



MINUTES OF A MEETING OF THE CORPORATE SCRUTINY COMMITTEE HELD ON 1st FEBRUARY 2022

PRESENT: Councillors S Pritchard (Vice-Chair in the Chair), J Chesworth, A Cooper, R Ford, S Goodall, J Harper, Dr S Peale and R Rogers

CABINET Councillor Marie Bailey

The following officers were present: Tina Mustafa (Assistant Director Neighbourhoods), Lynne Pugh (Assistant Director Finance), Paul Weston (Assistant Director Assets), Zoe Wolicki (Assistant Director People), Ali Millard (Head of Customer Experience) and Jo Hutchison (Democratic Services, Scrutiny and Elections Officer)

41 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor T Jay and therefore Councillor S Pritchard chaired the meeting.

42 MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting held on 18th November 2021 were approved as a correct record.

(Moved by Councillor Dr S Peale and seconded by Councillor S Goodall)

43 DECLARATIONS OF INTEREST

There were no declarations of interest.

44 CHAIR'S UPDATE

The Chair reminded members that a written update had been circulated regarding the request for further information on returns on investments and he further reminded members that there was an all Councillor training session scheduled for Wednesday 9 February 2022 on TEAMS which had been organised by Stefan Garner and would be delivered by the Council's treasury management consultants, Link Asset Services, where members could ask for any further clarifications required.

The Chair reported that the previously scheduled meeting on 9 December 2021 was cancelled because the reports which had been due for consideration at that meeting, were not ready at that time and were included on this meeting's agenda.

45 RESPONSES TO REPORTS OF THE CORPORATE SCRUTINY COMMITTEE

The Chair reported that at the 18 November 2021 meeting, this Committee considered the QPR Q2 Performance Report and the Committee's comments and clarifications were recorded in the updated version of the Report considered by Cabinet on 2 December 2021.

46 CONSIDERATION OF MATTERS REFERRED TO THE CORPORATE SCRUTINY COMMITTEE FROM CABINET / COUNCIL

There were no matters referred for consideration.

47 FORWARD PLAN

The Committee considered the Forward Plan, and noted the new item added regarding Council Housing Rent Accreditation and agreed to consider later on the Agenda whether any items identified on the Forward Plan would be added to the Committee's Work Plan.

48 RESET & RECOVERY

The Chair introduced the Recovery & Reset Programme Director / Assistant Director, Neighbourhoods, the Assistant Director Finance and a representative of Truman Change who were in attendance to provide an overview of the overall Reset & Recovery programme, the workstream allocation between the scrutiny committees and an overview of the two workstreams allocated for this Committee's scrutiny:

1. Service Redesign
2. Finance

The Recovery & Reset Programme Director highlighted to the Committee:

1. The Recovery & Reset programme aims, which included increasing the Council's financial resilience, delivering our core statutory services, enhancing our citizen's experience, collaborating with the voluntary sector, regenerating and place shaping and encouraging inward investment, reducing our carbon footprint and celebrating our heritage and assets. It was highlighted that these projects were closely interdependent.
2. The proposed oversight by the three scrutiny committees and the Audit & Governance Committee, and comments from these workstreams would go forward to the overall Programme Board.

3. The Programme Summary where it was reported that the programme was on track, all the risks were being managed and the highest risk currently identified was in the Economic & Regeneration workstream in terms of the viability of the regeneration of Marmion House.
4. The Recovery & Reset Timeline and the requirement to deliver to the timelines identified in order to deliver the savings identified in previous Cabinet / Council reports. The Programme Director reported that the Cabinet Report due for consideration on 7th April 2022 would set out recommendations on next steps, what the Customer Services Offer would look like, what the arrangements would be for Marmion House in terms of security and / or demolition.
5. An overview of the three phases of the Service Re-design workstream, and that in particular the approach to Phase 3 had shifted to include a strategic assessment, including horizon scanning in terms of the extent of any organisational reviews beyond 2023.

The Assistant Director Finance provided an overview of the Finance workstream, which had 5 projects within it and that the main focus had been on the first, which was to reduce the deficit from £9.3 million.

The Assistant Director updated the Committee on the updated figures from the Local Government Finance settlement figures, which had provided an additional £2.2m for 2022/23 and the Council had identified further savings of £2.9m over 5 years through Phase 1 of the Reset & Recovery programme. However it was reported that a significant number of uncertainties in the budget over future years remain.

