

STRATEGIC OVERVIEW & SCRUTINY COMMITTEE

MINUTES

THURSDAY 2 JANUARY 2020
GIPPING ROOM, GRAFTON HOUSE
6.00 PM

Present: Councillors C Allen, S Gage, J Gibbs, T Grant, S Handley, D Heaps, C Shaw, C Smart, J Smith, E Harsant, R Pope, T Lockington and S Connelly (Substitute)

23. Apologies for Absence

Apologies for absence were received from Councillor Maguire.

24. Minutes of Previous Meeting

It was RESOLVED:

that subject to the replacement of 'Property and Development' with 'Environment and Transport' in paragraph 21.1 the minutes of the meeting held on 24 October 2019 be signed as a true record.

25. Declarations of Interest

There were no declarations of interest.

26. To Confirm or Vary the Order of Business

26.1 The Chair noted that the Cross-Authority report on Suffolk Cross Authority Task and Finish Group - Citizens Advice would be considered under the Work Programme item.

It was RESOLVED:

that the Order of Business be as printed on the agenda.

27. Budget Proposals 2020/2021 Onwards

- 27.1 The Head of Finance and Revenues gave a presentation on the Council's Budget Proposals for 2020/21 onwards. The key points from the presentation were:
- Three rules had been used to guide the Council's budgetary plans, which were: reserves should be available to cover a fifth year, taking into account the minimum balance required; the budget gap in the fourth year of the forecast should be less than £1m in total; the amount of unidentified savings to be less than set out in the previous year's MTFP.
 - The Local Government Funding Settlement had been largely in line with expectations and the arrangements which had been in place since 2015, although the Council would lose money as a result of the reduction in New Homes Bonus funding.
 - That only a one year settlement had been agreed by Government which meant that it was harder for Councils to plan for the future.
 - The Council Tax Referendum Limit was to be set at 2% for 2020/21.
 - The increase in the borrowing rate from the Public Works Loan Board would mean that the Council's Capital Programme would cost more to deliver.
 - The budget gap, if cost pressures were absorbed and no action was taken to improve the position, would be £22.835m by the end of 2023/24.
 - The 'Big Ticket' savings programme would continue, with a combination of this and reserves being used to balance the budget.
- 27.2 Councillor Pope commented that the Council had not achieved its 'Big Ticket' savings targets and asked whether these were likely to be met in the future. The Chief Executive explained that whilst in 2019/20 the target had not yet been achieved, and might not be achieved in full, over its lifetime the 'Big-Ticket' savings programme had delivered £4.7 million in savings which exceeded the original target. The Chief Executive also noted that the budget proposals had included provision for the 2019/20 'Big-Ticket' savings target not being met.
- 27.3 Councillor M Cook commented that it was prudent to include 'Big-Ticket' savings in the budget proposals as over many years they had exceeded their targets. Councillor Cook said that the Council's financial planning was effective, noting that when the present administration had come into power there had been sufficient reserves left to balance the budget for 4 years and that now, 9 years later, there were still more than 4 years' worth of reserves left.
- 27.4 Councillor T Lockington asked whether planned future borrowing would be affected by the increase in the interest rate on loans from the Public Works Loans Board. Councillor M Cook noted that the increased cost would need to be mitigated, although it was possible that loans from the Municipal Bonds Agency might be available at better rates than could be obtained from the Public Works Loans Board.
- 27.5 Councillor Gage asked how the Council's financial position compared to other District and Borough Councils. Councillor M Cook explained that Ipswich Borough Council had a more diverse income stream than most similar

- Councils, partly as a result of the direct provision of a wide range of services and the fees and charges income which resulted from this, and partly because of the income provided by the Council's companies. The Head of Finance and Revenues noted that all Councils were having to use reserves to balance their budgets.
- 27.6 Councillor Gage asked what the financial impact of the Council's investment strategy was. Councillor M Cook explained that the Council had £2-3 million more funds annually than it would if it had not set up the companies.
- 27.7 Councillor C Smart asked whether the increase in the Public Works Loan Board rate would have a ripple effect on other loan rates. The Head of Finance and Revenues explained that this was unlikely and that it was hoped that the Municipal Bonds Agency would actually be able to lend at a lower rate than the Public Works Loan Board.
- 27.8 Councillor Allen asked whether there would be a point at which the Council would not be able to reduce its expenditure any further without impacting on front line services. Councillor M Cook explained that the administration would do everything it could to protect front line services but that with the size of cuts which the Council had faced, and continued to face, this would not be possible for ever.
- 27.9 Councillor Harsant asked whether the Local Government Association had lobbied for a better settlement on behalf of Councils. The Chief Executive explained that the Government had chosen to protect the budgets of County Councils and Unitary Authorities, which provided Social Care services, and that District and Borough Councils were therefore affected significantly.
- 27.10 Councillor T Lockington asked whether Ipswich Borough Council would follow Suffolk County Council's approach of cutting discretionary services. Councillor M Cook explained that the administration aimed to protect all front line services as far as possible and commented that Ipswich Borough Council now ran and paid for many services which Suffolk County Council had cut. Councillor Cook noted however that the increased budgetary pressure meant that it would be much harder to mitigate Suffolk County Council's cuts in the future. The Chief Executive noted that providing statutory services in alternative ways could save significant amounts of money and that Ipswich Borough Council provided many discretionary services, but with fees and charges covering the costs of these services.
- 27.11 Councillor C Smart noted that the referendum limit for Council Tax rises had been reduced to 2% and asked if the Portfolio Holder for Resources had any comment to make on this. Councillor M Cook noted that most Councils were proposing to raise their Council Tax by the maximum which showed that they were facing significant financial pressure and would probably choose to raise Council Tax by more if they were able to do so.
- 27.12 Councillor Pope asked what level the Portfolio Holder for Resources would like to raise Council tax by. Councillor M Cook explained that he wanted to keep

