

**OVERVIEW AND SCRUTINY COMMISSION
3 NOVEMBER 2022
6.30 - 8.54 PM**



Present:

Councillors Angell (Chair), Virgo (Vice-Chair), Mrs Birch, Brossard, McLean, Porter and Temperton

Present Virtually:

Councillors MJ Gibson and Mrs McKenzie-Boyle

Apologies for absence were received from:

Councillors Gbadebo, Mrs Mattick and Mossom

Executive Members Present:

Councillor Heydon, Executive Member for Transformation and Finance

Also Present:

Sue Halliwell, Chief Executive

Stuart McKellar, Executive Director: Resources

Kevin Gibbs, Executive Director: Delivery

Paul Young, Assistant Director: Human Resources and Organisational Development

Councillor Leake, Chair of the Employment Committee

Victoria Hill, Parent Governor representative

Also Present Virtually:

Ann Moore, Head of Democratic and Registration Services

33. Minutes of previous meeting

RESOLVED that the minutes of the meeting of the Commission held on 6 October 2022 be approved as a correct record, and signed by the Chairman.

34. Declarations of Interest and Party Whip

There were no declarations of interest made. There were no indications that members would be participating while under the party whip.

35. Urgent Items of Business

There were no items of urgent business.

36. Public Participation

No submissions had been made by members of the public under the Council's Public Participation Scheme for Overview and Scrutiny.

37. Context Setting of the Budget

The commission invited Sue Halliwell, Chief Executive, Councillor Heydon, Executive Member for Transformation and Finance and Stuart McKellar, Executive Director: Resources to address the meeting and present the strategic context in which the budget was set. The following points were made:

- The challenging external financial context was highlighted, noting that the difficulty was being experienced by all local authorities at the current time.
- The Council had strong and robust financial management processes in place which helped it maintain a strong financial position despite these pressures.
- The final settlement would not be received until Christmas 2022 therefore time scales to prepare the budget would be tight for readjustment and recalculations to be made.
- The Council were waiting for fair funding to be resolved which will give greater control for local authorities.
- Approximately 70% of spend goes towards supporting residents.
- A major item of expenditure was staff salaries with a two percent rise planned for, but the agreed four percent increase had resulted in an additional £2m cost.
- An overspend of around £1.1 million was predicted which included drawing down £1.5 million from inflation reserves to meet the pay award. This overspend was unusual for the Council and highlighted the pressures being faced.
- Factors to consider in 2023 included changes to government policy. Possible reforms to social care would have a significant financial cost. It was hoped there would be further clarity around the issue within central government around levelling up.
- It was anticipated that there would be an update on public spending on 17 November 2022. It was anticipated that Local Government Finance settlement would be available before Christmas 2022. It was predicted that it would be unlikely that there would be any changes around the fair funding review or business retention scheme. Therefore, the Council were working on the assumptions that the grants would remain broadly similar.
- An additional key factor in the budget was whether the Council would be given the ability to increase council tax by 2%.
- The council predicted a challenging £16.4m budget gap over the next few years. Reserves in place helped manage a transition to a more sustainable position which enabled delivery the services to continue.

The following questions were asked:

- A query was raised about the effect of increasing interest rates on reserves and whether a windfall from this could be used to help residents. The Executive Director: Resources, explained that the Council was not in a borrowing position. Although higher interest rates were slightly favourable the impact had already been included in the financial monitoring and had helped to manage the position, ensuring the council was closer to balancing rather than significantly overspending.
- A question was raised about whether vacancies were being left open to save budgets to which the Executive Director: Resources explained that there wasn't a moratorium on filling posts. However, managers were asked if there were alternative ways to share workloads within vacant posts.
- A comment was made about a point in the budget monitoring report which stated there was 'A reduction in supplies and services budgets following a review of services provided by external advisors.' The query was whether the council had used external providers when looking at what cuts should be made. It was explained that extensive treasury advisors were engaged. They gave advice about the most appropriate places to go for borrowing and investment

requirements as this was a technical market. Savings highlighted that this engagement had been reduced, and only happened once a quarter.