Work on the other areas within the Finance Workstream included a focus on a commerciality strategy to introduce a more business-like approach and to ensure staff had the required skills, and also to improve areas of training for staff in terms of financial processes, including procurement which would feed into the work on the value for money strategy, as well as a review of fees and charges.

The Committee sought clarification in the following areas:

1. The opportunities raised for more energy efficient buildings for the Council's offices which could potentially assist in reducing the impact of energy price rises and assist in working to reduce the Council's carbon footprint, where it was reported that this would be a factor for consideration, within any constraints of the nature and term of any lease for new premises.
2. The Committee highlighted the benefits of extended customer service operating hours which had operated as a result of the pandemic and whether this would continue in any new office location. It was reported that it was currently expected that booked appointments would remain during conventional office hours however, the move to digital enabled services

would be available. The Assistant Director, People further identified that careful consideration would be given to vulnerable customers and to ensure that there was a clear picture of the demand from vulnerable customers. In terms of overall demand, it was reported that the demand for electronic interactions, via emails and web chat, had increased during the pandemic, whereas the demand for telephone interactions had remained steady.

3. On the financial position and the period over which the budget was balanced, where it was reported that there was a £4.5m deficit over 5 years, with a balanced budget over three years.

The Committee noted that comments had been made by other scrutiny committees in respect of the Recovery & Reset workstreams, and that together with the comments raised above, Cabinet's attention be drawn to those comments.

The Committee thanked the Officers for their attendance, and the Programme Director and representative of Truman Change then left the meeting.

49 QUARTER THREE 2021/22 PERFORMANCE REPORT

The Committee received the Quarterly Performance Report Q3 which included a performance update and financial health-check, and following review by this Committee the report would be presented to Cabinet on 17th February 2022.

The Committee sought clarifications in the following areas:

1. Under the Corporate Plan Project and Corporate Risk Register, the Committee noted the potential risk in terms of impacts on costs on projects (for example, energy costs impacting on raw material costs)
2. Under the Regeneration Projects update, the Committee noted that there would be a Solway update at the March 2022 Corporate Scrutiny Committee meeting and welcomed this. In respect of Future High Street Fund item the Committee noted the position regarding negotiation for vacant possession of Middle Entry, and the Committee requested a confidential update focussed on the progress in respect of the position on Middle Entry vacant possession and the Co-operative site. In addition a further update on the marketing of the Amington Local Centre was requested including on the general position and timing.
3. In terms of the Net Zero Carbon Project Highlight Report it was noted that Infrastructure Safety & Growth Scrutiny would lead the scrutiny consideration of this.
4. In terms of the Corporate Capital Strategy and in particular with regard to the Council's investments in Property Funds, a question was raised on what proportion of the Property Funds were not invested in property (for example in Government bonds and other financial instruments). The Vice-

Chair also drew members' attention to the Treasury Management training on 9th February.

RESOLVED that the report be accepted.

(Moved by Councillor Dr S Peuple and seconded by Councillor A Cooper)

The Assistant Director Finance then left the meeting.

50 POST IMPLEMENTATION REVIEW MY TAMWORTH PORTAL

The Chair welcomed the Portfolio Holder for Finance, Risk and Customer Services, Councillor M Bailey and the Assistant Director, People and the Head of Customer Experience for this item.

The Committee received the update which highlighted the current position of the My Tamworth Customer Portal, and provided a review of the project including the costs, difficulties encountered, outcomes to date and the future project plan. It was noted that whilst the procurement for the customer relationship management system and self-service customer portal commenced in early 2018, with an expected completion date in September 2019, difficulties in achieving the deliverables by the successful tenderer were encountered, leading to delays and leading to alternative solutions being sought.

The Committee received an overview from the Head of Customer Experience of the post project review, which included lessons learnt.

The Committee commented and sought clarifications in the following areas:

1. The Committee welcomed the post implementation review undertaken to seek to understand fully the issues encountered and to learn from the process.
2. The Committee felt that further focus on the tendering process, including the assessment of tenderer capabilities to deliver to the specification, could assist the delivery of future projects and that this could be an additional recommendation.
3. Whether, and the extent to which, other councils were approached for their best practice in delivering a similar self-service portal, noting that as a council with housing stock this could require different considerations to those councils with no housing stock.
4. The Committee noted that the end product did seem to work well, and noted the hard work of Officers to deliver the end product.

RESOLVED that this Committee recommend to Cabinet that the Audit & Governance Committee be requested to look at the tendering process used by the Council with a particular regard to the scoring mechanism process and that it report back to Cabinet on its findings.