any Council Tax increase to the minimum possible whilst protecting front line services.

27.13 The Chair asked whether there would be any financial benefit in outsourcing some of the Council's services. Councillor M Cook explained that this had been looked into in the past but that outsourcing didn't deliver best value for the Council and was typically inflexible to residents' needs.

27.14 The Chair thanked the Portfolio Holder for Resources and the Head of Finance and Revenues for their attendance and engagement with the Committee.

28. OS/19/08 Quarter Two (Six Month) Performance Data 2019/20

28.1 Councillor Rudkin introduced the report, explaining that the statistics were presented for the Committee's information and to help members to scrutinise the performance of the Executive. The Head of Sport and Programmes noted that the covering report contained an error in that the data was actually to the end of September, rather than August as stated in the report.

28.2 Councillor Pope asked whether the number of invoices received without purchase orders showed a lack of control over purchasing. Councillor M Cook explained that the Council had made a number of changes to increase control over purchasing, including introducing the 'No PO, No Pay Policy' and appointing a new contracts officer in the procurement team to enforce this. Councillor Cook noted that there had been an issue with purchasing for many years and that significant efforts were now being made to improve this.

28.3 Councillor Rudkin noted that questions on specific performance measures would need to be addressed to the relevant portfolio holder, either when they attended the Strategic Overview and Scrutiny Committee to give their annual update or by email.

28.4 Councillor Gage commented that performance in the Planning Service continued to be excellent and asked that the officers be congratulated on their work. Councillor T Lockington commented that whilst none of the Council's planning determinations had been overturned in the period this might suggest that the Council was not refusing marginal applications where it might. Councillor Connelly commented that officers did very good work to ensure that Councillors had good advice and could make decisions, including decisions to refuse permission, which were not overturned on appeal.

29. OS/19/09 Annual Portfolio Holder Update - Sport and Culture

29.1 Councillor Rudkin introduced the Annual Update on the Sport and Culture portfolio. Key points made were:

- There had been improvements to the reporting of Health and Safety incidents which had contributed to an increase in the number of incidents recorded.

- The proportion of online bookings had increased, but there were a range of different issues about how residents liked to make bookings which needed to be considered alongside the aim to move transactions online.
 - The range of classes and exercise options continued to change to meet demand but it was difficult to programme classes to fit with emerging trends.
- 29.2 The Chair asked whether there was any sign of the saturation of gyms around Ipswich reducing. Councillor Rudkin explained that there had been a few closures of gyms and that customers now wanted shorter contracts and more flexibility. Councillor Rudkin confirmed that a range of deals were offered and that membership options had been reviewed.
- 29.3 Councillor Pope asked what was done to reduce the risk of accidents. Councillor Rudkin noted that the Health and Safety Committee considered this in detail and reassured Councillor Pope that lots of work was done to prevent accidents and that lessons were learned from those incidents which took place. More detailed information could be shared with Councillors who were interested in this issue.
- 29.4 Councillor Pope noted that LI078c, which related to participation in disability activities, was under target and asked what was being done to improve this. Councillor Rudkin explained that dementia friendly swimming sessions had been introduced at Fore Street Pool, and that a range of classes were available and these were being publicised. Councillor Rudkin noted that Crown Pools was the best place in Suffolk for disabled people to go swimming, although she noted that its popularity during the summer had made it more difficult for some people with disabilities to use.
- 29.5 Councillor Pope asked whether the Council would consider running Autism friendly swimming sessions. Councillor Rudkin confirmed that this would be considered and that any such sessions would be notified to local schools.
- 29.6 Councillor Heaps noted that the marketing for the Sports and Leisure service was very good but that his experience of trying to use the online booking system had not been. Councillor Rudkin agreed that there were improvements needed to much of the Council's website.
- 29.7 Councillor Gage asked whether the Council tracked whether those who were given free summer iCards stayed on as members or rejoined at a later date. Councillor Rudkin confirmed that the Council did track these figures and suggested that it might be an interesting area for further scrutiny.
- 29.8 The Chair thanked Councillor Rudkin and the Head of Sport and Programmes for their attendance and answers.

