

Minutes of the Meeting of the Corporate Overview and Scrutiny Committee held on 23 January 2018 at 7.00 pm

Present: Councillors Oliver Gerrish (Chair), Jack Duffin, Ben Maney and Tunde Ojetola

Apologies: Councillors Leslie Gamester (Vice-Chair) and Martin Kerin

In attendance: Sean Clark, Director of Finance & IT
Natalie Warren, Community Development and Equalities Manager
Kenna-Victoria Martin, Senior Democratic Services Officer

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.

23. Minutes

The Minutes of the Corporate Overview and Scrutiny Committee held on the 21 November 2017 were approved as a correct record.

24. Items of Urgent Business

There were no items of urgent business.

25. Declaration of Interests

There were no interests declared.

26. Single Equality Scheme and Corporate Equality Framework 2018 - 2022

The Community Development and Equalities Manager presented the report explaining the Equality Act 2010 replaced a number of Equality Legislations into one act to cover 9 characteristics or different groups which included, age, disability, gender reassignment, pregnancy & maternity, marriage and civil partnerships, race and religion & belief.

She continued to notify the Committee the Single Equality Scheme (SES) which set out how Local Authorities would challenge discrimination and promote equal opportunity in all aspects of its work over the next four years.

Members heard how the SES presented the Council's four strategic objectives which included:

- improve access to services,
- reduce poverty,

- build cohesion and create welcoming communities, and,
- develop a workforce that is equipped with the skills and confidence to support and enable our changing organisation and communities

The Chair welcomed the report and sought where the council was in relation to the gender pay gap which was currently a national topic of conversation. The Community Development and Equalities Manager informed the Committee a report with data of the gender pay gap included was to be published in April 2018. Once this data was available it could be circulated to Members.

Councillor Ojetola welcomed the report and commented that it covered a wide range of topics and challenges, some of which were out of the council's direct control. It was enquired as to what the council was doing to eradicate poverty. Officers explained the report covered the target to reduce poverty and that there were strategies in place, which outlined how the council planned to do that. The Community Development and Equalities Manager continued to explain that to enable the council to tackle poverty would require the right access to support and employment; she further commented that it was important to note that there was not a solution which would work for everyone.

During discussions it was raised as to what the Council was doing in relation to health inequality in the borough. The Community Development and Equalities Manager advised a great deal of work had been completed around life expectancy within the borough, which was under the Health and Well-being Board.

Members were further notified a lot of the work which was being undertaken was related to the access to health that residents had and the access to support living healthy lives, this included integrated medical centres and supporting residents.

Councillor Maney enquired the Thurrock Fairness Commission was formed and how it was held accountable. It was explained that the Thurrock Fairness Commission was a time limited piece of work which was organised two years ago, however it no longer existed. The Fairness Commission carried out engagement across the different communities to understand people's perceptions of fairness. A report was presented to Cabinet which set out the objectives to be including within the Single Equality Scheme.

RESOLVED:

That Corporate Overview and Scrutiny Committee commented on the draft Single Equality Scheme and Corporate Equality Framework 2018 – 2022.

27. Treasury Management Strategy 2018/19

The Director of Finance & IT addressed Members of the Committee notifying them the report followed the update from Full Council in October 2017. He

further added there had been no change to the Council's ability in borrowing and investing.

The Chair reiterated the point that residents should not take indicators A2 and A3 out of context and agreed that they were not very effective. He welcomed the removal of these indicators moving forward.

Councillor Ojetola queried the Council's credit rating and how that impacted upon borrowing rates. The Committee was advised that, like most Local Authorities, the Council did not have a credit rating. Since most borrowing, bar the HRA, was undertaken through other local authorities it was unnecessary as it would not affect the cost of borrowing.

Councillor Duffin noted that there had been discussions of moving to a 5-year forecast and sought details of progress. At present the majority of the Council's investments were short-term, such as loans over approximately 5 years, however Officers would go into greater detail within the budget report. It was necessary to look for a more mixed approach, as loans by their nature came to an end. The Chair emphasised the importance of diversity of investments, which had cross-party support. It was crucial to ensure the Council grew its investments in such a way that it did not encounter cliff-edges.

RESOLVED:

That the Corporate Overview and Scrutiny Committee comment on the 2018/19 Treasury Management Strategy.

28. Draft Capital Programme

The Director of Finance and IT presented the report recommending additions and the general approach to the new capital programme for 2018/19 and subsequent years.

The Chair sought assurances that individual schemes underwent an appropriate degree of scrutiny. Schemes would be assessed by the Chairs of the three boards, the boards themselves and Portfolio Holders. Future Capital reports would also be presented to Cabinet four times a year. Reports could also be brought to the Committee if Members wished. The Chair felt it would be useful for these reports to be considered by Overview and Scrutiny Committee, to provide an opportunity to input and comment upon the schemes at a detailed level; though not necessarily Corporate Overview and Scrutiny Committee.

