

STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

RESOURCES OVERVIEW & SCRUTINY PANEL MEETING

Minutes

WEDNESDAY, 15 JULY 2020

PRESENT: Councillor A Hart (Chair)

Councillors C J S Atkins, G Bentley, E Fallows, M Gledhill,
N Hawkins, B A Hughes, K J Jackson, J T Jones, I Plant, T Riley,
D Shaw and N Yates

ALSO PRESENT: Councillors M T Bowen, T Hall, S E Ralphs and J Salt

IN ATTENDANCE: C Hazeldene - Interim Chief Financial Officer
K Pointon - Principal Finance Officer
T Cooper - Head of OD & Transformation
L Vernon - Senior Officer – Governance & Member Support
S Hampton - Democratic Services Officer
P Trafford - Democratic Services Officer

APOLOGIES: Councillors T Holmes, L D Lea, L A Malyon and P Wilkinson

1 **NOTIFICATION OF SUBSTITUTE MEMBERS, IF ANY**

Councillor G Bentley attended the meeting as substitute for Councillor L Malyon.

2 **MINUTES OF THE PREVIOUS MEETING**

DECIDED – That the minutes of the meeting of the Resources Overview & Scrutiny Panel held on 5 February 2020 be **APPROVED** as a correct record and signed by the Chair.

3 **URGENT ITEMS OF BUSINESS, IF ANY (24 HOURS NOTICE TO BE PROVIDED TO THE CHAIRMAN)**

There were no urgent items.

4 **DECLARATION OF INTERESTS:**

There were no declarations of interest made.

5 **QUESTIONS TO PORTFOLIO HOLDERS, IF ANY**

Question from Councillor Atkins:

Q1. What arrangements have been made for funding support for homeless people during the Covid-19 lockdown period within Staffordshire Moorlands. What number of homeless people have been provided for and what arrangements are being made for their longer term future?

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Response – Councillor Bowen, Portfolio Holder for Communities:

“We entered a national lockdown on 23rd March 2020, and on the 27th March, the Government announced the “Everyone In” Initiative- aimed at getting all rough sleepers into a safe space to isolate. Given many hotels, hostels and similar were simultaneously closed this was a challenge. We ran media campaigns to get additional resource in place to enable us to meet this challenge. We worked with other authorities to pool and maximise resources in terms of both accommodation but also intellectual resource in determining the changing guidance from Government. We up-scaled and improved the out of hours response which is a further positive legacy.

Government have never formally ended this, however since 12th May we have moved to the “Keep Everyone In” phase – to ensure that wherever possible people are moved from B&B’s into suitable settled accommodation. Since lockdown, 37 households - either threatened with homelessness or actually homeless -have been supported to move into alternative accommodation, whether that is privately rented or within the social housing sector. There are currently just 2 cases remaining in B&B accommodation (as at 10.7.20), of which both have offers of accommodation for moving on.

The total cost of this provision to date has been £42,917, of which £11,639 has been recouped through housing benefit and a further £1,650 through specific funding from the Ministry for Housing, Communities and Local Government (MHCLG) for this purpose. The Council has also received non-ring fenced funding from MHCLG to cover additional costs arising from the impact of Covid-19 totalling £1,021,594 to date – of which a proportion will be allocated to the additional costs associated with providing temporary accommodation.”

Supplementary 1 – What ongoing work was taking place to avoid instances of homelessness with the onset of potential redundancies due to COVID?

The Housing Team always responded quickly to any situation presented to them, working quickly to alleviate any difficulties experienced.

Supplementary 2 – There were regular rough sleepers known to be in the district. Would the team be able to work proactively, given the potential increase in rough sleeping due to the oncoming recession and a likely increase in evictions?

There was only 1 known rough sleeper in the district last year, who refused any help offered. The team would respond where instances were known but more information was needed to identify such cases.

6 COVID-19 PANDEMIC - FINANCIAL RECOVERY & POSITIVE LEGACY

Claire Hazeldene – Acting Head of Finance – introduced the report, stating that work had commenced on the Council’s recovery from COVID 19 in late April 2020, with 5 main work streams having been identified:-

1. Reinstating services (to be reported to the Service Delivery Panel);
2. Economic recovery (Service Delivery Panel);
3. Community recovery (Community Panel);
4. Financial recovery (Resources Panel);

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5. Taking advantage of the positive legacy (Resources Panel).

Financial recovery

The development of the recovery response was underpinned by the assessment of the overall financial impact of COVID-19, with key priorities identified as:-

- Developing revised financial plans to take account of the financial impact and plan for the ongoing implications;
- Accounting for the significant treasury impact;
- Identifying and planning for the additional costs of additional service demands; and
- Providing for the additional costs arising from recovery.

A risk matrix was compiled identifying potential financial risks, rated on status as either green (costs already being incurred), amber (costs likely to occur – as yet unidentified) or red (remained a risk – not yet emerged to date). This currently showed as follows:-

General Fund	Impact Range based on Timescales		
	Low	Medium	High
	£	£	£
Impact Emerging	416,055	634,253	1,001,190
Impact Likely	340,458	552,492	808,112
Potential Risk	121,168	247,106	503,754
TOTAL	877,681	1,433,851	2,313,056

The £2.3m shown above had been offset by 2 funding allocations from government totalling £1m and a drawdown from reserves of £1.3m.

