

## **Performance and Finance Scrutiny Committee**

1 November 2021 – At a meeting of the Performance and Finance Scrutiny Committee held at 11.00 am at County Hall, Chichester, PO19 1RQ.

Present: Cllr Montyn (Chairman)

Cllr Burrett	Cllr Elkins	Cllr Payne
Cllr Boram	Cllr Evans	Cllr Sparkes
Cllr Britton	Cllr Hillier	Cllr Turley
Cllr Condie	Cllr Linehan	
Cllr B Cooper	Cllr Lord	

Apologies were received from Cllr Wall and Cllr Bence.

Also in attendance: Cllr Hunt, Cllr Marshall and Cllr Waight.

### **Part I**

#### **18. Declarations of Interest**

18.1 In relation to the Medium Term Financial Strategy item:

- Cllr Sparkes declared a personal interest as Executive Member for Resources at Worthing Borough Council.
- Cllr Turley declared a personal interest as a Member of Worthing Borough Council.
- Cllr Burrett declared a personal interest as a Member of Crawley Borough Council.
- Cllr Hillier declared a personal interest as Cabinet Member for Economic Growth at Mid Sussex District Council.

#### **19. Minutes of the last meeting of the Committee**

19.1 Resolved – That the minutes of the meeting held on 13 September 2021 be approved as a correct record and that they be signed by the Chairman.

#### **20. Medium Term Financial Strategy 2022/23 Report**

20.1 The Committee considered the Medium Term Financial Strategy (MTFS) 2022/23 report from the Director of Finance and Support Services (copy appended to the signed minutes).

20.2 The Cabinet Member for Finance and Property introduced the report, supported by the Director of Finance and Support Services. They highlighted that the information given in the Autumn Budget is being considered however there will be no certainty until the Settlement Funding Assessment from Government is confirmed in mid-December.

20.3 The Committee made comments in relation to the MTFS including those that follow. It:

- Supported the broad budget principles which form the foundation of the MTFS report. It was requested that officers consider appending the Corporate Risk Register to the MTFS Report in future years.
- Commented on the funding receipt from business rates and its effect on the council's finances.
- Highlighted the significant increases to labour and material costs in construction and the effect this could have on the delivery and cost of in-progress and planned capital programme projects.
- Queried how the Government's Autumn and Winter Plan 2021/22 relates and affects this council. The Director of Finance and Support Services undertook to provide a response on this point.
- Sought reassurance that future efficiencies in Children's Services will mitigate the risks posed by increased placement costs and staffing costs, and whether the development of a Family Safeguarding model will deliver the improved outcomes and control costs. It was suggested that the Children and Young People's Services Scrutiny Committee be asked to consider this.
- Commented on the cost pressures in Adults Social Care to recruit additional care staff which must be balanced against the cost of delayed discharge from hospital on the NHS. It was agreed to ask the Health and Adult Social Care Scrutiny Committee to consider this matter.
- Queried whether a demographic change in urban areas and housing type across the county may impact upon this council's council tax receipt due to the increase in households eligible for the single person discount. The Director of Finance and Support Services undertook to provide a response on this point and raise the question of wider trends with other local authorities' Section 151 officers.

#### 20.4 Resolved:

- 1) That the Committee notes and supports the broad budget principles which form the foundation of the Medium \term \financial Startegy report;
- 2) That the Committee asks the Children and Young People's Services Scrutiny Committee to review the Family Safeguarding Model to ensure it yields the benefits expected; and
- 3) That the Committee asks the Health and Adult Social Care Scrutiny Committee to review the implications of delayed discharges from hospital for both this Council and the NHS, and to review the continuing pressures experienced in the social care market.

## **21. People Framework**

21.1 The Committee considered the People Framework Report from the Interim Director of HR and Organisational Development (copy appended to the signed minutes).

21.2 The Cabinet Member for Support Services and Economic Development introduced the report, supported by the Interim Director of HR and Organisational Development. They highlighted the reasons for adopting the Framework, its implementation, and the positive progress so

far with culture change at the council. The targets are reviewed annually and performance reported to the committee through the Performance and Resources Report (PRR).