Councillor Duffin queried the cost of rebuilding East Tilbury Library, within Appendix 3, and whether the library had been insured against damages or the Council was likely to be liable. Comments around structural surveys were included as there could be a difference in opinion regarding the severity of damage which would determine whether there would be a complete rebuild or a refurbishment. The Council would seek to receive as much as possible

from insurance however it might be necessary to top up the funds. Councillor Duffin continued to ask whether the £1million figure was subject to increase. The figure was the best estimate, should the Council be required to make contribution in addition to insurance funds.

Councillor Ojetola noted agreements had been made regarding East Facing Slips however he found no reference within the report. Members heard that the report was a backwards look at what had already been approved and did not include the new Highways Capital Programme which would be presented to Planning, Transport, Regeneration Overview and Scrutiny Committee however he would investigate further and update the Committee outside of the meeting.

The Chair was also surprised that there was not more detail relating to improving air quality and HGV management within the borough as these issues had been discussed at length in the past. He hoped to see these reflected in plans moving forward. The detail within the report was based upon Council funding however officers would clarify outside of the meeting.

RESOLVED That the Corporate Overview and Scrutiny Committee:

- 1. Considered the approach of general allocations as set out in section 4; and**
- 2. Commented on the specific proposals set out within Appendix 3 of this report.**

29. Medium Term Financial Strategy And Draft Budget Update

The Director of Finance & IT addressed Members of the Committee notifying them of the latest version of the Medium Term Financial Strategy (MTFS), the potential financial impact of increasing council tax to 2.99% and the impact of agreed changes to the calculation of the Minimum Revenue Provision (MRP).

The Chair asked whether the £4million deficit was liable to become much larger. It was difficult to answer since work was still underway to ensure the correct assumptions were made, however it would still be a challenge. Without creating a need to significantly impact upon services delivered by the Council there were two years in which to make a significant change. Cash investments were quick but larger investments, such as property, required more time and therefore targeted work would begin in the next few months.

The Chair continued to question when the Council would reach the point of no grant funding from the Government. There would always be funding from the Government such as reimbursement for Housing benefits, but in terms of the General Core Grant it was estimated to cease in 2021, though it would be intertwined with the Business Rate Retention outcomes.

Councillor Duffin queried whether Corporate Overview and Scrutiny Committee could call upon Cabinet or the Portfolio Holder for Finance to progress work on long-term investments. The Chair supported the notion of

calling for work on moving towards a 5-year view to be realised as soon as possible.

The Chair noted an area of concern for the Committee previously had been the achievability of certain savings, particularly those around reduction of agency staff, absence management and overtime. He sought assurance that the estimated level of savings could be achieved. The Director of Finance and IT was confident it was achievable. The majority of savings had been achieved within this financial year and the overspend related to cost of placements in Children's Services or issues within Environment. Based on a year's evidence he was more confident, and the target had been reduced since the previous meeting of the Committee reflect achievability.

The Chair highlighted that Appendix 2 showed a saving of nearly £1million in each of the three years and asked what fell within those areas. Section 3.2 of the report gave a clearer breakdown. All services would be subject to the review process however the timetable was being reset to prioritise larger items. 'Transport' covered all areas of the Council's transport including schools, social care and subsidised transport, everything within the realm of Highways. The Chair clarified it would be a case of optimising within the spend rather than removing the budgets entirely. Members heard that it was about achieving the best value from services, not taking them away. There was also a need to review business resources and support processes.

The Chair moved to proposals regarding Council Tax and the recommendation that the Council should progress with the maximum possible increase; he queried whether the projected increase would cover the pressures within Adult Social Care. There were only minor pressures shown within the service in the current year; there had been a 3% increase already and the Committee had also recommended a 3% increase in 2018/19 however that was only a recommendation which required approval at Full Council.

There had been no indication from the Administration as to what their recommendation to Council would be regarding the general council tax increase, however the Director of Finance and IT would recommend the 2.99% increase and Cabinet would decide accordingly.

The Chair felt Council Tax was a less progressive form of tax and was interested to see the recommendation Cabinet would make to balance service delivery with protecting residents from financial hardships.

Councillor Ojetola asked what the alternative plan was, should Council opt against the 2.99% increase. The Committee was advised that the 2.99% was not necessary for the next two years, which made the decision harder, it would be an investment for the future. At present there was shown to be a £4million deficit which assumed no further financial pressures, the additional increase would reduce the deficit by one third, and proposals to bridge this gap could only come through increased income or reduced expenditure. Thurrock's Council Tax was currently 3rd lowest of all Unitary Authorities and,

given its proximity to London, this reality was a slightly worse position. As Government support reduced it was necessary to look beyond the next two years. The Chair emphasised the point that the sooner five year information was easily accessible the better, to allow Members to understand the implications of any decision

RESOLVED That the Corporate Overview and Scrutiny Committee:

- 1. Considered the options around the level of council tax increase and:**
- 2. Commented on the draft budget as set out within this report to inform final budget proposals at Cabinet on 7 February 2018.**

30. Corporate Overview and Scrutiny Work Programme 2017/2018

Members discussed the Work Programme for the municipal year.

RESOLVED:

That the following reports be moved to the first meeting of the new municipal year:

- Business Rate Relief**
- Civic Offices Business Plan**

The meeting finished at 8.20 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**