On 2 July 2020, the Secretary of State announced a further package of financial support in 3 parts:-

1. COVID-19 related expenditure – A further £500m non ring-fenced allocation, taking the total support to £4.3b;
2. Irrecoverable income loss – recognising that Councils had lost income from sales, fees and charges since the start of the pandemic and looked to reimburse 75% of such losses over and above 5% of planned income;
3. Losses in tax revenue – Tax deficits able to be repaid over 3 years rather than the usual 1 year.

Concerns regarding the long term impact of COVID-19 had led to work commencing on an early review of the Medium Term Financial Plan, a summary of which would be presented to the Audit & Accounts Committee in September 2020.

Taking Advantage of the Positive Legacy

Tanya Cooper – Head of Organisational Development and Transformation – outlined to members the following main areas:-

- Green infrastructure delivery;
- Digital infrastructure; and
- Transport e.g. increase in walking or cycling to work.

The reduction in travel, benefits to staff through home-working, additional channel shifts reducing direct contact, increase in contact with local businesses in

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administering the grants and the reduction in unnecessary beaurocracy were all seen as positives. Areas under investigation were:-

Action	Possible output
Review internal processes that have already had to change as a result of home working / office closures	Identify processes that have been forced to change and already improved as a result of COVID. We want to retain these improved working practices, so that they are not disregarded in the future and an old way of working re-introduced.
Review of other internal service processes to remove manual, paper-based processes that have created hurdles during lockdown	Opportunity to positively steer our Digital Transformation further. Goal to digitise where possible & needed to improve overall efficiency – reduced manual / paper processes will also improve service area efficiency. Introduce electronic only copies of planning applications to Parish and Town Councils.
Reduse our staff carbon footprint (travelling / printing) by improved and increased use of technology and a delivery of a digital workplace.	Opportunity to embrace this digital direction with implementation of Microsoft 365 suite, enabling access for Teams, Sharepoint, Stream etc. Video conferencing for staff meetings will result in reduction in travel to attend meetings and participation in online training courses. Reduce post distribution – we can be more green and generate less paper. Reduction in collection and distribution of post frequencies = reduction in contract costs.
Increase the number of services that customers can make payments online for	Drive and promote online payments / alternative payment channels. Potential to reduce the number of chip and pin machines on receptions = consider impact on reception opening hours, agree to removal of existing (and costly) cash / cheque channels. This will enable us to promote online payments / DD's as customers will choose to transact with us in different ways.
Improve/ enhance council functions / services that are currently available online to the public.	Review of transactions / services that are not currently available online (Waste / Repairs / Pest Control / Licensing / NNDR) and make improvements to those that are already (CT / Benefits). Analyse queries that are / were

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	historically handled face-to-face (If not since lockdown, why?). Drive 'Do it online' – Delivery of more end-to-end transactions for customers to self-serve. This will include / improve automation of back office processes.
Develop OD strategy and ICT / Digital Transformation strategy enabling Agile working as a focus.	Increase in Agile working and increase to flexible working arrangements, skills and structure to support new ways of working – increased productivity from home-working. New / amended policy required – will ensure aligned with corporate plans. Understand our new way of working, assessing the IT requirements to support Agile working.
Virtualisation of Committee Meetings	Hold and stream public meetings via Teams. Issue of Committee reports and introduction of Information Digests to members.

Members raised queries as follows (*responses in brackets*):

- Was there planning in place in the event that the pandemic should worsen over winter? (*Weekly meetings were taking place with senior management and Project Leaders, keeping a close monitor on the situation*);
- What were the 'Community safety issues' referred to in the report? (*The potential risk of impact of a recession and resultant unemployment*);
- Virtual meetings seemed to be taking longer than normal meetings. Some of the 'cut and thrust' could be lost. Technical difficulties had been experienced. There was a desire to go to 'Hybrid' meetings but this would need an act of parliament. (*Noted*);
- Were any staff redundancies envisaged as a result of COVID-19? (*No, the desire was for more flexibility.*);
- The democratic process must be maintained. With regard to electronic-only planning documents being issued to Parish / Town Councils, some did not have the facilities to function in this way. (*This was under investigation. The current arrangement was for electronic-only.*);

DECIDED – That the Panel **NOTE** the details of the Council's recovery to the COVID-19 pandemic, **SUPPORT** the proposed recovery plans and **IDENTIFY** the areas of activity requiring further consideration.

7 4TH QUARTER FINANCIAL, PROCUREMENT & PERFORMANCE REVIEW

Keith Pointon – Principal Finance Officer – informed members of the Council's overall financial, procurement and performance position for the period ending 31 March 2020 ("Fourth Quarter 2019/20).

