

OVERVIEW AND SCRUTINY COMMISSION
26 JANUARY 2017
7.30 - 9.23 PM



Present:

Councillors Leake (Chairman), Angell (Vice-Chairman), Mrs Angell, Mrs Birch, Brossard, Harrison, Mrs McCracken, Phillips, Porter, Mrs Temperton, Tullett, Dudley (Substitute) and Peacey (Substitute)

Executive Members:

Councillor Heydon, Executive Member for Transformation & Finance
Councillor McCracken, Executive Member for Culture, Corporate Services & Public Protection

In Attendance:

Richard Beaumont, Head of Overview and Scrutiny
Stuart McKellar, Borough Treasurer
Alison Sanders, Director of Corporate Services

35. Apologies for Absence/Substitute Members

Apologies were received from Councillors Allen, Finnie and Mr Robin Briscoe.

Councillor Peacey was acting as a substitute for Councillor Allen.

Councillor Dudley was acting as a substitute for Councillor Finnie.

36. Minutes and Matters Arising

RESOLVED that the minutes of the Overview and Scrutiny Commission held on the 17 November 2016 be approved as a correct record and signed by the Chairman

37. Declarations of Interest and Party Whip

Councillor Mrs Birch declared a personal interest as the spouse of the Executive Member for Adult Social Care, Health and Housing.

Councillor Mrs McCracken declared a personal interest as the spouse of the Executive Member for Culture, Corporate Services and Public Protection.

38. Urgent Items of Business

There were no urgent items of business.

39. Public Participation

There were no submissions from the public in accordance with the Council's Public Participation Scheme for Overview and Scrutiny.

40. Membership of Overview & Scrutiny Panels

The Commission received a report which set out the revised position regarding the appointment of Members to serve on Overview and Scrutiny Panels following the Annual Council meeting held on 18 May 2016.

The Overview and Scrutiny Commission had agreed the membership of its Panels following the Annual Council Meeting on 18 May but a Conservative substitute vacancy had arisen on two panels as a consequence of the resignation of Councillor King OBE.

RESOLVED that Councillor Gabby Kennedy be appointed as a substitute member to the Adult Social Care and Housing Overview and Scrutiny Panel and the Environment, Culture and Communities Overview and Scrutiny Panel.

41. **The Council's Budget Consultation**

The Commission considered a report that set out draft budget proposals for 2017/18. It was reported that the Executive would be considering all representations made at its meeting on 14 February 2017, before recommending the budget to Council.

The Borough Treasurer updated the Commission and made the following points:

- The draft budget proposals for 2017/18 had been agreed by the Executive at its meeting on the 13 December 2016, before the Government had released details on the provisional settlement.
- There had been a risk that the Local Government Settlement may be different than what had been originally proposed.
- The draft budget proposed £1.5m of new pressures.
- The Transformation Programme savings relating to 2017/18 had been incorporated into the budget proposals and were included in the report.
- There had only been two consultation responses, one from BUPA who had stated that they wished to work with the Council and the other from Councillor Templeton on behalf of the Labour Party.
- The provisional Financial Settlement had been announced in mid December 2016, the Government had changed its approach to New Home Bonuses, which meant there would be significant reductions in 2017/18 through to 2019/20.
- The Government had granted a one off Adult Social Care Grant for 2017/18.
- The Schools Grant reduction was not as high as had been anticipated.
- The forecast for 2017/18 looked better than had been anticipated, but worse for 2018/19 and 2019/20 which had resulted in a further £2m increase in the budget gap, to £25 million over the next three years.
- The continuation of big projects within the Capital Programme were still in place with the addition of some new proposals for Capital spend.

The Director of Corporate Services reported that within her department there were pressures within Legal and Property Services. Of the savings proposed in Corporate Services and the Chief Executives Office, very few had a direct impact on frontline services, with most being operational savings.

In response to the Members' questions, the following points were made:

- 1% had been included for inflation in the draft budget proposals; this would be looked at and revised accordingly.

