

Performance, Finance and Customer Focus Overview and Scrutiny Committee

Wednesday 1 December 2021

PRESENT:

Councillor Penberthy, in the Chair.

Councillor Jordan, Vice Chair.

Councillors Collins, Dann, Derrick, James, Lowry, Stevens and Stoneman.

Also in attendance: Alan Knott (Policy and Intelligence Advisor), The Leader (Councillor Nick Kelly), Brendan Arnold (Service Director for Finance), Andrew Loton (Senior Performance Advisor), Councillor Deacon (Cabinet Member for Customer Services, Culture, Leisure & Sport), Sarah Lees (Consultant in Public Health), Karen Jennings (Head of Bereavement Services), Councillor Mrs Bridgeman (Cabinet Member for Environment and Street Scene), Philip Robinson (Service Director for Street Services) and Helen Rickman (Democratic Advisor).

The meeting started at 2.00 pm and finished at 4.30 pm.

Note: At a future meeting, the Panel will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

20. **Informal Meeting**

The Chair advised Members that the meeting was being held remotely via Microsoft Teams due to the required deep clean of the Council House and the increase in positive Covid 19 cases, therefore was technically inquorate. The meeting was to be conducted on an informal basis and the minutes of the meeting, as well as any decisions, were required to be submitted to the next meeting for formal ratification.

21. **Declarations of Interest**

There were no declarations of interest in accordance with the code of conduct.

22. **Minutes**

Members agreed the accuracy of the minutes of the meeting held on 22 September 2021; these minutes would be required to be submitted to a future meeting for formal ratification.

23. **Chair's Urgent Business**

There were no items of Chair's urgent business.

24. **Policy Brief**

Alan Knott (Policy and Intelligence Advisor) presented the Policy Brief and advised Members that it contained key announcements in relation to legislation and policy change:

- the Environment Act became law – it would be driven by new legally binding environmental targets and enforced by a new independent Office for Environmental Protection (known as the OEP) to hold Government and other public bodies to account on their environmental obligations;
- the Department for Education had produced new guidance on the Education Act 2021 requiring schools to make uniforms affordable to all and for parents to get the best value for money;
- the Chancellor announced new requirements for businesses to set out their green credentials to potential investors and the roadmap to sustainable investing included rules which would apply to pension schemes, investment products, asset managers and were part of the Government's reforms to create a greener financial system;
- there were new duties for Council's to provide support and safe accommodation for victims of domestic abuse and this new regulation and guidance set out the support Councils were required to provide together with a requirement to work with partners such as the Police, local domestic abuse charities and published strategies on how they would provide support to victims by January 2022;
- the budget was announced in October 2021 and the core spending power for Councils was estimated to increase by approximately 3% in real terms – the Chancellor was providing Councils with £4.8b of new grant funding around social care and other services, and some headline announcements for Plymouth included £19.9m expansion of the George Park and Ride site through the levelling up fund, up to £50k to develop early stage proposals to reinstate passenger rail links between Tavistock and Plymouth through the restoring your railway ideas fund, and up to £90m for the new community forest in Plymouth and South Devon;
- in relation to housing and homelessness, a further £11m has been allocated to support 23 re-development schemes across 15 councils and Plymouth has been awarded £600,000 for five sites;
- in relation to the community renewal fund, the Government announced two successful bids for Plymouth: Plymouth Sound National Marine Park (£655,000), and Stonehouse Union (£552,000);
- Plymouth was awarded £165,000 to help support rough sleepers over winter;
- a consultation that came out following the publication of the Policy Brief

regarding enhanced legal support for those facing eviction and repossession; it would close on 20 January 2022;

- there was a series of free workshops for elected members on investing in walking and cycling infrastructure projects; the Department for Transport was offering a programme between November and January - the link was provided in the brief.

