

MINUTES OF A MEETING OF THE
CORPORATE BUSINESS SCRUTINY
COMMITTEE HELD IN THE COUNCIL
CHAMBER, WALLFIELDS, HERTFORD ON
TUESDAY 14 JULY 2015, AT 7.00 PM

PRESENT: Councillor M Pope (Chairman).
Councillors M Allen, R Brunton, S Bull,
J Cartwright, M Casey, R Henson,
M Stevenson and J Wyllie.

ALSO PRESENT:

Councillors A Alder, D Andrews, K Brush,
S Rutland-Barsby and G Williamson.

OFFICERS IN ATTENDANCE:

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| Ryan Brock | - NGDP Graduate Trainee |
| Philip Gregory | - Head of Strategic Finance |
| Marian Langley | - Scrutiny Officer |
| Peter Mannings | - Democratic Services Officer |
| Sally Millett | - NGDP Graduate Trainee |
| Ceri Pettit | - Corporate Planning and Performance Manager |
| Neil Sloper | - Head of Information, Customer and Parking Services |
| Adele Taylor | - Director of Finance and Support Services |
| Ben Wood | - Head of Business Development |

143 APOLOGY

An apology for absence was submitted on behalf of Councillor P Phillips.

144 MINUTES – 26 MAY 2015

RESOLVED – that the Minutes of the meeting held on 26 May 2015 be confirmed as a correct record and signed by the Chairman.

145 CHAIRMAN'S ANNOUNCEMENTS

The Chairman apologised that the agenda had been sent to Community Scrutiny Members in error. He welcomed the Council's two NGDP Graduate Trainees to the meeting.

146 2015/16 WORK PROGRAMME

The Chairman submitted a report setting out the Committee's future work programme for 2015/16. Members agreed that the meeting on 20 October 2015 could be cancelled in favour of a budget and service planning session.

The Committee approved the 2015/16 work programme, as now detailed.

RESOLVED – that the work programme, as now detailed, be approved.

147 CORPORATE STRATEGIC PLAN 2016/17 – 2019/20 – THE PROCESS

The Executive Member for Finance and Support Services submitted a report setting out the drivers for change in reviewing the way in which the financial and business planning process would be delivered. The report also outlined a new integrated process to determine council priorities and deliver a balanced budget for the next 4

years.

The Head of Business Development advised that the process of determining service priorities through the Corporate Planning Process had not always been fully aligned to discussions around setting the budget. Officers were now suggesting a new, integrated finance and business planning process which supported the development of a new Corporate Strategic Plan.

Members were requested to endorse this approach and to endorse the cancellation of the October 2015 Committee meeting in favour of a combined budget and service planning training session which would be open to all Members.

Councillor M Allen commented on whether Members could have any interim updates before October. The Director advised that Officers including Heads of Service would be engaging with the Executive and fully worked up options would be interactively presented in October.

The Executive Member for Finance and Support Services stated that Officers had a lot of work to do and updates would be submitted to Members as early as was realistically possible. The Committee received the report and supported the recommendations as now detailed.

RESOLVED – that (A) the proposed redesign of the Council's finance and business planning process to underpin the later development of the Corporate Strategic Plan be supported;

(B) a report of the draft of the Corporate Strategic Plan 2016/17 – 2019/20 be accepted onto the Committee's Work Programme for the meeting on 24 November 2015; and

(C) the Executive be advised that the meeting of Corporate Business Scrutiny on 20 October 2015 would be cancelled in favour of a combined budget

and service planning training session which would be open to all Members.

148 FINANCIAL STRATEGY AND MEDIUM TERM FINANCIAL STRATEGY (2016/17 TO 2019/20)

The Executive Member for Finance and Support Services submitted a report that considered revisions to the Financial Strategy for the years 2015/16 to 2019/20. This included the policy on reserves and the proposed planning assumptions to be used to update the Medium Term Financial Plan (MTFP) in preparation for annual budget setting.

Members were advised that this report set out the assumptions Officers had used when drafting the MTFP. Members were reminded that the Financial Strategy was a statement on the Council's approach to the management of the financial resources required to meet its corporate priorities. The Strategy also considered the appropriate level of reserves that the Council might need to mitigate current and longer term risks.

The Committee was also advised that the MTFP outlined the anticipated funding and expenditure each year and where there was a shortfall the MTFP would highlight the amount of savings required that had not yet been identified. Officers had also been mindful of the inflation assumptions from the Office of Budget Responsibility.

Councillor M Casey referred to the 2.25% pay settlement figures detailed on page 43 of the report submitted. He commented that he thought this was 1% for the public sector. The Director of Finance and Support Services advised that the 1% cap announced in the Chancellors budget did not include Local Government salaries. Local Government salaries are negotiated at a national level and at this stage an estimate had to be used. Members were advised that the 2.25% also took account of pay banding and any changes in national insurance contributions levels.

In reply to a query from Councillor Casey, the Director confirmed that most, if not all, of the Council's workforce earned more than the national living wage. The Head of Strategic Finance advised that some contractors' costs might increase to take account of staff whose salary might have been below the national living wage.

In response to a query from Councillor J Wyllie, the Director detailed the difference between earmarked and general reserves. In reply to a question from Councillor R Henson, the Head of Strategic Finance advised that the Authority had no control over individual business rates as these were set by the Valuation Office.