The position was summarised as follows:-

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Subject	Headline	Reference
Finance	<p>Headlines for the Fourth Quarter were:</p> <p><i>Performance against Budget</i></p> <ul style="list-style-type: none"> • At the Fourth Quarter stage the General Fund provisional outturn for 2019/20 was an underspend of £1,322,792. <p><i>Efficiency Programme</i></p> <ul style="list-style-type: none"> • The 2019/20 general fund efficiency target of £842,000 had been exceeded with £1,025,000 of savings achieved. <p><i>Capital Programme</i></p> <ul style="list-style-type: none"> • The revised Capital Programme budget for 2019/20 was £3.3m. The outturn for the year was £2.7m; a variance of £0.607m – mostly in respect of underspend of Disabled Facilities Grant works. <p><i>Treasury Management</i></p> <ul style="list-style-type: none"> • Cash investments held at 31 March 2020 totalled £9.7m. The Ascent loan and debenture currently stood at £14m; • Council borrowing at 31 March 2020 totalled £10m (related to the Ascent loan); • The Council's net interest income receipts were £73,110 surplus above budget. <p><i>Revenue Collection</i></p> <ul style="list-style-type: none"> • 98.55% of Council Tax was collected by 31 March 2020 compared to 98.66% for the same period last year; • 99.30% of Business Rates was collected by 31 March 2020 compared with 99.13% for the same period last year; • At the end of the Fourth Quarter debt that was over 60 days old was £70,729 which compared with £70,434 at 31 March 2019. 	Appendix A
Procurement	<p>The Procurement headlines for the Fourth Quarter were:</p> <ul style="list-style-type: none"> • 11 procurement activities were completed; • The procurement forward plan included 56 procurement activities for completion in 2020/21 (either SMDC only or joint); • At 31 March 2020, 67% of procurement activity undertaken was on the forward plan and the Council paid 97% of its invoices within 30 days during the year. 	Appendix B
Performance	<p>The Performance headlines for the Fourth Quarter were:</p> <ul style="list-style-type: none"> • 67% of the key performance indicators met target (43% of which were better than the previous year); • The Council received 63 complaints and 65 compliments in the Fourth Quarter; • 12 projects on track, 1 completed, 1 red rated and 6 grey. 	Appendix C

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Clarification was given regarding the Local Business Concordat, which featured as part of the updated Procurement Strategy. A discussion paper was to be published and it was hoped to encourage more local businesses to tender for works. The intention was to partially adopt the 'Preston model' in the process and member comments were invited. There was to be a section to include other local organisations.

A review of the Parking Strategy was also under way and requests for additional 'Blue Badge' spaces would be incorporated.

DECIDED – That the Panel:

- **NOTED** the Fourth Quarter 2019/20 financial, procurement and performance position detailed in Appendices A, B and C and summarised at 3.3 of the covering report;
- **RECOMMENDED** for approval the allocation of the surplus on the General Fund Revenue Account to reserves as explained in Appendix A (paragraph 2.10);
- **RECOMMENDED** for approval the proposal to carry forward unspent revenue budget as described in Appendix A (paragraph 2.12); and
- **RECOMMENDED** for approval the proposals to carry forward unspent budget as set out in Appendix A (paragraph 5.6).

8 FINANCIAL PLANNING PROCESS

Claire Hazeldene outlined the interlinked nature of this report to show the proposed financial planning process in order to review the longer term impact the Coronavirus pandemic had had on the financial position of the Authority.

The Medium Term Financial Plan (MTFP) had been formally approved by Full Council in February 2020. The pandemic had had, and was likely to continue having an adverse impact on the Council's financial position, arising from additional expenditure, lost income and savings targets which were likely not to be met.

Estimates showed the impact for 2020/21 to be £2.3m, with government funding of £1m having already been received and further assistance to be released shortly. There were to be 3 central pillars of support:-

1. COVID-19 related expenditure;
2. Irrecoverable income loss;
3. Losses in tax revenue.

In addition, there was a potential additional resource needed with regard to community safety.

The 2020/21 position was being monitored closely and would be reported to members as part of the normal quarterly financial reporting process. The annual review of the MTFP had already commenced and would be presented to members once completed, expected to be in September 2020.

DECIDED – That the Panel **NOTED** the proposed process.

Members passed on their thanks to the Finance team for their ongoing efforts.

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9 **WORK PROGRAMME**

Whilst no Work Programme had been published as part of the agenda for the meeting, it was agreed to add an update report on the Council's Empty Property Strategy for a future meeting.

10 **EXCLUSION OF THE PRESS AND PUBLIC**

DECIDED:-

That pursuant to Section 100A (2) and (4) of the Local Government Act, 1972, the public be excluded from the meeting in view of the nature of the business to be transacted or nature of the proceedings whereby it is likely that exempt information as defined in Section 100A (3) of the Act would be disclosed to the public in breach of the obligation of confidence or exempt information as defined in Section 100I (1) of Part 1 of Schedule 12A of the Act would be disclosed to the public by virtue of the paragraphs indicated.

11 **EXEMPT MINUTES OF THE PREVIOUS MEETING**

DECIDED – That the exempt minutes of the meeting of the Resources Overview & Scrutiny Panel on 5 February 2020 be agreed as a correct record and signed by the Chair.

The meeting closed at 11.20 am

_____Chairman _____Date