

## SWT Corporate Scrutiny Committee - 1 December 2021

Present: Councillor

Councillors Ian Aldridge, Benet Allen, Norman Cavill, Simon Coles, Habib Farbahi, Ed Firmin, John Hassall, Libby Lisgo and Loretta Whetlor

Officers: Emily Collacott, Paul Fitzgerald, Chris Hall, Jessica Kemmish, Sam Murrell, Alison North, Kerry Prisco, Andrew Pritchard, Malcolm Riches, Richard Sealy

Also Present: Councillors Dixie Darch, Ross Henley and Marcus Kravis

(The meeting commenced at 6.20 pm)

### 63. Apologies

Given that both the Chair and Vice-Chair of the committee had sent their apologies for the meeting it was proposed that Councillor Cavill be elected as Chair of the meeting. The Corporate Scrutiny Committee resolved to appoint Councillor Cavill as Chair of the meeting.

Apologies were received from Councillors Gwilym Wren, Nicholas Thwaites, Sue Buller and Barrie Hall.

### 64. Minutes of the previous Corporate Scrutiny Committee

It was raised that on page nine of the minutes in the agenda pack for the meeting, under the third bullet point from bottom of the page, the minutes referred to two innovation centres in the district, with one of them being the Rutherford Diagnostic Centre but it was a diagnostic centre rather than an innovation centre. It was suggested this be amended.

The Corporate Scrutiny Committee resolved to approve the minutes to the previous meeting subject to the correction on page nine being made.

### 65. Declarations of Interest

Members present at the meeting declared the following personal interests in their capacity as a Councillor or Clerk of a County, Town or Parish Council or any other Local Authority:-

Name	Minute No.	Description of Interest	Reason	Action Taken
Cllr N Cavill	All Items	West Monkton	Personal	Spoke and Voted
Cllr S Coles	All Items	SCC & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr L Lisgo	All Items	Taunton Charter	Personal	Spoke and Voted

		Trustee		
Cllr L Whetlor	All Items	Watchet	Personal	Spoke and Voted

66. **Public Participation**

There was no public participation.

67. **Corporate Scrutiny Request/Recommendation Trackers**

The Chair noted the recommendation trackers.

68. **Corporate Scrutiny Committee Forward Plan**

No comments were raised on the Corporate Scrutiny Committee Forward Plan.

69. **Executive and Full Council Forward Plan**

The Chair noted the Forward Plans.

70. **Corporate Performance Report Quarter 2 2021-22**

The portfolio holder for Corporate Resources introduced the report and raised the following points.

- The report provided an update on the Council's performance in quarter two and included an update against the council's Annual Plan at the end of the first six months of the financial year. Progress on the 31 commitments in the Annual Plan was included in the report as well as key performance indicators. Each action and indicator had been rated as red, amber or green based on whether they were on track.
- For the 31 Annual Plan Commitments, 21 were green, 10 were amber and none were red. For the key performance indicators 22 were green, 3 were amber and 4 were red.
- The corporate risks were also included in the report. There were four key business risks identified in the report based on information as at the end of September.
- The customer complaints statistics had improved. The average call wait times had slipped into red in the last month partly due to Recycle More which had resulted in a significant increase in the number of calls coming in. This had resulted in the key performance indicators showing as red.

During the debate the following points were raised.

- It was questioned why the Cyber-attack indicator in the report had changed to green. It was responded by officers that the cyber-attack indicator had changed to green because although the risk was still there, a mitigation plan had been created and was being implemented.