The Chairman commented on whether the Authority was over reliant on the New Homes Bonus. The Head of Strategic Finance advised that the Authority used only a proportion of New Homes Bonus against general expenditure. He emphasised that Officers would not know the full picture until the Autumn Statement was issued.

The Director believed that the MTFP and the Financial Strategy were based on the best information Officers had at this point in time. The Committee received the report.

RESOLVED – that the report be received.

149 IMPLEMENTING THE CUSTOMER SERVICE STRATEGY

The Head of Information, Customer and Parking Services submitted a report setting out how the Council would implement the Customer Service Strategy. The report invited the Committee to comment on the planned approach.

Members were advised that the Strategy had been approved in March 2015 and the Committee was reminded of the increased demand for Council services due to demographic changes, economic challenges and major government initiatives such as Welfare Reform

combined with the financial pressures of reduced government grant and the currently fixed (or reduced) Council Tax.

The Head of Information, Customer and Parking Services stated that the Authority had to equip itself for the future and Members and Officers needed to work together to think of different ways of managing and delivering services. He referred in particular, to the vulnerable groups in East Herts that were concentrated in two wards.

Councillor J Wyllie referred to broken links on the Council's website. The Head of Information, Customer and Parking Services advised that Officers routinely checked the website for broken links. He confirmed to Councillor Wyllie that social media was not the best channel for service delivery when compared to direct customer contact as the level of contact via social media was very low.

Members were advised that the key services of Development Management, Revenues and Benefits and Environmental Services accounted for two thirds of all Council customer contact. Members were also advised that 70% of the website's interactions revolved around development management. The Head of Information, Customer and Parking Services advised that there had been a significant shift towards e-mail contact between 2010 and 2013.

Councillor J Cartwright emphasised the importance of not marginalising the smaller areas of poverty that existed in East Herts. The Committee received the report.

RESOLVED – that the approach set out to implement the Council's Customer Service Strategy be supported.

150 DATA PROTECTION ANNUAL REVIEW

The Head of Information, Customer and Parking Services

submitted a report updating the Committee on the implementation of the Council's Data Protection Action Plan. The report invited the Committee to comment on progress to date.

Members were advised that specific actions this year would focus on the application of the document retention and disposal policies of the Authority. The Head of Information, Customer and Parking Services stated that Council IT systems were designed to store information safely and securely and by their very nature were not always good at deleting information that no longer needed to be retained.

He further advised that the Bob's Business computed based training helped Officers and Members understand their obligations regarding Data Protection. Members were advised that all breaches were reported to the Information Commissioners Office (ICO) and were rapidly addressed by Officers.

The Head of Information, Customer and Parking Services referred to the digitisation of services such as the recent new software being used by Development Management. He referred to the importance of having organised data storage that also covered the retention of information contained in e-mails.

Officers responded to a number of Members' queries regarding information requests lodged under the Freedom of Information (FOI) Act. The Committee received the report.

RESOLVED – that the actions and developments in regard to data protection compliance be noted.

151 COUNCIL TAX REDUCTION SCHEME 2016/17

The Director of Finance and Support Services submitted a report that considered the latest available information around the current local Council Tax Reduction Scheme

at East Herts and whether any changes to the scheme should be considered for 2016/17.

The Director provided a detailed breakdown of the origins for the 2016/17 Council Tax Reduction Scheme. Members were advised that the report had been written prior to the recent budget announcements and the Committee was also reminded that the Authority collected Council Tax on behalf of Hertfordshire County Council, Hertfordshire Police Authority and Town/Parish Councils.

The Director detailed how Council Tax was set each year and she referred to the cost of collection as well as the reductions in Government Grant received by the Authority. Members were referred to the changes that had impacted on residents who experienced significant financial hardships.

The Director advised that there was no prescribed time for consultation in respect of the scheme. She emphasised that there was a complex and complicated model to be applied. Members were given a comprehensive breakdown of the issues they should bear in mind when considering changes to the scheme. The Director concluded by setting out in detail the options Members could consider in respect of the 2016/17 Council Tax Reduction Scheme.

In response to comments from Councillors M Stevenson and J Cartwright, the Director advised that it was very difficult to model or make predictions regarding the options detailed in the report. She stated that other Authorities had different schemes as they were in a different place to East Herts in terms of affordability and their financial positions.

The Executive Member for Finance and Support Services added his explanation as to why this report was before Members. He stated that it was not because there was any aspiration to radically change the scheme due to the potential risks. He believed that the status quo was the

best way forward.

The Director responded to a query from Councillor Stevenson by advising that the overall level of revenue support grant continued to reduce and there had to be an assessment of affordability for all options for a Council Tax Reduction Scheme.

The Director reminded Members that the Authority had to consult on a specific scheme for 2016/17 if any changes to the current scheme were made. Members supported the retention of the status quo for 2016/17 and asked Officers to report back to the Committee on 22 March 2016 to explore possible options for change in 2017/18 and onwards.

RESOLVED – that in respect of the 2016/17 Council Tax Reduction Scheme, the Committee supported the retention of the status quo for 2016/17 and agreed that Officers report back to the Committee on 22 March 2016 to explore possible options for change in 2017/18 and onwards.

The meeting closed at 9.42 pm

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| Chairman |
| Date |