been made as to whether the provision would be relocated from the Quarry. Members were reminded that the swimming provision in the Capital Strategy had been unchanged from the report which was approved by full Council in March 2023. Members sought reassurance that no decision had been made and it was

RECOMMENDED:

That an additional recommendation be made to Cabinet for them to define the current position of swimming provision in Shrewsbury and that it be the subject of a deep dive by the Capital Strategy Task and Finish Group.

On being put to the vote, the motion failed. Members were reminded that questions could be raised at Cabinet to seek reassurance with regards to swimming provision.

It was therefore

RECOMMENDED:

That the Transformation and Improvement Overview and Scrutiny Committee recommend to Cabinet to:

1. Approve the updated priority and aspirational capital scheme schedules for inclusion in the draft Capital Strategy, ahead of wider Member engagement.
2. Approve progression of the schemes detailed in the priority capital scheme schedule to business case to develop and assure the associated costs and funding proposed.
3. Recommend to Council the approval of additional funding of £2.228m in relation to the Multi Agency Hub and the Pride Hill capital schemes which form part of the Shrewsbury Town Centre Redevelopment Programme.
4. Recommend to Council the approval of additional match funding of £0.647m in relation to the Council's LUF Round 2 grant award which requires total match funding of £5.043m, £4.396m of which has been previously secured / approved.
5. Note the considerations raised in respect of the future direction of the North West Relief Road (NWRR) and the Oxon Link Road (OLR) detailed at section 9.

29 Work Programme

Members received the work programme for 2023-2024 and were reminded of the two Task and Finish Groups, Capital Strategy and Transformation Programme; the first of which will report to the committee on 4th December 2023 and the latter on 19th February 2024.

Work programmes for the ensuing year would be considered in March.

It was queried whether the scheduled committee meeting on 10 January 2024 was still required.

A request was received for an updated outline of finances for October to be brought forward to the December meeting. It was confirmed that the Executive Director of Resources would provide a verbal update if a written report was not available by the deadline for agenda publication.

A further request was received for a future work programme item on contracts. This would be to look at the largest contracts, how costs and have changed, performance and whether best value is being achieved.

30 Date of Next Meeting

Members noted that the next meeting of the Transformation and Improvement Overview and Scrutiny Committee is scheduled to take place on Monday 4 December 2023 at 10am.

Signed (Chairman)

Date: