

Minutes of a Meeting of the Scrutiny Committee - Corporate and Resources held in the John Meikle Room, The Deane House, Belvedere Road, Taunton TA1 1HE, on Thursday, 4 January 2024 at 10.00 am

Present:

Cllr Bob Filmer (Chair)

Cllr Tony Lock

Cllr Diogo Rodrigues

Cllr Brian Smedley

Cllr Lucy Trimnell

Cllr Henry Hobhouse

Cllr Martin Lovell

Cllr Peter Seib

Cllr Andy Soughton

Cllr Steve Ashton

In attendance:

Cllr Liz Leyshon

Cllr Ros Wyke

Cllr Heather Shearer

Other Members present remotely:

Cllr Norman Cavill

Cllr Andy Dingwall

Cllr Leigh Redman

Cllr Mandy Chilcott

Cllr Frances Nicholson

Cllr Bill Revans

55 Apologies for Absence - Agenda Item 1

Apologies were received from Councillor Nick Cottle who was substituted by Councillor Tim Kerley and Councillor Philip Ham who was substituted by Councillor Steve Ashton.

Election of Vice-Chair:

Due to the change in membership and Councillor Richard Wilkins coming off the committee, it was proposed and seconded that Councillor Henry Hobhouse be

elected as Vice-Chair for the meeting, this was agreed unanimously.

56 Minutes from the Previous Meeting - Agenda Item 2

Resolved that the minutes of the Scrutiny Committee - Corporate and Resources held on 5 December 2023 be confirmed as a correct record.

57 Declarations of Interest - Agenda Item 3

No declarations of interest were declared.

58 Public Question Time - Agenda Item 4

There were no questions from members of the Public.

59 Financial Budget Update Month 7 - Agenda Item 5

Jason Vaughan introduced his report which gave the Financial Update for Month 7, he highlighted the issues still outstanding for children and adult services showing the budgets which were still high and showing an overspend, however there were other areas where the budgets were starting to reduce and therefore the budget gap was reducing. A number of actions have been taken to address the budget position and these included the establishing of number of daily and weekly boards to control budget spend and to review requests and changes from the various departments, which is ensuring that budgets are being closely monitored.

The committee members then discussed the reports and comments included: Councillors need further training on finance issues but briefings helping to explain situation and specific subjects

- Public need to understand the how services are funded and the work being undertaken to reduce the overspend and planning of the budget
- What income streams were being investigated and tracked i.e. fees and charges?
- Adult and Childrens placements – costs are high, how effective are the Care Boards in scrutinising the costs? It was also asked whether the homes were council owned or private companies as provider? It was confirmed that no homes were council owned and private providers were used, however there was a price cap and partnership in place with Homes and Horizons and Childrens Services were scrutinized through the appropriate scrutiny

committee.

- Care home placements were all red flagged due to inflation in all areas and that is one of the main issues of the budget overspend.
- Feel that Housing reporting areas need more work – further details for Homelessness and other areas,
- Deletion of reserves lines and lack of explanation where these monies have gone

Overall the committee felt that the report format was good but there were still areas that needed further explanation and work to clarify details.

Resolved:

That the committee noted the information contained within the report and appendices and also to note the proposed recommendations going forward to the Executive Committee. The committee requested further training on budget areas in addition to the briefings currently taking place for Members and for clarification in relation to Fees and Charges at the next meeting.

60 Somerset Council Reserves Amalgamation - Agenda Item 6

The committee had been provided with a breakdown of the Reserves, one detailed the reserves transferred from the districts and County as at 1 April 2023 and the other the amounts held by Somerset Council as at the same date, with the earmarked funds were and the breakdowns.

The committee was assured further work would be undertaken and there would be a change to the way these funds would be presented in the future so that the amounts will be clarified. It was also requested that there needed to be an in depth analysis on reserves especially if some are ring fenced for projects and also information needed on the deleted lines.

Members also asked for further information in respect of any services to be transferred to Parish and Town Councils, along with the resulting impact on any precepts they need to set and the committee were assured that this was being worked on at present.

Resolved:

That the committee note the reports on the Council Reserves and that further information to be provided on ringfenced funds and deleted lines shown on analysis report.

61 Business System for Finance Implementation Review - Agenda Item 7

Claire Griffiths attended the meeting to update the committee on the implementation of MS Dynamics which meant that the District Councils and County Council's finance, HR, Payroll and transactional procurement functions migrated to a single business process system for Somerset Council. This decision had been undertaken 2 years ago and this was the update report.

The project had been delivered on time and underbudget, it was noted that MS Dynamics is the overall system with other systems feeding in, this included schools support and reports on budgets and procurement. It was noted that there were plans to develop the system beyond the finance functionality.

Members of the committee congratulated the officers on the work involved and noted the achievements of the team. They requested that the following areas be included on the update in the future:

Need to track liabilities as well as reserves, for example S106 monies or CIL payments and tracking of these funds

Update needed for integration and innovation benefits including AI, Power BI Copilot and automation (to remove repetitive tasks and reduce administrative tasks).

It was noted that the second phase (HR & Payroll) was on hold due to the financial emergency.

Resolved:

To note the progress made, for which the committee congratulated the officers and to request an update report later in the year to monitor and record progress. It was also suggested that there was a need to track liabilities as well as reserves.

62 Property Maintenance and Compliance Report - Agenda Item 8

Ollie Woodhams and Darren Puckett gave a short presentation on Building Maintenance and Compliance – it was noted that this report did not include schools or housing stock owned by Somerset Council as this was dealt with separately.

Building compliance was currently managed by the legacy Facilities Management/Property Teams and were responsible for respective areas. This means there are varying arrangements but working together to align processes and to transfer systems to Civica Property to ensure compliance and reporting in a consistent manner. Members asked whether there would be reporting on EV and DDA accessibility and also energy efficiency/performance of the buildings owned by Somerset Council and it was confirmed that this was being worked on within the future plans and processes.

The committee noted that certain teams worked with other partners including the Asbestos Team who assist the NHS and Trusts, however there needs to be changes to structures and resources and can then look at trading for income.

There was a planned maintenance programme as this was more efficient way of working and included collating a consistent building condition data, including the use of drone technology to survey buildings, in-house operatives intelligence and this data then informs prioritised maintenance plans.

In response to comments and questions from committee members, it was confirmed that some districts use contractors for certain surveys/testing i.e. Legionnaires Disease but it was planned that in house teams would take over this sort of testing in due course, however it was noted that there were vacancies within teams and that it will be a gradual process to take on the estates of the legacy districts.

It was also suggested that buildings be tested for energy efficiency with the use of infra red cameras which were held by South Somerset District Council in the past.

The committee looked forward to an update on the proposed plans.

Resolved:

The committee noted the update from the Strategic Asset Management service.

63 Surplus Assets Review - Agenda Item 9

Ollie Woodhams presented his report updating the committee on the progress of surplus assets. It was confirmed that the Policy for the Disposal of Assets was approved in November 2023. Any proposed disposals were subject to consultation/discussions with local councillors and parish/town councils.

It was noted the estimated values of capital receipts potentially deliverable before 31 March 2025 through the sale of surplus assets was set out in the table within the report, with the target from the sales from current disposals was within the range of £15-20m for the years 2023-24 and 2024/25 which fed into the MTFP.

There were a number of other land and property assets to be considered as to whether they were surplus to the Council's needs and there was a Asset Management Group undertaking this review with any proposals being referred for decision through the Council's decision making framework.

The committee noted that there were a number of issues to take into account including planning/phosphates, use of buildings and land parcels. It was also noted

that resources were needed and posts vacant.

Resolved:

The committee noted the progress on surplus assets, including:

The estimated range of values of capital receipts potentially deliverable before 31 March 2024

Further work planned to review assets and agreeing further surplus assets

To note the target for the sales for the financial years 2023/24 and 2024/25 which will feed into the Medium Term Financial Plan.

64 Commercial Asset and Realisation Task and Finish Group Report - Agenda Item 10

Councillor Seib presented the report on the work of the commercial Investment Asset Realisation Task and Finish Group, which included both Councillors and Officers.

Members scrutinised the asset portfolio, the factors driving disposal value and the work being undertaken to prepare for sale, especially the challenges of having five previous councils working practices and the pressures on staff to complete the sales process within compressed timescales.

The committee recommended to the Executive Committee:

That the Scrutiny – Corporate and Resources Committee support the acquisition of specialised external advisors to progress sales (within the Strategy), they also recommended a comprehensive Disposal Strategy to clarify the specific aims and leeway for deferring certain disposals.

65 Scrutiny Corporate and Resources Forward Plan - Agenda Item 11

To note the Forward Plan and that all Scrutiny Committee Members be invited to participate in the meeting to be held on 1 February 2024 to discuss the 2024/25 budget proposals.

It was suggested that the Terms of Reference for Scrutiny-Corporate and Resources be reviewed – possibly for a Task and Finish Group be set up.

(The meeting ended at 1.05 pm)

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CHAIR