

Minutes of a meeting of the Corporate Overview and Scrutiny Committee held on Wednesday, 19 July 2017 at City Hall, Bradford

Commenced 5.30 pm
Concluded 8.10 pm

Present – Councillors

CONSERVATIVE	LABOUR	LIBERAL DEMOCRAT AND INDEPENDENT
BM Smith Riaz	Warburton Watson	J Sunderland

Apologies: Councillor Simon Cooke, Councillor Cath Bacon and Councillor Sue Duffy

Councillor Arshad Hussain in the Chair

1. DISCLOSURES OF INTEREST

No disclosures of interest in matters under consideration were received.

2. MINUTES

Resolved –

That the minutes of the meeting held on 5 April 2017 be approved as a correct record.

3. INSPECTION OF REPORTS AND BACKGROUND PAPERS

There were no appeals submitted by the public to review decisions to restrict documents.

4. REFERRALS TO THE OVERVIEW AND SCRUTINY COMMITTEE

There were no referrals made to the Committee.

5. COUNCIL TAX SUPPORT

The Strategic Director Corporate Services submitted a report (**Document “D”**) which looked at options for responding to the challenges for the operation and delivery of the Council Tax Reduction scheme.

The Service Manager, Revenue, Benefits and Payroll gave a summary of what a potential Council Tax reduction scheme could incorporate and look like, together with details of the approach taken by a number of other Councils on implementing revised arrangements, which were detailed in the report.

During the discussion, a number of issues were raised in relation to how the scheme in Bradford could be configured and what elements could best work in a Bradford context.

In the absence of details on a potential scheme, it was agreed that further modelling of the Council Tax Reduction Scheme was required prior to its consideration by the Executive, and that a further report should be presented to this Committee in August 2017.

Members made a number of comments/suggestions which are set out below in terms of what a potential scheme should incorporate, which in turn would inform the report presented to this Committee in August:

- That the Scheme should be a scheme that is phased in.
- That a scheme which has a 75% - 80% maximum entitlement could be an option.
- That the impact of any scheme would have to be closely monitored to ensure there was no disproportionate impact.
- Consult with 3rd sector organisations with a view to devising a scheme which addresses the needs and problems facing claimants and is not just administratively convenient.
- Some details of the financial modelling.
- Acknowledged that there were pros and cons to all the different schemes, however difficult to say at this stage what will work in a Bradford context.



- That the scheme has the potential to be modified in the light of experience, post implementation.
- Give example of a scheme in an Authority which is more comparable to Bradford.
- That any scheme had to be fair and help the people who were struggling.

Resolved –

That this Committee requests that the comments raised by Members be considered in further modelling of the Council Tax Reduction Scheme and that a further report be presented to this Committee in August 2017.

ACTION: Assistant Director Revenues, Benefits and Payroll

6. 2016-17 ANNUAL FINANCIAL AND PERFORMANCE REPORT

The Strategic Director Corporate Services submitted a report (Document “A”) which gave Members an insight into the Council's overall position at the end of the 2016-17 financial year by integrating finance and performance information. It provided a detailed statement of the final financial position of the Council at the 31 March 2017 as well as the annual outturn for the Corporate Indicator Set. The report specifically detailed how Services were performing within the context of the Council's stewardship of its revenue resources.

The Policy Programmes and Change Manager explained that in relation to performance this was a retrospective look at last year's performance and in summary, of the 43 indicators that have targets, 25 were on target, 8 were within acceptable variance and 10 were below target.

Details of those areas of good and improving performance as well as those areas of underperformance were alluded to and detailed in appendix 1 to Document “A”.

In relation to Finance, the Strategic Director Corporate Services stated that in 2016/2017, the Council underspent the approved net budget of £378m, by £0.3m in line with previous forecasts. The Strategic Director alluded to the significant variance within the overall total, with Children's Services overspending by £3.5m and a £3.7m overspend within Adult Services respectively, the details and the reasons for this overspend were set out in the report. In addition the Capital expenditure together with the reserves position were also set out.



In conclusion the overall financial results were good as was performance, in the context of the difficult financial climate and the on-going reductions in Government funding.

During the discussion, the Chair ascertained that in relation to performance, 15 indicators were below target and therefore what measures were being put in place to address them. In response the Policy Programmes and Change Manager explained that a number of concerns in relation to the below target indicators were set out in the report, together with what remedial action would be taken to bring them on target.

In relation to a question on how future budget reductions would impact on performance, the Policy Programmes and Change Manager acknowledged that the financially challenging environment would affect some areas of performance, and the outcome boards had highlighted this issue and discussed what measures could be put in place to mitigate them, and therefore constant monitoring was taking place.

A Member suggested that the red, amber and green rating should have been used within the performance report to gauge a better understanding.

In response to a question regarding the overall financial position, the Strategic Director Corporate Services explained that the value of the savings to be achieved last year had not materialised and there was now an imperative to get this plan back on target, in addition the contingency situation was getting critical and Council Management Team had acknowledged this. He added that a key question in looking at the budget was how we contain the cost of Adult Social Care?

