

Time Commenced – 18:00
Time Finished – 20:18

Executive Scrutiny Board

7 August 2018

Present: Councillor Graves (Chair)
Councillors Eldret, Hassall, Hudson, Jackson, J Khan,
Marshall, Potter, Rawson, Russell, Stanton and Willoughby.

In Attendance: Emma Dann, Claire Davenport, Heather Greenan, Ruth
Sadler, Suanne Lim, Don McLure, Andy Smith, Catherine
Williams and Alex Hough (Democratic Services).

18/18 Apologies for Absence

No apologies for absence were received.

19/18 Late Items

There were no late items.

20/18 Declarations of Interest

There were no declarations of interest.

21/18 Minutes of the previous meeting

Minutes of the previous meeting held on 17 July 2018 were agreed as an accurate record.

22/18 Forward Plan

The Board considered the contents of the Forward Plan published on 10 July 2018. No items were added to the future work programme.

Member requested that the earliest dates Council Cabinet would consider Key Decisions contained within the Forward Plan were updated upon publication of the latest version on 14 August.

The Executive Scrutiny Board resolved to note the Forward Plan.

23/18 Performance Items and Performance Forward Plan

The Board received a report of the Acting Chief Executive presenting the Executive Scrutiny Performance Forward Plan and allowing the Board to make amendments as necessary for items to be considered at future meetings.

It was noted that amendments requested at the previous meeting had been incorporated and circulated as part of a revised Performance Forward Plan.

The Board resolved to note the report.

24/18 Council Cabinet Response to Scrutiny Recommendations

The Board considered a report of the Chief Executive which allowed the scrutiny board to receive responses from Council Cabinet on recommendations made at the previous Board meeting held on 17 July 2018.

The Board resolved to note the report.

25/18 Council Cabinet Agenda

The Board considered a report from the Chief Executive on the Council Cabinet Agenda. Members considered the Council Cabinet Agenda in its entirety for the meeting scheduled for Wednesday 8 August 2018 and made a number of comments and recommendations to Council Cabinet.

Item 8 – Bold Lane Office Accommodation – Delivery Model

The Board received a report from the Strategic Director of Communities and Place proposing the delivery of office accommodation at Bold Lane through a 'developer partner model'.

It was noted that a business case had previously been approved by Council Cabinet in February 2018 for the development of a high-quality, commercially-let office project on a council-owned site at Bold Lane. The Board considered evidence demonstrating a lack of 'Grade A' office space available in the city centre.

It was reported that Council Cabinet had previously agreed for officers to explore two delivery options: a direct delivery model whereby risks of cost and programme overruns would lie with the council and a partnership model where the site would be sold to a developer partner, who would then deliver the premises. Under this developer partner model, the building would be leased back to the authority over a thirty year period for sub-letting to business clients. It was noted that the council would have the option to purchase the freehold to the site at the end of the agreement.

Members sought clarification on the risks involved with the two delivery models. It was reported that the developer partner model offered benefits in terms of reduced construction risk and speed of delivery in particular.

It was noted that the proposal contained exempt information by virtue of Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972. The Board were afforded the opportunity to question officers on this element of the report in private session, under Item 16 of the Council Cabinet agenda.

The Executive Scrutiny Board resolved to welcome the proposal and note the report.

Item 9 – Children's Residential Homes – Proposed Reconfiguration of Service Provision

The Board received a report from the Strategic Director of People Services proposing the reconfiguration of children's in-house residential services. The report recommended that Council Cabinet agree a two-phased approach, which would lead to the creation of two hubs for those young people requiring either settled care or with complex needs.

The report also recommended that the scheduled refurbishment of an existing six-bed children's home was ceased and that part of the capital budget was reinvested in the reconfiguration of a smaller two bedded home.

The Board heard evidence of the changing needs and profile of the children in the council's care. It was reported that those with complex needs were better suited to smaller homes and that this had resulted in under-capacity based on the authority's existing provision, which was last reviewed around 2010. It was noted that OFSTED and the Children in Care Council were in support of the proposed approach, however further consultation would be necessary with relevant stakeholders.

The Board recognised the necessity for a targeted approach and the need to respond to changing trends amongst children in care. Members queried the number of beds that would be available under existing proposals, compared to the recommendations contained within the report. It was confirmed that the proposals would result in a reduction in the total number of beds available from 24 to 21.

Members expressed concern that a reduction in beds at a time of increasing demand placed the authority at greater risk of incurring additional expense from external placements, which were estimated to cost £5.5k per child, per week. Officers stressed that focusing on the number of beds was a misnomer and that it was the type of provision that was most relevant.

It was emphasised that existing provision was a reflection of the profile of children in care in 2009-10; it was considered that the proposals would relieve budget pressures on the service by allowing a number of young people to step down from external placements to council-run accommodation.