- Pressure relating to unbudgeted ICT project costs was questioned, specifically the process of migrating council servers into a cloud-based approach. Budget was set up to manage the cost impact of this and it was noted that the money ran out at the end 21/22 financial year, but the work was not finished.
- A comment was made about Heathlands and whether the income was affected by it being placed in special measures as people were no longer being referred there. It was explained that rather than income being affected impact was from spending on alternative placements that needed to be found. Heathland's market rate for placing people was significantly lower than alternative placements.
- A point was raised around the impact on income that resulted from the increasing number of schools that became academies. It was confirmed that this income was at risk and would be a factor of the 23/24 budget.
- A comment was made around high demand for local government services combined with austerity and concerns in relation to government financing. Whilst residents were engaged as much as possible through consultation a point was raised that not many people fully understand the budget process so alternative and innovative ways to engage residents should have been sought. This approach would have enabled the council to make informed decisions about the services that were provided locally and how these were paid for. The question arising from this was, whilst there was a need to maintain a prudent budget with reserves should we have been working with other local authorities to urge a change to the system which enabled local government finance to be controlled by local councils.
- In response to this query, it was acknowledged that the Local Government Association (LGA) were directly appealing to the government and lobbying on a cross party purpose, specifically in relation to changing their proposed policies to social care. It was suggested that all members had the opportunity to lobby.
- In response to a query around the staffing budget for educational psychologist and how many posts the £0.114m spend covered, Executive Director: Resources stated that he was hesitant to put an exact number against this but stated that it was fewer than 10. It was also added that there were a range of pressures on SEND including staff.
- Clarification was sought around savings from the new transport model. It was explained that income was generated by charging developers for use of the software which assessed the traffic impact of planning applications. **Action: Councillor Turrell and Executive Director: Place, Planning & Regeneration to expand on this.**
- Concern was raised about reduced management at a child development centre which was shown as a post deleted. This was explained as being a delivery of the savings that were identified and approved as part of the 2022-2023 budget setting and the document being referred to tracked delivery of agreed savings.
- A comment was made that service level agreements with schools needed to be tracked to ensure they didn't become non-viable and run at a loss due to a lack of people subscribed to them. It was agreed that there were risks these services could run at a loss and there would be pressures on the 23/24 budget due to the increasing number of academy conversions.
- Concern was raised about how schools with a deficit budget were monitored. It was confirmed that this was closely monitored through regular reports that went to the school's forum, with detailed information on budgets and tracking of reserves held.
- A query was raised around the allowance for inflation being 7.5% despite the news stating it could be 10.1% or more. This was addressed by the Executive Director: Resources who explained that a worked assumption of 7.5% would

consider pay prices and income. In response to a question of whether the Council could afford to add more to inflation, it was noted that significant pressure needed to be seen in the context of other budget proposals.