30. OS/19/10 Annual Portfolio Holder Update - Resources

- 30.1 Councillor M Cook introduced the Annual Update on the Resources portfolio. Key points made were:

- The Audit Team continued to do very good work to identify fraud and help the Council to fix weaknesses in its processes.
 - Human Resources and Legal and Democratic Services had moved out of the portfolio since the last annual report.
 - The Agile Project was rolling out Office 365 and Skype for Business which would make it easier for officers to work collaboratively and, it was hoped, enable the Council to reduce its floorspace requirement.
 - The improvements to the Council's Agresso system had enabled managers to be more aware of spending in their areas.
 - The Finance Team had managed to produce the Council's accounts in accordance with the reduced timescales and had improved the Medium Term Financial Plan Monitoring reports which were submitted to Executive and the Audit and Governance Committee.
 - The completed restructure within the Finance Team would allow for a greater focus on contract management and procurement. An early example of this work was that the number of contracts on the contracts register which were exceeding their term had been reduced from 48% to 2%.
- 30.2 Councillor Pope asked what was being done to achieve the 'Big-Ticket' savings related to procurement. Councillor M Cook explained that savings had been being made for some time but that these had not been recorded against procurement as this recording relied on the recently refreshed contracts register.
- 30.3 Councillor Pope asked whether the procurement savings target would be achieved by the end of the financial year. The Head of Finance and Revenues explained that good progress was being made and that it was anticipated that a significant saving could be made on the insurance contract.
- 30.4 The Chair thanked Councillor Cook and the Head of Finance and Revenues for their attendance and updates.

31. OS/19/11 Work Programme 2019/20

- 31.1 Councillor Harsant explained that the Suffolk Cross Authority Task and Finish Group on Citizens Advice had produced a draft report which had been circulated. Councillor Harsant noted the value of the work of Citizens Advice and asked Councillors to comment on the paper so that she and Councillor Gage, who were members of the Task and Finish Group, could feed this back.
- 31.2 Councillor Gage commented that through participation in the Task and Finish Group she had seen clear evidence of the value of the work done by Citizens Advice both to individuals and to government agencies and felt that the group should recommend that current funding levels be maintained.
- 31.3 Councillor T Lockington asked whether Citizens Advice had suggested what alternatives they had if funding was cut. Councillor Gage explained that a range of options existed but these were likely to lead to worse provision for residents and would represent, in her view, a false economy.

It was RESOLVED that:

- (a) The Suffolk Cross Authority Task and Finish Group should be advised that the view of IBC's Strategic Overview and Scrutiny Committee is that the Task and Finish Group should actively consider recommending to Suffolk County Council that it meets the basic core funding needs of Suffolk CAB's by agreeing to continue its grant for 2020/2021 at at least £184,000 per annum; and**
- (b) The Suffolk Cross Authority Task and Finish Group should be advised that the view of IBC's Strategic Overview and Scrutiny Committee is that the Task and Finish Group should actively consider recommending to the Clinical Commissioning Groups and Suffolk County Council that they work together to ensure that – between them - a minimum of £368,000 is granted to Suffolk CAB's annually beyond 2020/21; and**
- (c) Ipswich Borough Council's Executive's attention should be drawn to the Task and Finish Group paper when it considers its allocation of Community Cash Grants for 2020/21 onwards and that Executive is advised that the view of the Council's Strategic Overview and Scrutiny Committee is that, having regard to the Suffolk Cross Authority Task and Finish Group paper, Executive should seek to avoid any reduction to the current £95,000 per annum grant to Ipswich and District Citizens Advice Bureau when it considers its cash grant allocations for 2020/21; and**
- (d) The Suffolk Cross Authority Task and Finish Group should also be advised of point (c) so that all districts are aware of the view of IBC's Strategic Overview and Scrutiny Committee on the Borough's potential cash grant allocation to Citizens Advice.**

31.4 Councillor Harsant explained that there had been a few changes to the work programme to accommodate Highways England and the Suffolk Health Scrutiny Annual Report.

It was RESOLVED:

that the Work Programme for 2019/20, attached at Appendix 1 to report OS/19/11, be approved.

The meeting closed at 7.45 pm

Chair