

## **Minutes of the Meeting of the Corporate Overview and Scrutiny Committee held on 2 February 2016 at 7.00 pm**

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**Present:** Councillors Shane Hebb (Chair), Graham Snell (Vice-Chair), Martin Kerin, Steve Liddiard and Deborah Stewart

**Apologies:** Councillors Russell Cherry

**In attendance:** Sean Clark, Director of Finance & IT  
Jackie Hinchliffe, Director of HR, OD & Transformation  
Elaine Sheridan, Electoral Services Manager  
David Lawson, Deputy Head of Legal & Monitoring Officer  
Jessica Feeney, Senior Democratic Services Officer

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Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council's website.

### **32. Minutes**

The Minutes of the Corporate Overview and Scrutiny Committee held on the 7 January 2016 were approved as a correct record.

The actions from previous meetings were unable to be reviewed as the officer responses were missing from the report. The Chair requested a copy of the updated report be provided within the next week to be sent to him and other committee members, outside of the meeting and set the expectations moving forward over what was expected.

### **33. Items of Urgent Business**

There were no items of urgent business.

### **34. Declaration of Interests**

There were no declarations of interest.

### **35. Review of Electoral Arrangements and Existing Boundaries**

The Monitoring Officer introduced the report to Members highlighting the following key points:

- The Council's capability to change its electoral cycle and opt for whole-council elections (an election which is held every four years and all Councillors were to be elected), rather than the current method of elections by thirds (elections were held three years out of every four and one third of the Councillors were to be elected on each occasion).

- The estimated cost of holding local elections in the same time period under a whole-council system would be in the region of £350,000, an estimated saving of £190,000.
- If the Council did seek to change its electoral cycle and move to whole-council elections, the earliest opportunity for these to be held would be in May 2017. In order to do this, the Council must pass a resolution to do so before 31 December 2016.

Councillor Liddiard and Councillor Kerin highlighted that whole-council elections may discourage residents from electing individual candidates that have built a strong working relationship with their ward. The Chair of the Committee questioned what ballot papers would look like in whole-council elections. The Electoral Services Manager enlightened the Committee that residents would vote for two or three candidates per ward (depending on the ward). Each party would then put up a number of candidates, although the maximum number of candidates for each ward would be 1-3 candidates for each party (Labour, Conservative, and UKIP) plus any other party and independent candidates. The ballot paper would potentially have 9 or more candidates, voters would then choose 2-3 candidates when marking their ballot paper. Councillor Snell felt that the various different options would prove challenging and confusing for some residents. The Chair of the Committee recalled the argument from the Oct 2014 motion, where some councillors felt that four yearly elections were argued as being something which disenfranchises local people, and I disagreed with the point for the following reasons:

- Ballot papers have a selection of candidates to choose from and have a selection of parties to choose from.
- Effectively, instead of one vote for one person / party, the electorate have two votes for two different people/parties. This effectively means that there are no changes to how enfranchised an elector is.

The Chair of the Committee highlighted that there were 9 overall local elections when electing by thirds and 7 overall local elections when electing by whole-council.

Councillor Stewart and Councillor Snell shared the view that whole-council elections would provide stability for Councillors and Officers and also allow progressive work as Councillors would not be pre occupied with campaigning. Councillor Liddiard felt that there had been 7 years of stable politics in Thurrock Council.

The Director of Corporate Finance informed the Committee that whole-council elections would facilitate an overall saving although the total saving would depend on when the change is scheduled to commence and the funding of Parliamentary elections. The Committee were informed that whole elections being held in 2017 and 2021 would be funded in full by the local authority, as there were no scheduled Parliamentary elections. Councillor Snell and the Chair of the Committee felt that a whole-council election would be cost effective if held in 2018.

The Chair of the Committee favoured whole-council elections for their consistency. It was also felt that the defined date of elections would create greater publicity which may return higher turnouts. The Chair of the Committee felt that a 4 year cycle would lead to stability with the administration, and would enable delivery of their manifestos. It was felt that the current model did not offer that opportunity. The Chair of the Committee highlighted how the existing model allowed a weighty majority-sized administration to have its majority eroded over three years, having lost the support of local people as they vote for other parties, and yet the administration continues to hold onto power. The Chair of the Committee felt that the people should decide the make-up of the council, not the councillors themselves juggling numbers about to see who could or could not form an administration it was added that this was undemocratic.