- A query was raised about the pressure of energy costs, specifically in relation to sports centres and if this would be a problem. It was explained that Bracknell Forest participated in a national framework, bought into by the leisure board, which forward purchased energy to significantly lower costs.
- The transformation programme came under scrutiny with a question asked of why it was still in place due to the high cost. It was explained that services needed to be transformed to ensure costs didn't keep rising year on year. Sue Halliwell, Chief Executive, added to this by suggesting that rather than it being referred to as transformation it could be rephrased as continuous improvement which ensured the best value was being delivered to residents whilst also being responsive to new legislation or statutory requirements. It was confirmed that in the longer-term budget the need for continuous improvement was paramount.
- Further clarification was sought around a question that individual directorates should be responsible for streamlining services. It was explained that the transformation programme was managed through the corporate management team as a corporate response and function being delivered across all the directorates. An aim of transformation programmes was to generate revenue with a focussed approach to alternative ways of running things.
- In response to a query over a contract for a business manager within social care that cost £200 000 for the year, the Executive Director: Resources confirmed that this was incorrect and nearer £40 000. Further clarification was sought regarding why there are not skilled people within the council to cover this role, which was answered by confirming that it had brought in additional capacity to support a service.
- A question was asked about whether the commercial property portfolio was generating revenue. The response was that the Council had overachieved targets. These assets wouldn't be kept forever and received regular valuations which stood within a 10% excess of purchase price. If there was a significant need to spend capitol monies, the Council might dispose of a property as it would cost less than borrowing.
- In response to a query about whether Council tax rises being capped would remain the same, it was confirmed that the settlement would set out the maximum cap.
- It was asked if there would be a range of options on the inflation level and would the contingency amount be revised. The response was that the council were working with service areas regarding applying inflation indices for all contracts, but it was too early to give a view of what it would look like.
- A query was raised regarding the lock in of energy prices until April 2023 and whether this affected the leisure centre. It was explained that 50 % of energy costs had been purchased and therefore whilst still an element of risk position was positive.
- A further query was raised around the transformation programme and apparent costs and what the benefits were. It was explained that the original target set in 2016-17 of delivering £11.6m was achieved in 2019 and since that time there had been further significant savings. It needed to be made clear what the expectations were regarding the investment for additional staff who supported business change. The commission was reminded that the CPOR report seen on a quarterly basis provided updates regarding the business change programme.
- A comment was made about the increase of adults over 65, 21% nationally and 32% in Bracknell and the impact on adult social services. The response to a query about if this was being taken into consideration was that the actual number of adults in social care was used at the point the budget allowances were made.

- A question was raised about the impact energy prices had on stretched school budgets; it was confirmed that schools under the LEA were protected by the energy cap.
- A concern was raised around the size of the deficit forecast for the high needs block regarding who the debt rested with. Up to 31 March 2023 this was DFE rather than local authorities. A specific question was whether there had been an update from the government to confirm if this deficit would become the responsibility of the council. In response it was confirmed that this would be announced soon and that it could still pose a risk for the 23/24 budget. Work was taking place with a consultancy to help the council work through plans and advise of improvements which would give confidence to the DFE that the program was delivering best value in an area of increasing demand.

38. **Employment Committee**

The commission invited Councillor Leake, Chair of the Employment Committee, to do a presentation to the Commission on the council's workforce management strategy, including recruitment and retention strategies, agency spend and use of consultants. The following points were made:

- Recruitment and retention, specifically in social care and children's services, had always been challenging
- A short summary report highlighted some problems that have arisen through using agency workers which included ensuring correct and accurate data for agency spend. This had arisen due to individuals and agencies not willing to take part in the single matrix arrangement. This was addressed through various safeguards resulting in more accurate information about agency worker spend.
- A top-level indication for the financial year highlighted the biggest department spend was with the people directorate at 72%. A recent project had looked at addressing this spend via a review of the terms and pay conditions for social care. Further scrutiny through CMT had indicated the desire to stabilise the workforce with permanency however this will continue to be a challenge due to local market capacity. It was noted that there would always be a need for a level of engagement with agency staff to fill a skills gap that the organisation can't provide. To ensure successful delivery within social care a stable workforce was essential.
- The Council recognised that the single agency arrangements through Matrix provided benefits through contracts having agreed rates of pay for each role across the council with one point of contact. This speeded up a process of engaging agency workers.
- There were no agency fees to pay if an agency worker transferred to permanent employment after being in post for 12 weeks or more.
- Temporary to permanent employment changes were seen as a benefit and there were 3 individuals who made this transition in a six-month period.
- A recruitment and retention blueprint was produced which highlighted problems and challenges around significant spend with agencies or issues with recruitment and retention arrangements. This was used to address the problems in children's and social care and was used to look at other problem areas. In addition, this exercise looked at neighbouring authorities' arrangements in this area.
- The recruitment and retention scheme introduced includes new career pathways for social care.
- Apprenticeship routes were a key driver to ensure the best value from the apprenticeship levy was achieved. Additionally, apprenticeship routes could be utilised in areas where there was a shortage of people. The council engaged with

an apprenticeship scheme linked with the University of Brighton which was used to fill posts in challenging areas and identified savings with agency spend.

- The successful step up to social work program was operated on behalf of all Berkshire authorities. Retention was an issue as individuals who had been trained often moved to other areas where there were greater financial incentives. It was hoped that the learning and development and career pathways would address this.
- Within adult social care the council looked to engage with health partners to provide secondment opportunities, specifically for adult care and occupational therapy roles.
- Over the previous year career events had been used at universities, the Lexicon and schools. These discovered a demand for apprenticeship roles within the borough and were used to research ways to encourage people to work in the public sector.
- A robust leavers process was used to find out why people were leaving and to provide useful data around retention. Learning and development opportunities were cited as a positive aspect of working in the Council, but leavers reported they did not have time within their roles to utilise this.

As short presentation was made by Executive Director: Resources about consultants. The following points were made:

- There was a lot of overlap between agency workers and consultants. The main difference was that consultants were used to deliver one-off pieces of specialist work.
- Engaging with consultants is common within all local authorities, and this was warranted by the fact that there was not always the justification to employ enough or even a single very specialist worker due to the scale of activities within the Council. An example was identified in planning where a range of viability assessments are often seen, and the resources were not available to look at these in-house.
- High level figures were provided for current costs for consultants within each directorate. A high spend, around £4m, was recently used for consultants. The biggest area of spend was on capital schemes due to specialist engineers being required. There is an issue, because of the terms and conditions offered, with employing technical officers on a permanent basis for local authorities.
- Actual sums coded to consultant fees, over £100 000 for last 12 months showed the biggest spend was Atkins. Next, and highlighting the coding issues, was Jeffrey Osborne, the construction contract building the Binfield Community Hub, had been coded as consultants even though this was a construction contract. Third was PTS, which provided technology to monitor the condition of pavements. Lastly, Everyone Active for installing a new splash pad at Coral Reef.

Question that arose from this:

- A query was raised about whether retention was a problem for West Berks which the Chief Executive addressed by explaining that this issue wasn't unusual even outside of local authorities. Agencies could offer more money which made this a problem when accessing resources. A further question was asked about whether boroughs could pool resources across Berkshire. Conversations had taken place around this to ensure the right level of expertise could be attracted. It was explained that private sector could provide exposure to a variety of projects where individuals could develop their

skill sets. A point was made that it could be beneficial if local authorities were able to come to a shared arrangement where this could be replicated. Paul Young, Assistant Director of HR, added that joint arrangement plans were previously put in place across the southeast to stop people leaving permanent positions to join agencies. Although the challenges of this meant it wasn't tenable.