(Moved by Councillor Dr S Peuple and seconded by Councillor J Harper)

RESOLVED that the Committee:

1. Endorsed the contents of the Report
2. Endorsed the recommendations included within the report, noting that this Committee would be updated regularly.

(Moved by Councillor Dr S Peuple and seconded by Councillor R Ford)

51 UPDATE ON ASSET MANAGEMENT STRATEGY

The Chair welcomed the Portfolio Holder for Finance, Risk and Customer Services and the Assistant Director, Assets for this item which was to provide the Committee with an update on the Asset Management work completed to date and to provide information on the next steps.

The Assistant Director reported that condition surveys of both Council Housing stock and non-housing properties had been completed. Part of this work had been interrupted by the pandemic. In addition a gap analysis of our existing approach was undertaken to support the update to the Asset Management Strategy. The condition survey work provided the Council with details of costs to maintain the assets covered in the reports to currently acceptable standards. The data did not provide information on any future improvements which could be required to meet any changing legislation for example to achieve zero carbon targets. It was reported that work would now be required to start mapping the investment required against the income received from assets.

This work had identified:

1. For the HRA property portfolio, an investment need of circa. £128.2m over the next 30 years based on meeting the current Decent Homes Standard.
2. For the non-housing properties, an investment need of circa. £5.6m over the next 30 years based on maintaining to a reasonable standard.

The Committee commented on and sought clarifications in the following areas:

- Why the previous asset management strategy had not been implemented, where it was reported that the strategy had largely been followed, however, the reasons for not formally implementing it were not known.
- Whether not formally implementing the asset management strategy previously had impacted on the gap analysis undertaken recently, where it was reported that this could have been the case in some areas although the practice on site of asset management had been consistent.
- Whether the £128m was an inflated price due to not implementing the asset management strategy, where it was reported that this figure was for the housing stock and related to maintaining housing to the Decent Homes Standard, for example replacement kitchens, bathrooms, heating systems, windows and ongoing upkeep and the asset management in this area had always been designed to achieve the Decent Homes Standard.

- Whether the zero carbon policy was achievable in this area, where it was reported that this was an ongoing piece of work.
- The composition of the Asset Strategy Steering Group which it was reported comprised the Chief Executive, the Executive Director, Finance, the Executive Director, Communities, the Assistant Director Finance and Assistant Director Assets and which reported to the Portfolio Holder.
- Whether there were some parts of our estate which were not as attractive to be let, or whether the question was more that there was not the demand for certain types of the estate. The Assistant Director reported that whilst the Council owned limited stock in the town centre and whilst there were a couple of long term empty units in the town centre, the Council's retail stock on housing estates and on industrial units was generally well let, and the demand was reasonably good. Whilst the demand for retail was less strong, the Council had limited exposure in that area.
- That consideration could be required to balancing the objective of financial viability / affordability, net zero targets and the wider benefits to retain and maintain certain assets.

RESOLVED:

1. That the content of the report be noted.
2. To note that further discussions through the Asset Strategy Steering Group should take place.
3. That the current Asset Management Strategy be formally updated taking account of new data.
4. That Asset Management Plans for individual and groups of properties should be developed.

(Moved by Councillor R Ford and seconded by Councillor A Cooper)

The Committee thanked the Officers and the Portfolio Holder for their attendance who then left the meeting.

52 CORPORATE SCRUTINY COMMITTEE WORK PLAN

The Committee considered its Work plan and updated it as follows:

Corporate Scrutiny Work Plan

Work Plan 2021 – 2022		
TARGET MEETING DATE	SUBJECT	MEETING WHEN ITEM ADDED TO WORK PLAN
10 March 2022	Solway Trading Company Update	
Dates to be agreed		
TBC	Update on corporate prioritisation	August 2020
July 2022 (tbc)	Market Contract – post implementation review	November 2021
TBC	Parking Toolkit review – working group to be formed (Cllr S Goodall)	October 2019
Bi-annual updates (March & September)	Solway Trading Company Update	December 2019
TBC	Gungate Masterplan	January 2020
TBC	Joint Waste contract update	June 2021
TBC	Reset & Recovery Workstreams	November 2021
TBC	Investment Review	November 2021
TBC	Staffordshire Leaders Board	February 2022
May / June 2022 (tbc)	Asset Management Strategy	February 2022

Upcoming Corporate Scrutiny Committee Meetings
10 March 2022

Chair