- The Council Tax proposals were not included within the report, but had been discussed at the Conservative Group Meeting.
- There was a potential care home provision from the Council going ahead, this would help to mitigate the increasing costs within that area.
- The 2017/18 budget assumed that the Transformation Programme for Adult Social Care would have come into effect and mitigate the 2017/18 costs.
- The Adult Social Care budget issues were Countrywide not just local to Bracknell Forest Council.
- There had been no responses from residents on the budget consultation.
- The Council would come in on budget for 2016/17.
- There had been no decision yet from Central Government on whether Vodafone would be included on the central list for Business Rates.
- Bracknell Forest Council were over delivering on their Business Rate projections. This would result in an increased levy payment to the Government in 2016/17 with the Council's share of the surplus not being available until 2017/18. This surplus had not been used to support the budget because of the uncertainty around future Business Rates income.
- involve had previously not received any changes to their Voluntary Sector Grant for the past five years going forward this would be cut. The Assistant Chief Executive had met with involve and they were comfortable that they would still be able to provide the same level of service and support. involve had moved their HQ to cheaper accommodation within the former Magistrates Court.
- The Voluntary Sector Grant to the CAB would be remaining, the Council and CAB were working closely together on work streams concerning debt issues, which were one of the CABs biggest concerns.
- The Voluntary Sector Grant to Victim Support had been removed, The Assistant Chief Executive had met with Victim Support before Christmas and no further comments had been received within the Consultation.
- There had been no changes to the Shopmobility Grant.
- Berkshire Community Foundation had also had their Voluntary Sector Grant cut.
- The Executive Member for Culture, Corporate Services & Public Protection had been present at the Assistant Chief Executives meetings with the Voluntary Sector Organisations and commented that involve were very relaxed and understanding with the proposed cuts.
- The property consultant that would be used to undertake the Energy Performance Certificates, this would be a one off cost as there was not enough resource within the Property Services Team to undertake the significant work needed in a short timescale. It was thought that this was the most cost effective approach. It had been recognised that recruiting property expertise in the South East was challenging. Staff had previously been brought in to undertake similar work as there was no allocation within the staff budget to provide this service.
- The Borough Treasurer had a high degree of confidence that the forecast savings from Transformation projects in 2017/18 would be achieved.

The Chairman stated that even though many members had been involved in the Transformation programme so far and had a general understanding and feeling of the figures that had been presented, there was a risk attached in achieving the figures. The Commission would be closely monitoring and watching to see if the savings are achieved. The Chairman also commented on the importance of CIL funding being spent on infrastructure rather than other projects.

The Commission endorsed the comments made in the minute extracts from Overview & Scrutiny Panels and would incorporate these into the overall feedback. The Commission also endorsed the draft budget proposals before them.

42. **Use of Consultants**

The Commission received a report that set out information about the Council's use of consultants including the different circumstances in which they were used and the processes which are followed to engage them.

The Borough Treasurer presented the report which had been provided to the Commission. He informed Members that there were no standard definition of a consultant, and everything listed within the report was everything that had been charged to the consultant cost code, giving Member's full visibility. Coding of consultants costs was not consistent between departments.

The Borough Treasurer reminded the Commission that it was important to recognise that consultants working in day to day services or through contractors were appointed via the tender processes

The highest consultant spends were on Atkins, who were key to construction projects such as Blue Mountain and Coral Reef and Activist and iESE who were involved in the Council's Transformation Programme.

In response to Members' questions the following points were made:

- In the year covered by the report, the total spend had been £5.35 million.
- Overall accountability for the decision to appoint a consultant was with the Service Director, they would ensure that the correct processes were in place. It would depend on the approach of the Directorate to determine whether Chief Officers and Heads of Service could also make the decision for lower spends.
- If it was a high spend decisions, for example £100k, it would be a director decision and they would weigh up whether it was a beneficial decision .The Director would ensure that this went through the procurement process as set out in the Schedule of Delegation.
- The term "No Payee Information" within the spreadsheets was unfortunate phrasing. It did not mean that the Council didn't know who they were paying, but a consequence of the way the report had been pulled together. These were Journal entries where the payee information was not held against the account but held against the coding within the ledger. To find this information each of these items would need to be looked into and traced. The original spreadsheet contained 6000 lines of information, and the Borough Treasurer was happy to provide the information to Members on particular lines in excess of £5,000.
- Temporary staff were employed through the Matrix contract and were coded against a different budget.
- The spreadsheets provided to the Commission had been specially written and included all spend coded to consultants on the system, even if it had been a one off spend.
- 90% of consultant appointments had been through a tender process. Every six months a sweep was done of all off-contract spend throughout the organisation, there was very little spend in this area.
- Consultants on Major Capital projects were coded to Capital codes.