Members discussed:

- if Plymouth had the correct type of accommodation to support the victims of domestic abuse? Previously bed and breakfast accommodation was relied upon and this was not considered appropriate therefore was the Council in a position to adequately support those in need?
- in relation to the £65m support for vulnerable renters contained within the Policy Brief, how could the Council claim money for vulnerable renters? How would low income earners claim that money?
- with regards to the new standard for environmental reporting and the importance of green investments, would this affect the Council's procurement policies too? It was responded that officers were working with officers to develop and enhance the procurement approach as a result of this;
- had there been an update on what might be happening with green waste and environmental issues going through Government; it was responded that an update would be provided later in the meeting.

It was agreed that written responses would be provided for the questions posed by Members.

Members noted the update.

25. **Finance and Capital Monitoring Report September 2021**

The Leader (Councillor Nick Kelly) and Brendan Arnold (Service Director for Finance) presented the Finance and Capital Monitoring Report for September 2021 to Members.

Key points highlighted included:

- the report covered both the revenue forecasts and the capital position as at the end of September 2021 and were the same figures as those presented at full Council on the 22 November 2021 with the capital programme being voted through;
- the capital programme had been updated to reflect the newly approved schemes and full disclosure of the revenue savings targets and latest forecasts with regards to delivery. The forecast revenue outturn after the

application of COVID grants and accounts or mitigating actions, was currently in overspend of £729k;

- the Customer and Corporate Services directorate, moved from an overspend of £1.185 million to £765k, and this positive movement was attributed to further vacancy management and treasury savings; the Director was continuing to explore further opportunities to manage this position;
- the Place Directorate was reporting an overspend of approximately £38,000 which was an adverse movement from month 5 where there was an underspend of £139k and this was due to the pressure on income targets, especially around car parking. Service areas were taking action to mitigate these additional costs and loss of income;
- the position of the additional costs and income lost due to COVID was currently showing a drawdown against grants of £16.562m; officers and members would work closely to manage the finances towards a balanced position at the end of the year;
- after the second quarter the Council was reporting achieved savings of just over £3m and savings on track of a further £6.41 million making a total of just under £9.5 million of the £13.845 million target savings for revenue; with regards to capital and the five year capital budget from 2021 to 2026 it was currently forecast at approximately £647.5m as at the 30 September 2021 and it's been adjusted to take into account the newly approved schemes and to adjust future funding assumptions.

Members discussed:

- the £420k saving in the Corporate and Customer Services directorate from £1.185m overspend down to £765k and how that would impact on the performance; it was responded that there was a significant downward variance due to the sensible and pragmatic judgments about the use of temporary staff which was done in a way so that performance was not adversely affected. In addition the Directorate has tightened its belt in terms of expenditure and so there was not the same level of orders for some goods and services going through to bring the overspend under control;
- was the use of temporary staff more generally used across customer services and on what scale? It was responded that a written response could be provided however the Strategic Director of Customer and Corporate Services also covered finance, FM as well as customer services. The current vacancy rate across the department was in excess of approximately 6% of the establishment. The business support review that was started last year was now coming to fruition. The consultation process has been completed with the new structure due to be implemented on 12 January 2022; there would be some savings that are drawn from that;
- in respect of the capital programme, could reassurance be provided that

there was some structure in place to look at the risk and cost base that was increasing specifically for construction related projects; it was responded that a structured review of business cases was already being undertaken and business cases submitted to the City Council Investment Board were considered if they were still affordable against the original business case. Members were advised that a written response to this would be provided to the committee;

- were the grants from government addressing the overspend within the childrens and adults social care department? Were the council expecting to receive further grants from Government? It was responded that the Covid 19 grants that have been provided in the drawdowns that have been made in terms of additional monies. Inflation was spiking around 4%, and that made everything far more expensive. The children and adults departments were still under pressure however were presently sitting within the budget assumptions that were built in when the 2021/22 budget was set;
- an indication as to what the £500k savings in facilities managements included and when it would be delivered; it was responded that condition surveys were currently being carried out on the corporate estate and this would achieve savings with shortfalls coming from within the Customer and Corporate Services department; the surveys were expected to be completed by the end of February;
- responses were still required regarding costs for manifesto commitments that were raised at a previous meeting; it was responded that some information had already been provided to a number of questions however the final responses linked to mitigation, would be provided.