21.3 The Committee made comments in relation to the People Framework including those that follow. It:

- Welcomed the directness of the report and recognised the challenges the council faced in addressing bullying and a poor organisational culture identified in the external inspections in 2018. Members of the Committee acknowledged the challenge culture change brings and that this is an on-going improvement process, and sought reassurance that corporate lessons had been learnt.
- Noted comments that more recognition of the KPIs is required to ensure that progress is on track and the suggestion of using SMART measures to monitor improvement.
- Sought reassurance that action has been taken to identify and remedy issues identified with poor people management and performance conversations, and highlighted the importance of understanding and addressing the reasons why 18% of staff surveyed did not feel supported by their line manager.
- Commented in relation to Theme two: Wellbeing, values and ways of working, that more emphasis should be included on helping staff develop and maintain a good work/life balance. It was suggested that 'dignity at work' is also considered.
- Welcomed the progress made over the last two years to recruit and retain staff, to reduce the number of senior interim roles, and to reduce the use of agency staff; this is an ongoing focus. Commented that whilst stability in the organisation is desirable it could have the related effect of stifling career progression for staff.
- Agreed that the progress on the People Framework targets should be kept under review and asked that it return to Committee for further scrutiny in 6 months' time once the permanent Director of HR and Organisational Development is in post.

21.4 Resolved:

- 1) That the Committee welcomes the positive progress being made via the People Framework;
- 2) That the Committee recognises the importance of addressing bullying and welcomes the input of the Cabinet Member for Support Services and Economic Development and officers in clarifying the actions being taken; and
- 3) That the Committee will review the progress and actions in achieving the objectives and targets of the Framework in six months' time.

## **22. Asset Strategy and Policy**

22.1 The Cabinet Member for Finance and Property highlighted that the previous 18months have been challenging for the Property Team given the effects of Brexit and the Covid-19 pandemic. The existing Asset Policy and Strategy will be updated to align with the Our Council Plan priorities and

come before the Committee in March 2022. Feedback from Members to the evolution of the documents was welcomed.

22.2 The Committee received a verbal report from the Director of Property and Assets outlining the current position of the Asset Policy and Strategy. Key points of the update include:

- The Property Team is working through a significant number of challenges to asset management and the capital programme. The construction industry is also seeing reduced availability of labour and significant material cost increases however it is expected this will level out over time.
- The Asset Policy and Strategy were put in place in 2018; since then the team have put in place corporate landlords and the corporate landlords organisational group (CLOG) to assess how assets are used internally to align with user need, as well as establishing a property carbon reduction working group to help the council achieve its challenging aim to be carbon neutral by 2030.
- Increased energy costs over the last two years and lessons learned from Covid-19 will be taken onboard. Once the revised Asset Policy and Strategy documents are updated they will align with the Our Council Plan and assist the council to achieve its objectives in all areas.

22.3 The Committee made comments in relation to the Asset Policy and Strategy including those that follow. It:

- Welcomed the Committee seeing the updated Policy and Strategy documents at its March meeting. It will include the methodology that assets go through to assess their use, the route to declaring an asset surplus, and confirm when engagement with the local Members will occur.
- Requested that the updated Policy and Strategy consider, and where appropriate include, the outcomes of the new ways of working/smarter working projects.
- Requested information on the carbon reduction working group and sought reassurance the 2030 carbon neutral target is realistic.
- Emphasised the need for the local Member to be consulted on assets to be repurposed or declared surplus.

22.4 Resolved - That the Committee welcomes the opportunity to scrutinise the updated Asset Policy and Strategy, including the methodology behind assessing the use of assets, and raises a number of points which it asks are addressed in the future report.

## **23. Work Programme Planning and possible items for future scrutiny**

23.1 The Committee considered the forward work programme and the extract of the Forward Plan of Key Decisions (copies appended to the signed minutes).

23.2 Items for the Business Planning Group to consider incorporating into the Committee's work programme were identified, including:

- The updated Asset Policy and Strategy for the March 2022 meeting.
- Further scrutiny of the People Framework in six months' time.

23.3 Resolved – That the Committee’s Business Planning Group consider the items noted at 23.2 for inclusion into the future work programme.

**24. Date of Next Meeting**

24.1 The next meeting of the Committee will take place on Thursday 2 December 2021 at County Hall Chichester, commencing at 2.00pm.

The meeting ended at 1.13 pm

Chairman