The Committee felt that all stakeholders and communities were entitled to have a say on any change to the current electoral system.

Councillor Kerin questioned if the motion lost by the Chair of the Committee at Full Council on 22 October 2014 regarding investigation and implementation of whole-council elections would affect future decision making. The Monitoring Officer confirmed that the lost motion would not affect any future decisions.

Members discussed reviewing ward boundaries. The Monitoring Officer informed members that the electoral arrangements of every principal local authority in England must by law, be reviewed from time to time. These reviews were known as periodic electoral reviews (PERs). The last round of PERs commenced in 1996 and was completed in 2004. The Commission was currently not undertaking PERs but had a rolling programme of electoral reviews undertaken for a number of different reasons. It was explained further that the Commission undertake electoral reviews when the electoral variances in representation across a local authority become notable and Thurrock Council did not appear to meet this criteria. The Committee understood that the Council were not subject to a review and agreed no further action.

In relation to recommendation 1.1, 3 Members voted in favour and 2 voted against, whereupon the chair declared the recommendation to be carried.

#### **RESOLVED:**

- 1. Members recommended that Full Council consult further with the communities in Thurrock and potential changes to the electoral cycle of the council which could involve a move to whole-council elections every four years, rather than electing by thirds.**
- 2. Members supported the Officers report by noting that the data does not suggest the tests to instigate a boundary review have been met, and agreed not to pursue this further at this time.**

## **36. Capital Budget Proposals**

The Head of Corporate Finance introduced the report to Members which set out the capital bids that were to be received and met from Council resources. It was explained that these largely represented what Officers considered to be essential to maintain current services, including limited provisions for the Thameside Complex whilst longer term plans were developed. Officers recognised the need for a longer term and aspirational programme that would both support growth throughout the borough, and ensure that the Council was able to transform itself into a more modern authority.

The Committee was informed that an extra £50,000 per annum had been set aside in the budget for the Lower Thames Crossing.

The Chair of the Committee requested that Councillors were consulted when setting the Capital Progress Plan. It was agreed by the Head of Corporate Finance that Councillor corporation would progress the plan and discard the uncertainty of Councillor requests that had been experienced in the past.

Councillor Liddiard questioned if Community Hub developments had been integrated into the Capital Progress Plan. The Head of Corporate Finance confirmed that this action had been completed.

The Committee discussed the following additional schemes - additional funding, invest to save, and Gloriana. These additional schemes were to be delegated from the Council to Cabinet for approval.

The Chair of the Committee questioned if the estimated additional schemes could be financially capped. The Head of Corporate Finance informed the Committee that Members could cap the 'invest to save' and 'additional funding' schemes by half a million each, although it was added that the caps must support the Council and would need to be agreed at Full Council. It was explained further that the Gloriana Scheme was different to the other additional schemes. The Committee were enlightened that a governance group had been created to ensure that all leaders were informed with the relevant details. Members were informed that the Gloriana Scheme would provide a return on the investment.

The Chair of the Committee requested a view of what the additional scheme targets were going to resemble in 2017/18.

### **RESOLVED:**

- 1. That Corporate Overview and Scrutiny Committee noted and commented on the bids included within this report;**
- 2. That Corporate Overview and Scrutiny Committee commented on the proposed delegations to Cabinet as set out in section 4.**

3. **The Committee have requested that a model be shaped and proposed at the forthcoming budget round of the next municipal year, regarding a potential “Cabinet Cap” on delegated decisions around the capital programme**
4. **The Committee have requested that before the next Capital Programme is drafted in the next municipal term, that a new model of engagement is exercised, with officers shaping a set of proposals which also has input from political offices and local community groups, so to support the creation of a far more aspirational Capital Plan in the future.**

### **37. General Fund Proposed Budget**

The Head of Corporate Finance informed the Committee that there had been a number of reports considered by Cabinet throughout the municipal year on the progress to meeting the 2016/17 forecast deficit of £9.966m which was reported to Council in February 2015.