- Relating to the information presented on the development of apprenticeships a question was asked about if there was a strategy for recruiting occupational therapist apprenticeships and a target number. The Assistant Director of HR explained that they were looking at using the apprenticeship levy spend to develop opportunities for trainee children's occupational therapy. A comment was added that they would also look to address the challenges of recruitment for support staff within schools to ensure they have an adequate workforce.
- A query was raised about a point referring to apprenticeships in social care and occupational therapy offered to existing staff members and if this was referring to temporary or current staff. In response it was confirmed that this was to both and that the Council were looking to widen the recruitment of apprenticeship roles, this was seen recently in finance where five apprenticeship roles were filled due to difficulties with recruitment.
- A query was raised as to whether during feedback from new starters at three and six months the council were finding out why they chose to work at Bracknell Forest and if this information was used to enhance the recruitment process. The response was that whilst this was being done the challenge for recruitment was the lack of people applying for roles. An example was given where someone was very keen to work with Bracknell Forest and liked the culture but turned the offer down due to wanting a higher pay offer. The staff survey response and wellbeing survey would also be used to collate feedback. One aim was to capture electronically the reasons for people leaving so that issues and trends could be picked up.
- A supplementary question was asked regarding the three and six month interviews and if employees were specifically asked if and how the council had delivered what they promised during the interview. It was explained that this was something that would be developed and enhanced as previously this was the responsibility of managers within each area.
- A query about the setup to social work programme and issues around retention was put to the Assistant Director of HR, specifically asking if they had considered incentives such as golden handcuffs. The answer to this was yes there were retention payments in place within children's social care and new arrangements had enhanced the base salary in addition to the golden handcuff arrangement across hard to recruit posts within children's social care.
- With regards to consultants and agency costs a comment was made about how Wokingham council left the PPP partnership and went on to buy into a lot of the services. The question from this was if one council could hire experts and then others buy into them would this give a return on the services. The Executive Director: Resources responded by agreeing that there were many joint arrangements across Berkshire local authorities, and these could maximise the value of collective leverage.
- A query was raised as about if the Council had considered looking at schemes where staff could take part in short secondments within the council to develop career divergence. The response was that whilst there hadn't been anything formal put in place during the covid period people were redeployed temporarily across different departments which uncovered a variety of skills and previous experience and was possibly something that could be looked at again.

- In response to a question about a lack of communication between hiring staff and informing ICT about supply of laptops, the Assistant Director of HR explained that the process was very good but accepted that there may be occasions where a quick turnaround to supply laptops might be requested.
- Following a comment about Bracknell's recently awarded outstanding status within children's social services a question was asked about the balance and number of staff leaving and joining. It was acknowledged that some individuals were being targeted by other organisations to join them because of the status Bracknell Forest now had but that this was also a positive aspect as it could be used to attract staff and was being kept under review.

Councillor Leake, Chair of the Employment Committee concluded by thanking the Executive Director: Resources and the Assistant Director of HR and added a final that whether an individual was a trainee or mid-career the council should be utilising the skills of people within the organisation to work across different departments and gain a holistic view of how the council worked. He acknowledged that whilst there was a need for specialisms within the workforce a silo approach could be inhibitive.

39. **Work Programme Update**

Health and Care Overview and Scrutiny Panel

The blue badge review would go ahead and would be reported on in more detail after an initial meeting 22 November 2022. Suggestions for future work were being put together for the new panel who would be in place after the elections next May.

Additional points regarding the adult safeguarding review scope included:

- A case study would be taking place.
- Due to a possible impact regarding the equality impact assessment, there would be a separate meeting on this.

The Commission agreed the Adult Safeguarding review scope.

Education, Skills and Growth Overview and Scrutiny Panel

An initial meeting around future reviews took place with suggestions for priorities going forward. These would be finalised in a formal meeting later. A point that arose from this was to monitor recommendations from reviews and recommendations from CIL were raised at the parish liaison meeting on 16 November 2022.

The SEND report was complete and had been considered by the Executive. A high profile was generated by this review with Councillor Mrs Birch being interviewed by Radio Berkshire. The first set of recommendations from this were due to be reviewed around February 2023.

The Child Criminal Exploitation review was underway with a successful first meeting which had led to the planning of how this review would be developed further. There were five meetings in place with the final one scheduled for 1 December 2022 where the recommendations would be made.

Environment and Communities Overview and Scrutiny Panel

Two meetings had been held which were very successful in gathering evidence around the effectiveness of enforcement strategies across the different areas.

Further data around the number of fines being issued by highways and transport would be collated and presented at the meeting on 24 November 2022. Additionally, a meeting was planned, open to all members where the Head of Public Protection Service, would be presenting information about the fluidity of the public protection strategies.

The Panel were proposing to consider two further reviews in Q4 which would be Resident Social Landlords (RSLs) and burial choices.

CHAIRMAN