- It was asked what the criteria for indicators moving from red to amber or green were. It was responded by officers that the colour assigned to an indicator was based not only on a risk itself but upon the progress made in mitigating against the risk.
- It was questioned why the phosphate issue had changed to be green and amber.
- It was questioned whether an ecologist had been appointed to work on phosphates. It was also asked why phosphates was not categorised as red given the seriousness. It was responded that there were only two corporate issues and that phosphates was one of those two because of the level of seriousness of the issue. The phosphates issue was categorised as green and amber due to the progress on the action plan. Officers would provide a response outside the meeting regarding the ecologist position as the answer was not known.
- It was questioned how soon it is possible for an incoming call to be answered and how wait times can be improved. It was responded by the portfolio holder that the volume of calls from customers had increased. There was also a challenge from staff turnover. Officers would check whether the wait time for calls commenced from the automatic messaging beginning and provide an answer to members outside the meeting.
- It was raised that staff voicemails were sometimes full meaning messages could sometimes not be left if a call was not answered.
- It was questioned how many quality employment opportunities had the Council attracted in the last few years, in terms of productivity what was the percentage increase and in which sectors. It was suggested officers provide a response to this outside the meeting.
- It was questioned whether the average relet time of 44 days under homes and communities was normal.
- It was asked whether the asset management and completion of leases earlier than expected could be elaborated upon and clarification given.
- Fly tipping was raised as being a big issue and it was questioned what was being done to address this.
- Planning applications had been delayed due to phosphates, there were over 120 applications waiting to be decided so why does the report claim a high level of success. It was asked if officers could give a date for when these applications would be coming forward and say how many of the applications waiting were likely to go forward.
- It was raised that a feasibility study for Employment Land in West Somerset was mentioned in the report, and it was asked why a feasibility for the whole of the district was not being undertaken. It was asked where the budget for this study was coming from and whether it was revenue or capital funds.
- It was raised that the information to answer those questions was not to hand and officers would provide the answers to members after the meeting.
- Under homes and communities, we had a number of families staying in B&Bs for over six weeks, the report noted this was currently one family. It was asked if that family would be found suitable accommodation by the next quarter. Officers responded that the report noted that the family had been rehoused to suitable accommodation a few days after the six-week period.

- It was raised that on 3<sup>rd</sup> November the Corporate Scrutiny Committee proposed a motion to the Executive that a feasibility study was undertaken for the provision of an Innovation Hub based in Taunton and that the Council brought the result of the study back through the democratic path when completed. The funding for this proposal was to be found within the existing budget of 2021-22 if it was possible. On 17<sup>th</sup> November the Executive decided not to conduct any further feasibility studies for an Innovation Hub in Taunton. The Corporate Performance report mentioned further feasibility studies being undertaken in West Somerset. It was questioned why Taunton was not included in the feasibility study.

A motion that the Scrutiny Committee recommend to the Executive the following was proposed and seconded;

- 1) Clarify why a small part of the district with little infrastructure is taking precedent to the County Town of Somerset.
- 2) Clearly identify the costs both in terms of revenue and capital associated with these feasibility studies or business case studies in Minehead and West Somerset and future ones before January 2022.
- 3) Which sites in Minehead and West Somerset are being considered and where will it fit within the overarching plans for Somerset West and Taunton.

During the debate on the motion the following points were raised.

- It was questioned whether this was the appropriate time for this motion to be raised.
- It was raised that there was already work ongoing on creating an innovation strategy.
- It was raised that this motion would help to gain answers about why there was not also a feasibility study being done for an innovation centre or hub in Taunton.
- It was questioned why this motion was being raised as part of this agenda item. It was responded that the feasibility study in West Somerset was included as part of the report before the committee, and it was the job of the scrutiny committee to scrutinise.

The Corporate Scrutiny Committee recommended to the Executive;

- 1) Clarify why a small part of the district with little infrastructure is taking precedent to the County Town of Somerset.
- 2) Clearly identify the costs both in terms of revenue and capital associated with these feasibility studies or business case studies in Minehead and West Somerset and future ones before January 2022.
- 3) Which sites in Minehead and West Somerset are being considered and where will it fit within the overarching plans for Somerset West and Taunton.

Corporate Scrutiny Committee noted the report.

## 71. **2021-22 General Fund Financial Monitoring as at Quarter 2**

The portfolio holder for Corporate Resources introduced the report and raised the following points.

- The report detailed that the General Fund was forecasting an overspend of £437k. This was the second report of the financial year and there was normally change in the position by the end of the year. Covid and the pace of economic recovery continued to impact the Council.
- Raised that there had been a reduction in car parking income which was a concern. The number of people coming in and using the Council's car parks had not returned to pre Covid levels.
- Income had been impacted by Covid grants, in year underspends and budget volatility. For some underspends items were identified in the report where budget carry forwards had been requested due to the overflow of work into the next financial year. £437k of budget carry forwards were proposed if these were approved there would then be a nil variance.
- The Council remained in a strong financial position with adequate general fund reserves still forecast.
- The current forecast spend of this financial year was an overspend of £242k.
- Somerset West and Taunton Council's finances were robust compared to many other district councils. The Council had not had to cut services or staff during Covid. We had and would continue to have challenges to close the budget gap but we have options for doing this.

During the debate the following points were raised.