It was explained further that a referendum in Thurrock Council would be triggered if Council Tax increased by 4% or more above the authority's relevant basic amount of Council Tax for 2015/16. Due to the loss of assumed freeze grant and the Council's low budget base, a 3.99% increase was recommended as it would raise some £2.2m in 2016/17 and make some headway towards the more difficult task of balancing 2017/18 and beyond. It was explained that a 3.99% increase in Council Tax equates to £44.82 for a Band D property in Thurrock. Some 70% of properties in Thurrock are Bands A-C where the increase ranges from £29.88 - £39.84 per year or £0.57 - £0.77 per week.

All members agreed that raising Council Tax was apparent. Members understood that it was no longer possible to freeze the grant. The Committee commended Thurrock Council for maintaining Council Tax to a minimum in previous years despite budget savings.

The Head of Corporate Finance explained that Thurrock Council had one of the lowest levels of budgets in the Country for the range of services that were provided. Councillor Kerin raised concerns over those Council services that may receive further budget savings due to meeting future deficits. The Head of Corporate Finance understood members concerns and explained that the Council were taking steps towards rebuilding Thurrock Councils financial casing.

The Committee were informed that the Government's spending power calculation for all Councils with Adult Social Care responsibilities expected an increase of 3.75% representing a general Council Tax increase of 1.75% per annum, plus the additional 2% Social Care precept. Councillor Stewart questioned the difference between 3.75% and the recommended 3.99% increase in Council Tax. The Head of Corporate Finance explained that by

raising Council Tax by an extra 0.25% this would make some headway towards the more difficult task of balancing 2017/18 and beyond.

The Head of Corporate Finance explained that when setting the Council Tax and budget, the Council had a statutory obligation to consider the Responsible Financial Officer's Section 25 Statement. The statement sets out the robustness of the budget set but also whether the S151 Officer has confidence in the future financial position of the Council. When making this judgement, the S151 Officer considers the Council's position on Council Tax, the ability to make cost saving decisions and the robustness of plans for the future. The Committee were informed that the Corporate Overview and Scrutiny Committee and the 10 February 2016 Cabinet would inform the opinion.

The Chair of the Committee asked for clarification regarding the 2% Social Care precept. The Head of Corporate Finance explained that the Social Care precept included the need to manage increasing demands for both Children's and Adults' Social Care whilst also needing to meet further pressures from the following government decisions:

- Changes to National Insurance and the introduction of the Apprentice Levy increases costs by circa £0.5m.
- The minimum wage increases had been estimated to impact Adult Social Care contract provision by £1.5m.

The Chair of the Committee requested that the Head of Corporate Finance produced a report summarising the budget review panel at the next Corporate Overview and Scrutiny Committee. The Chair requested this as he felt uneasy about defaulting to a maximum increase (without the need for a local referenda) and that there were more optimisations and efficiencies within the organisation to suggest that a 3.75% was more acceptable rate increase. Committee members argued up front for a 3.99% total rise, and therefore, the majority view of the Committee was clear.

#### **RESOLVED:**

- 1. That Corporate Overview and Scrutiny Committee noted and commented on the key changes to the 2016/17 base budget;**
- 2. That Corporate Overview and Scrutiny Committee provided Cabinet with a view to the proposed 2% increase in Council Tax relating to the Social Care Precept;**
- 3. That Corporate Overview and Scrutiny Committee provided Cabinet with a view to the proposed 1.99% increase in Council Tax relating to the overall budget; and**
- 4. That Corporate Overview and Scrutiny Committee noted the comments regarding the Director of Finance and IT's Section 25 considerations as set out in section 6 of this report.**

**38. Work Programme**

The Committee examined the Work Programme, it was agreed by members that a summary of the budget panel review would be added to the work programme for 24 March 2016.

**RESOLVED**

**That the Work Programme be noted.**

**The meeting finished at 8.46 pm**

Approved as a true and correct record

**CHAIR**

**DATE**

**Any queries regarding these Minutes, please contact  
Democratic Services at [Direct.Democracy@thurrock.gov.uk](mailto:Direct.Democracy@thurrock.gov.uk)**