Members queried why refurbishment and reconfiguration of the existing six-bedroom home was not being considered as well. Officers stated that the scope of the review was to maintain provision within the current cost envelope and that there was a risk that a larger home would be under occupied. It was confirmed that the six-bed home would likely close should the proposals be agreed.

Members suggested that the capital programme was reviewed to consider whether there was potential for the reconfiguration of this home to create additional capacity. In the event that the home was under occupied, it was

suggested that opportunities for sold-services were explored, given the significant demand for external placements across the country.

The Board questioned how many young people currently in external placements were likely to be accommodated in council-run homes. It was anticipated that this figure could be between six and eight, out of a current total of 22 in external placements. Officers also confirmed that as of 7 August, there were 17 children in residential care, resulting in seven spaces that were currently unable to be utilised.

Members enquired about the timescale for the implementation of the proposals, which was considered to be a minimum of six months. Concerns were also raised that sufficient consultation had not taken place prior to Cabinet approval being sought and that an Equalities Impact Assessment had not been completed.

It was noted that the report stated the proposals were cost neutral. The Board raised concerns that this may not be the case once both capital and revenue costs were accounted for. The Board agreed that further detail needed to be provided in relation to both the cost-neutrality of the proposals and the outcome of the consultation process, in order for Council Cabinet to consider all relevant evidence in making its decision.

Three recommendations were put to the vote and carried.

The Executive Scrutiny Board resolved:

- **To recommend that Council Cabinet defer the decision on the reconfiguration of Children's Homes until such time as a formal consultation has been carried out with relevant stakeholders; an Equalities Impact Assessment has been completed and their results presented to Council Cabinet for further consideration.**
- **To recommend to Council Cabinet that the Capital Programme was reviewed, with the intention of ensuring no overall reduction in the number of bed spaces available; assessing the optimum configuration of existing homes and identifying opportunities for sold services, where capacity exists.**
- **To recommend that no decision is taken in relation to the closure of any children's home without further approval being sought from Council Cabinet.**

Item 10 – Changes to the Council Tax Support Scheme 2019/20

The Board received a report from the Strategic Director of Corporate Resources in relation to proposed changes to the Council Tax Support Scheme.

It was recommended that the backdating limit for Council Tax Support (CTS) claims was increased from one month to three for all CTS claimants. It was noted that the change was being proposed as claimants may not realise they

would be required to submit separate claims for Universal Credit and CTS. The report sought approval to begin a consultation process on the amended scheme.

The Board welcomed the report and supported the proposed changes. Members queried how claimants would be supported prior to April 2019 and what measures would be taken to make Universal Credit claimants aware of the requirement to submit separate claims. It was confirmed that the authority would be working closely with the Department for Work and Pensions to publicise the changes and that it was not possible to alter the CTS scheme in-year.

It was suggested that greater flexibility was incorporated into the proposals so that the backdating period could be amended, once the impact of Universal Credit had become fully apparent. The Board questioned how quickly residents were typically notified of Council Tax arrears; it was confirmed that this usually took place within six weeks.

The Executive Scrutiny Board resolved:

- **To welcome the report**
- **To recommend that Council Cabinet incorporate greater flexibility into the proposals to allow the backdating period to be extended if necessary following the consultation process.**

Item 11 – 2018/19 Quarter 1 Forecast of Outturn for General Fund, Housing Revenue Account, Revenue and Capital Budgets, Dedicated Schools Grant and Collection Fund

The Board received a report of the Strategic Director of Corporate Resources summarising the Council's forecasted financial outturn position at the end of June 2018.

It was reported that a revenue pressure of £6.336 million was currently forecast, £6 million of which was in People Services. It was noted that numbers of looked after children and the recruitment of social workers was the major contributing factor to the forecasted overspend. Under achievement of income targets in Communities and Place, as well as increased spending in Business Support were also cited.

Members requested more information was provided in relation to the overspend in Children's Services; it was confirmed that this would be provided as part of a review of demand management in People Services included in the Executive Scrutiny Performance Forward Plan.

It was stated that £12.6 million of capital spending had been achieved against an approved capital budget of £134.289 million. It was noted that the profile of capital spending would result in spend against budget increasing later in the financial year.

The Board asked why delivery against budget for the capital programme had been poor and queried whether there was an issue with council's capacity to deliver major projects. The Strategic Director of Corporate Resources accepted that delivery against budget had been disappointing, but did not feel that there was a capacity problem; it was further stated that information relating to the profiling of capital spending would be brought for consideration by Council Cabinet and the Board at Quarter 2.

It was reported that there was no significant movement forecast in the General Reserve balance, however Earmarked Reserves were forecasting a reduction from £99,106 to £85,229 as a result of cost overruns in relation to the A52 project.