In relation to a question on Business Rates collection and the appeals process, the Strategic Director explained that more appeals to the Valuation Office were looming and this was having a corresponding impact on collection rates, for which we had little control.

In response to a question on what the Council was doing to address the issue of empty business premises, the Service Manager, Revenues, Benefits and Payroll stressed that the Service would always endeavour to collect business rates from empty premises, unless bankruptcy proceedings had been initiated, and in addition work was on going with the business section to try and find tenants or alternative uses for empty premises.

In addition it was stressed that the Service would always endeavour to recover outstanding tax and any write off of debt would be done as a last resort.

In relation to the revenue raised by Theatres, a Member suggested that people were willing to pay an additional fee for international events and the Council should further look at hosting more of these type of events.



In relation to a question on why direct net costs in relation to libraries had gone up when the number of libraries had decreased, the Strategic Director Place explained that costs had increased slightly in this area, however the number of loaned out items were decreasing.

A Member raised a number of concerns regarding how services were configured and how tendering of services added additional cost to service provision in a number of areas.

Resolved –

That officers be thanked for submitting a comprehensive report and for providing detailed responses to Members' questions.

ACTION: No Action

7. FIRST QUARTER FINANCIAL POSITION STATEMENT FOR 2017-18

The Strategic Director Corporate Services submitted a report (**Document “B”**) which provided Members with an overview of the forecast financial position of the Council for 2017-18.

It examined the latest spend against revenue and capital budgets and forecasted the financial position at the year end. It stated the Council's current balances and reserves and forecasted school balances for the year.

In explaining the financial position, the Strategic Director stated that based on the 31 May 2017 projection, the Council was forecasting that spend would be £10.5m above the approved budget of £375.2m, however this was based on information which was gathered at an early point in the financial year and the ultimate outturn position would depend on what actions are taken to mitigate the projected overspend. The main pressure points in terms of service areas related to Adult and Children's Services.

The Strategic Director also drew attention to the reserves position and the capital investment programme, as well as the Council Tax/Business Rates collection rates.

In response to a question on the projected overspend, the Strategic Director Health and Wellbeing explained that the primary overspend was related to her service area, and in addressing this overspend a number of work streams were being looked at, including a shift in delivery of adult social care to support more people in their own homes rather than in a residential setting. In addition working with our health colleagues to achieve the best outcomes for older people who were in hospital.



Resolved –

That officers be thanked for submitting a comprehensive report and for providing detailed responses to Members' questions.

ACTION: No Action

8. MEDIUM TERM FINANCIAL STRATEGY 2018/19 TO 2020/21 AND BEYOND

The local government sector continues to face various challenges amidst a backdrop of uncertainty. Last year the Council recognised that the financial landscape could totally shift and in response embarked on a planning journey to allocate its budget across the key priority outcomes for Bradford Council and the District. The report of the Strategic Director Corporate Services (**Document "C"**) set out the financial envelope for the Council to deliver its key priorities as set out in the revised Corporate Plan based on assumptions made from the relevant data available.

The forecast identified for planning purposes that savings need to be identified of £12.4m in 2018/19 in addition to the £20.7m agreed in February 2017. In the following year the gap increases to £20.1m in 2019/20 and then up to £45.8m by 2023/24. This forecast reflected the risks associated with delivering the Council Plan 2017-2021 in particular the challenges of the costs of social care.

The Medium Term Financial Strategy focused on how the Council intended to respond to the forecasted public sector funding reductions as a result of the on-going austerity measures imposed by the Government's spending plans. It set out the approaches and principles the Council will follow to ensure the Council remains financially viable and delivers on its priorities.

During the discussion, a Member ascertained that capital funding had been set aside for income generation purposes and how was this ambition going to be realised. In response the Strategic Director Corporate Services explained that a figure had been set aside within the Capital Plan to buy investments that would yield a profit. He stressed that these investments were selective and chosen in a way that they were secure, reliable and afforded the Council an income opportunity, adding that the Council were constrained in what investment opportunities it could pursue.

Resolved –

That officers be thanked for submitting a comprehensive report.

ACTION: No Action



9. CORPORATE OVERVIEW AND SCRUTINY COMMITTEE - DRAFT WORK PROGRAMME 2017/18

The Chair of the Corporate Overview and Scrutiny Committee submitted a report (**Document “E”**) which included proposed items for the Corporate Overview and Scrutiny Committee draft work programme for 2017/18. The Committee was asked to consider which items it wished to include in the work programme.

Resolved –

- (1) That suggested items for inclusion in the work programme be communicated to the Overview and Scrutiny Lead.**
- (2) That Hate Crime be included for consideration in the 2017-18 Corporate Overview and Scrutiny Committee Work Programme.**

ACTION: Overview and Scrutiny Lead

Chair

Note: These minutes are subject to approval as a correct record at the next meeting of the Corporate Overview and Scrutiny Committee.

THESE MINUTES HAVE BEEN PRODUCED, WHEREVER POSSIBLE, ON RECYCLED PAPER