- Car parking losses from April to June were partially made up for by Covid grants. It was questioned whether there would be any further grants for the rest of the year? It was responded by officers that the scheme was a government scheme which was only for the first quarter.
- It was raised that some funds were taken from the emergency risk fund for car parking. It was responded by officers that we had our own reserves, including a risk and volatility reserve from which £517k was taken during quarter two to mitigate car parking loss.
- It was recognised that the change in parking behaviour had had a significant impact on income.
- It was asked for clarity about what we can and cannot do with income from parking and what it can be spent on. It was also requested for information about what the funds which are making up for the loss of car parking income are being used to fund. Officers responded that a Car Parking Review would be coming to a future meeting of the committee.
- An update on how well the asset management under External Operations and Climate Change was performing compared to previous years was requested. It was responded that officers will provide this information at a later date.
- It was questioned whether there was any room for improvement regarding voids under Housing and Communities.
- Investment properties were down by 1.3% and interest and investments had gone up by £243,000. It was asked whether this was because the Council

was over cautious and borrowing rates were more favourable. It was responded by officers that this was a combination of the commercial investment strategy and the legacy assets inherited by this council.

- It was asked if further elaboration could be given on the funds to the leisure contract budget and it was queried whether the Council were contractually obliged to support them. It was responded by officers that part of this was commercially confidential so could not be answered. The funds included in the report were a contingency whilst negotiations were ongoing with our partner who were going through the impacts of a pandemic. It was not an indication that those funds would be paid to the partner.
- The position of having both an overspend and underspend in External Operations and Climate Change was questioned. Officers responded that a significant number of savings had been made in External Operations leading to the underspend but the overspend was from car parking.
- It was asked if any government funds for Covid could be used for the leisure contract. It was responded that the funds from Sport England for Covid had been passed to the contractor already but that there had been no further rounds of funding available from Sport England.

Corporate Scrutiny Committee noted the report.

## 72. **Draft 2022-23 General Fund Budget Update**

The portfolio holder for Corporate Resources introduced the report and raised the following points.

- The initial MTFP projected an early indicative balanced budget for 2022/23. Through further reviews and updates pressures and other savings had been identified as detailed in the report. The most significant change was the major reduction in car parking income. There had been an increase in the budget gap. The current figure was still an estimate and based on assumptions as the Settlement was not yet known. Business rates retention estimates would also not be completed until January.
- The leadership team and Executive would revise the budget and share it with the committee in January.
- It was raised that closing the budget gap would be challenging but options to do so were available.
- It was suggested that the estimated cost of £1.375m for the implementation of the new unitary authority be funded from reserves. This would still leave reserves about the recommended minimum.

During the debate the following points were raised.

- It was questioned when it would be known about the local government settlement from government. It was responded by officers that it would likely be in mid-December.
- It was questioned what the budget setting process would be given Local Government Reform in Somerset. It was responded that officers are working

with the Executive to form Directorate Plans and then align these with the budget. This budget would go through Full Council as it had done previously. There would have to be a dialogue with the new authority and the Council must ensure that it was not making decisions which would fetter the new authority. Discussions would take place between the Section 151 Officers of each of the four districts and Somerset County Council.

- It was encouraged that a member briefing be held on the budget and Local Government Reform, potentially in mid-January.
- It was asked whether the increase in budget gap was related to Covid 19 and what the potential options for closing the budget gap were. It was responded by officers that both the immediate impact of Covid and the legacy of it had impacted the budget, for example through car parking income loss. Factors such as cuts in funding had also had an impact. The leadership team was working with the Executive on other options for closing the budget gap.
- It was asked what impact the business rate relief by central government had and would continue to have in future on the budget. It was questioned what support the Council would likely receive from the government. It was responded by officers that the details of the scheme for business rates relief was still awaited but that government had indicated they would compensate the loss of income to local authorities. Hinkley Point B being decommissioned would also impact upon business rates.
- It was asked what budget had been allocated to the Innovation Conference the Executive had resolved to hold next year. It was responded by officers that the sum had not yet been confirmed but it would be in the budget.
- It was questioned about changes to the New Homes Bonus and the impact of unitary upon it. It was responded that officers were awaiting an announcement on changes to the New Homes Bonus scheme from central government.
- It was asked what would happen in terms of business rates if businesses went under. It was responded by officer that businesses closing would impact business rates. If the Council's overall business rates fell below the minimum level set by government, then the government would pay the Council the funds, so the Council's position would be protected at the minimum level by that safety net. The budget had been based upon the minimum level but if the business rates were above the minimum level, then it would be a bonus.

Corporate Scrutiny Committee noted the report.

(The Meeting ended at 8.04 pm)