- The Schedule of Delegation was set out for procurement processes and referred to regularly. This was set out in the Council's Constitution.
- The report had been prepared especially for the Commission and had not been supplied to the Auditors.
- The Executive Member for Transformation and Finance commented that it had been reported at January's Governance and Audit Committee that all of the Councils auditing systems were up to scratch.
- Atkins had been appointed through the proper procurement process and were providing support on significant programmes around the Borough, such as Binfield Learning Village and Coral Reef. They were providing experts at particular times of need as they are able to form and mobilise small teams at the time of need. The Council have struggled to appoint property expertise, this was an issue throughout Councils in the South East. It would be a massive challenge for the Council to meet the demand for these specialist services internally. The One Property Estate project would be looking at developing a shared service across Berkshire. One Member commented that it was open to the Council to engage its own architects and other specialist personnel, and if they had spare capacity, to sell that service externally.
- The Transformation Programme would be reviewing all services to find savings.
- The total budget for the Transformation Board had not been set at this time. Officers were being developed in house so that the Transformation Programme didn't need to rely as much on Consultants going forward.
- It was not known how much of the Atkins contracts were subcontracted out, Officers would look into this.
- Capital spend included construction fees.
- Directors and Officers would decide how best to use the funding available to achieve the desired outcome within member approved budgets.
- The analyse phase of the Transformation Programme had been different than what had been expected, therefore the original projected £70k cost of Activist had increased to £227k due to there being insufficient in house resources or expertise. For the Plan Phase of the Transformation Programme, in house resource was being reviewed and mapped to determine what external support was required.
- Consultant support for the Transformation Programme was not tendered annually, but part of a four year framework which had been agreed.
- It was difficult to compare Bracknell Forest's Consultancy spend with other Local Authorities as there wasn't a universal consistent approach.

The Chairman thanked the Borough Treasurer for pulling together the report which was of considerable interest and commented that it had opened many Members' eyes and raised more questions than it had answered. The need for using consultants was understood but the process of appointing consultants required sufficient internal expertise and needed to be closely monitored to determine that the Council was getting best value for money.

It was thought that more useful work could be done for Members to gain a better understanding and to keep the document live, therefore the Chairman proposed a motion that it would be worthwhile for the Members' to form a working group to investigate and understand the process more.

Members endorsed the Chairman's proposal for a working group to be introduced.

43. **Executive Forward Plan**

The Commission noted the forthcoming items on the Executive forward plan of a corporate nature.

In response to the Members' questions, the following points were made:

- The Bracknell Town Centre Regeneration Committee was a meeting which was open to the members to attend. The Assistant Chief Executive presented reports to the Committee Members updating them on the progress that was happening with the Town Centres Regeneration Programme. On occasion the Committee would be requested to agree for Officers to investigate a particular approach or idea for the regeneration.
- The Business Case for the Civic Accommodation was set out within the Capital Programme. Members' raised that confusion had been caused by including the demolition of Easthampstead House within the Capital Programme and that the process was not clear.

44. Overview & Scrutiny Progress Report

The Commission noted the Overview and Scrutiny activity and developments over the period June to November 2016, set out in the report.

45. Work Programme and Panel Activity Update

The Commission noted progress against the Overview and Scrutiny work programme for 2016-17.

Councillor Phillips raised concerns regarding officer support going forward to assist with Health Scrutiny.

46. 2017/18 Overview and Scrutiny Work Programme

The Chairman reported that all Overview and Scrutiny Panels and the Commission would need to consider their work programmes for 2017/18. A proposed work programme for Overview and Scrutiny for 2017/18 would then be annexed to the annual report of O&S for the April 2017 Council meeting.

47. Date of the Next Meeting

The date of the next Overview and Scrutiny Commission was 30 March 2017.

The Chairman commented that this would be the first without Richard Beaumont who was due to retire in March. The Chairman said that he had worked closely with Richard since becoming chair and his insight, intelligence and gravitas would be greatly missed.

The Commission thanked Richard for his contribution and wished him all the best for his impending retirement. This officer post would be replaced to fill the vacancy.

CHAIRMAN