

Scrutiny Panel

Tuesday, 15 October 2019

Attendees: Councillor Kevin Bentley, Councillor Tina Bourne, Councillor Beverly Davies, Councillor Paul Dundas, Councillor Chris Hayter, Councillor Sam McCarthy, Councillor Lorcan Whitehead
Apologies: Councillor Mike Hogg
Substitutes: Councillor Lesley Scott-Boutell (for Councillor Mike Hogg)

230 Minutes of Scrutiny Panel meeting 29 August 2019

RESOLVED that the minutes of the meeting held on 29 August 2019 be confirmed as a correct record.

231 Decision Made Under Special Urgency Provisions – Contract for Fleet Maintenance

Richard Block, Assistant Director (Environment) introduced the item and explained the reason for the use of special urgency provisions in the making of the decision. The procurement process for a new fleet maintenance contract had commenced over 12 months ago, had been a comprehensive process which included market engagement and follow-up work with interested parties, but had garnered only one bid, which had come from the current provider of fleet maintenance services.

Significant time had been spent on negotiating the contractual terms, but this had left insufficient time to go through the normal decision-making process and call-in period before the then-current contract would have lapsed.

The Chair confirmed that she had signed off the decision, but that very little time had been given for her to consider the item and ask questions. It was noted as regrettable that only one bid had been received, and that the scheduling of the latter part of the tendering process had been such that full scrutiny of the decision had not been made possible.

RESOLVED that the Panel noted the decision taken under special urgency provisions.

232 Local Council Tax Support 2020 - 2021

It was noted that there were no substantive alterations proposed to the Council's scheme for Local Council Tax Support, compared to the 2019-20 scheme. It was confirmed that Cabinet had reviewed the scheme and are satisfied that no changes have been made since last year.

RESOLVED that the Panel had reviewed the proposed Local Council Tax Support scheme commencing 1 April 2020.

Business Rates Retention and future arrangements

Councillor Bentley (by reason of being a business owner within Colchester Borough) declared a non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7 (5).

Paul Cook, Interim Head of Finance and 151 Officer, introduced the item and informed the Panel that the collection performance of the Council had been shown to be good. Further information was given regarding the technical consultation being carried out on the Government Policy to make local authorities more dependent on Business Rate income, and it was noted that the report looks at the related issues and the approach taken by Colchester Borough Council.

A clarification was made that, at 5.3 of the report, the '50% share of collecting the baseline' quoted, should have been noted as referring to the 50% share of business rates which goes to the Borough Council, County Council and local Fire Authority. This was then broken down into 40% of Business Rate income going to Colchester Borough Council, 9% going to Essex County Council and 1% being assigned to Essex County Fire and Rescue Service.

Councillor King, Portfolio Holder for Business and Resources, informed the Panel that there is currently wider uncertainty regarding future local authority finances, with a current consultation underway into the balance of shares of income and streams of finance between upper and lower tier local authorities. Central Government is looking across the board at the balance of local authority funding.

In answer to questions as to whether the Council could vary the business rates for which it had a responsibility to collect, the Portfolio Holder for Business and Resources confirmed that the Council could not vary business rates, but did have some flexibility to apply discretionary relief, such as when attempts are made to encourage businesses to move into empty units.

Detail was requested as to what cooperation with other local authorities in the region was currently being carried out, and what financial planning had been undertaken for the future. The Portfolio Holder for Business and Resources explained that work and consultation regarding plans for the future had continued and the details of this would be disclosed for wider consideration when ready. The importance of prudence was stressed when making projections of the future. An example is the assumption made that there would be a reduction in the Council's ability to rely on funding from the New Homes Bonus.

The Interim Head of Finance detailed the ongoing technical consultation by the Government into local authority financing, which had recommended that the ability of central government to levy a negative revenue support grant on local authorities be ceased.

In answer to questions relating to cooperation with other local authorities in the area, the Interim Head of Finance explained that the Essex Business Rates Pool continued to operate and successfully provide savings to the partner authorities.

The Panel remarked that the Government's approach needed to be unveiled and explained before in-depth planning and scrutiny could be conducted in regard to the collection and retention of business rates. The Panel urged the Government to give clarity in this area as soon as was possible. The Panel also requested that Cllr King arrange for a training and briefing session to be arranged for all elected members on the subject of business rates, and future considerations and planning relating to it. A member of the Panel suggested that this could be done in a Full Council meeting and local businesses invited to attend and take part in giving their views. The Portfolio Holder consented to consider how best to carry this out early in the following year.

RECOMMENDED to the PORTFOLIO HOLDER for Business and Resources that a training/briefing session be arranged, potentially as part of a Full Council meeting, for all elected members on the subject of business rates, and future considerations and planning relating to it.

RESOLVED that the Scrutiny Panel had considered the report on future business rates arrangements.

234 Scrutiny Panel Work Programme 2019-20

The Chair briefed members of the Panel on discussions which she had held with officers regarding potential ways to adopt new elements of best practice and improve the way the Scrutiny Panel operates.

Discussions had been held in regard to whether the reporting of financial data and items could move to exception-based reporting, rather than bringing full reports to the Panel each year, mostly showing where performance was either better than expected, or in-line with expectations/Key Performance Indicators. Owen Howell, Democratic Services Officer, confirmed that he had discussed the options with Andrew Weavers, Monitoring Officer, and that it was the officers' opinion that the statutory duty for the Panel to scrutinise the Council's financial performance would mean that the Panel would need to continue to receive full reports on Council finances, which would give the public assurance that full scrutiny and oversight were being carried out, and to allow members of the public to raise their own queries at public meetings for the Panel to consider in its deliberations.