In relation to the capital budget, members queried a slippage of £400k in relation to the Alvaston District Centre project. It was noted that mitigation required as part of a nearby housing development required the widening of the road that ran through the District Centre and that it was considered prudent to defer the project as a result.

Members also questioned whether a slippage against the Moorways Swimming Pool Project was as a result of the proposed enhanced feasibility study. Officers confirmed that this was not the case and it was a result of value engineering taking longer than originally anticipated.

It was noted that exempt information by virtue of Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972 had been provided in relation to Business Rate write offs. The Board were afforded the opportunity to question officers on this element of the report in private session, under Item 17 of the Council Cabinet agenda.

The Executive Scrutiny Board resolved to note the report.

Item 12 – Annual Report and Review of Performance 2017/18

The Board received a report of the Chief Executive presenting the council's Annual Report and Review of Performance for 2017/18.

The Annual Report included a review of the authority's achievements and challenges over the preceding twelve month period. It was noted that the Annual Report complemented the Statement of Accounts and Annual Governance Statement, which by their nature were complex and technical.

Some members of the Board suggested that the report did not contain sufficient detail, while others highlighted a number of achievements made over the last twelve months.

The Executive Scrutiny Board resolved to note the report.

Item 13 – Council Delivery Plan 2018/19

The Board received a report of the Chief Executive presenting the Council Delivery Plan for 2018/19.

It was noted that the Council Delivery Plan was an annual document that detailed the actions the authority would take in order to progress the priority outcomes identified in the Council Plan.

Members raised queries in relation to specific actions contained within the Delivery Plan. The Board also questioned whether targets identified in the Delivery Plan were sufficiently quantifiable.

It was noted that the document would evolve throughout the year and that the actions identified had been mapped into service business plans. It was further noted that progress against the targets set would be reported to the Board on a quarterly basis.

It was reported that the number of objectives contained within the Council Delivery Plan had been streamlined for 2018/19, following feedback as part of the LGA Corporate Peer Challenge. It was stated that wherever possible, existing measures had been utilised rather than incurring additional cost through the collection of data.

It was suggested that the Council Delivery Plan was considered alongside relevant data contained within the Council Scorecard.

The Executive Scrutiny Board resolved:

- **To recommend that Council Cabinet consider the Council Delivery Plan 2018/19 alongside the Council Scorecard.**

Item 14 – Compliance with Contract and Financial Procedure Rules

The Board considered a report of the Strategic Director of Corporate Resources outlining a number of items that required reporting and approval by Council Cabinet under Contract and Financial Procedure rules.

It was reported that approvals were being sought for the following items:

- To approve the use of £250,000 from reverses to cover interim costs associated with the feasibility study and business case study for the completion of a Clean Air Zone Full Business Case submission.
- To approve the use of up to £95,000 from the Swimming Pool Complex Capital budget of £33,000,000 to undertake a feasibility study to explore an enhanced leisure water option for the New Swimming Pool Complex.

The Board sought clarification on what the proposed feasibility study for the Swimming Pool Complex would entail. It was reported that options were being explored to include additional leisure water as part of the proposed designs. It was confirmed that should changes be made, complex and detailed designs would be produced prior to a further planning application being submitted and subsequent approval by Council Cabinet.

Members also queried whether capital funds could be used for the purpose of a feasibility study. It was confirmed that should changes not be implemented to the designs as a result of the study, it would constitute revenue spending.

Officers reported that value engineering to the original design would continue alongside the proposed feasibility study. It was also confirmed that the proposed operating model was not being assessed as part of the study and would be incorporated as part of a wider Leisure and Culture Options Appraisal contained within the Forward Plan.

Members queried whether the scheme had been delayed as a result of the feasibility study. It was reported that this was not the case and that value engineering needed to be completed regardless. It was confirmed that any enhancements to the design emanating from the feasibility study would not be delivered within the existing budget for the project.

The Executive Scrutiny Board resolved to note the report.

Item 15 – Exclusion of Press and Public

The Board resolved that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of the following items on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Item 16 – Bold Lane Office Accommodation – Delivery Model

The Board considered additional exempt detail in the Council Cabinet report of the Strategic Director for Communities and Place proposing the delivery of office accommodation at Bold Lane through a 'developer partner model'.

Item 17 - 2018/19 Quarter 1 Forecast of Outturn for General Fund, Housing Revenue Account, Revenue and Capital Budgets, Dedicated Schools Grant and Collection Fund

The Board considered additional exempt detail in the Council Cabinet report of the Strategic Director of Corporate Resources in relation to Business Rate write-offs as part of the Council's forecasted financial position at the end of June 2018.

MINUTES END