A number of new items and changes were put forward for the Work Programme 2019-20:

- The North East Essex Health and Wellbeing Alliance presentation would be put back to 17 March 2020, to allow for a full year of its work to be reported on.
- A presentation on the Council's approach to, and preparations for, Brexit to be scheduled for 12 November 2019.
- A report on the Budget Strategy for 2020-21 to be brought before the Panel on 10 December 2019.

The Panel noted that in some other local authorities, the biannual performance reports brought to Scrutiny were presented by all portfolio holders and assistant

directors. Although this was more difficult to organise, the Panel considered that this could allow for more information to be given to the Panel and the public, and better scrutiny conducted. It was considered that this approach could increase accountability, promote sharing of best practice, show how different portfolios and service areas related to each other, and give assurance that Cabinet members understood their portfolios. Concern was, however, raised that the invitation of all Cabinet and Assistant Directors would make a meeting unwieldy and very long.

The Panel was asked to consider whether it would be best to focus in-depth scrutiny of the December Half-Year Performance Report on a selection of two or three portfolio or service areas. It was suggested that Panel members should be given an advanced copy of the draft report, to see where concerns may lie, and identify which Portfolio Holders to invite to the meeting.

A request was made by the Panel for scrutiny of Council asset management to be added to their work programme, to allow the Panel to examine the authority's use of its property and land portfolio and ensure that this is being put to best use. It was posited that this had been examined by the now-retired trading board. The Portfolio Holder for Business and Resources agreed that the scrutiny of asset management would be in line with the importance of showing that assets were being used well to maximise the Council's income.

A further suggestion made was that the Scrutiny Panel should examine the work, resourcing, objective-setting and achievements of the Council's task & finish Groups. A number of specific areas for enquiry were raised, including how to ensure that resourcing is sufficient, that value is being achieved by the Groups and that they are working within their terms of reference and are disbanded once their objectives are achieved. It was noted that task and finish groups can help backbench councillors to contribute and provide advice and recommendations to the Executive, and that it was important to ensure that the right objectives and constructive approach were set in place.

The Scrutiny Panel resolved to hold an additional meeting in February so as to discuss and scrutinise the current operation of task and finish groups by Colchester Borough Council. The Panel requested that the Democratic Services Officer draw up a questionnaire for each group to complete, and to first circulate this to Scrutiny Panel members for comment. Following this, the Panel directed that the Chairs of each task & finish group would be asked to attend the meeting.

The Chair suggested that a second meeting of the Crime and Disorder Committee be held in February or March 2020, in order to allow a more in-depth examination of the performance of two selected strategic partners from the Safer Colchester Partnership. The meeting held in September 2019 had discussed the broad themes within the work of the Partnership but had not allowed for an in-depth scrutiny of performance data. It was proposed and agreed that a second meeting of the Committee be scheduled for February or March each municipal year to allow for statistics and performance data to be presented by partner organisations, and for more in-depth questioning of selected statutory partners.

The Chair requested that all Panel members raise any training needs they identify for

themselves or potentially for the whole Panel.

A member of the Panel requested that the subject of Climate Change, and the Council's approach to this, be brought to the Panel for scrutiny, to allow the Panel to be a critical friend, discuss progress made and assist in adding value to the Council's action to minimise and mitigate the effects of its work on the environment. This could then be made into a regular item for the Scrutiny Panel to examine. It was noted that the work of the Conservation and Environmental Sustainability Task and Finish Group would be scrutinised at the additional meeting to be arranged for February/March 2020. The Assistant Director (Environment) informed the Panel that the motion to Full Council on 17 July 2020 regarding the declaration of a Climate Emergency resolved that the Conservation and Environmental Sustainability Task and Finish Group would 'report to Cabinet and Full Council within six months with an action plan setting out conservation and environmental sustainability goals to address targets by 2030; incorporating proposals on the investment implications of this proposed activity.' This committed the Group to report by January 2020 at the latest. The Panel requested that the draft reports be brought to it for pre-scrutiny, prior to Council and Cabinet receiving them. The Democratic Services Officer committed to check timings and investigate.

RESOLVED that:-

(a) The Work Programme be amended to add the following meetings and reports:

- The North East Essex Health and Wellbeing Alliance presentation to be put back to 17 March 2020
- A presentation on the Council's approach to, and preparations for, Brexit to be scheduled for 12 November 2019.
- A report on the Budget Strategy for 2020-21 to be brought before the Panel on 10 December 2019.
- An additional Scrutiny Panel meeting to be arranged for February 2020, for scrutiny to be conducted into the use of Task and Finish Groups.
- An additional Crime and Disorder Committee meeting to be arranged to occur each year in February/March.
- Pre-scrutiny of the Environmental Sustainability Task and Finish Group reports to Council and Cabinet to be arranged.

(b) The duly amended Work Programme 2019-20 be noted.

(c) An early draft of the Half Year 2019 - 2020 Performance Report to be provided to Panel members, who would then identify Cabinet Members they wished to invite to answer questions and participate in scrutiny of the item.