It was agreed that –

1. Members note the Finance and Capital Monitoring Report September 2021;
2. Members were advised that a written response would be provided detailing the risk and affordability of the council's business cases, specifically regarding construction, would be provided.

26. **Corporate Plan Performance Report Q2 2021/ 22 - to follow**

The Leader (Councillor Nick Kelly) and Andrew Loton (Senior Performance Advisor) presented the Corporate Plan Performance Report Q2 2021/22 to Members and highlighted the following key points:

- this was the second of the quarterly Corporate Plan Performance reports that was produced and it covered the period from July to September 2021;
- strong performance to date and some of the key areas of good performance in the report could be found on page 10 of the agenda pack. Specifically there was an improvement in the household waste collection for recycle, reduce or composting with an increase in quarter one of 21/22 to 37.3% and

then a further increase in quarter two to 40.1% exceeding the target of 39%;

- the report was set out in a user friendly format to clearly showcase trends and performance and enable scrutiny to hold the executive to account.

Members discussed:

- the importance of performance indicators, RAG ratings and especially trend to clearly demonstrate the direction of travel. A brief explanation would also make it clear what was happening in each area of concern; it was responded that there was an indication of trend in the report however due to the amount of information linked to each area the information was instead summarised in order to give an overview. Officers would use feedback provided to consider how the information in future reports could be displayed to adequately provide the trend and detail required;
- how many families with children were being housed in bed and breakfast accommodation for more than two weeks? It was responded that families were a priority for the service and that information whilst not included in the report was available and would be provided to Members.

It was agreed that:

1. Members note the content of the Corporate Plan Performance Report Q2 2021/22;
2. information upon the numbers of families that were being housed in bed and breakfast accommodation for more than two weeks would be provided to Members.

27. **Bereavement Services Update**

Councillor Deacon (Cabinet Member for Customer Services, Culture, Leisure & Sport), Sarah Lees (Consultant in Public Health) and Karen Jennings (Head of Bereavement Services) presented the Bereavement Services Update to Members and highlighted the following key points:

- the fire in Efford cemetery in December 2019 emphasized the fact that the crematory provision in Plymouth required modernization; from March 2020, following a decision made by the portfolio holder, all funeral services in the city's chapels had been live streamed free of charge. This continued whilst numbers were restricted because of covid19;
- saying goodbye to loved ones was a key part of mourning and one of the hardest challenges for the team was having to restrict the number of people permitted to attend funeral services;
- despite the many challenges the demand for funeral services had been met throughout COVID restrictions with no delay to waiting times; the fees charged for cremation had not increased in 2020-2021 despite entering into a

pandemic with the increased expectation of deaths. Additional costs, such as webcasting had been met by COVID-19 grants;

- the key challenge with regard to the budget was the delivery of the capital programme for the new crematorium. Replacing the old equipment with new state of the art and environmentally friendly crematoria required finance and moving to a new location. The new facility would create bigger and better ceremony rooms, modern offices and a cafeteria. Phase three was due to start in the New Year; once completed the buildings would go up fairly quickly with the whole project due to be completed by spring 2023.

Members discussed:

- the acknowledgement that profit should not be made from the crematorium service; how was this approached in the accountancy of the Council's finances? It was responded that work was still ongoing as to different operating models for a financial solution however a detailed response would be provided via a confidential briefing note to Members;
- were there any differences to the plans for the new crematorium and cemetery? It was responded that the quality and the front of house services would not be affected that was value engineered out. Changing the design so that block work was used instead of precast concrete was a more cost effective approach and would save time.

It was agreed that –

1. Members note the Bereavement Services Update;
2. a confidential briefing note would be provided to Members on the accounting treatment for the crematorium services.

28. **Environment Bill Update - verbal**

Councillor Mrs Bridgeman (Cabinet Member for Environment and Street Scene) and Philip Robinson (Service Director for Street Services) provided a verbal update on the Environment Bill and highlighted the following key points:

- the Environment Bill had gained royal assent and was now the Environment Act;
- in the new year a joint briefing between Councillors Mrs Bridgeman and Dann would be scheduled to discuss the wider implications of the Environment Act – this would also be made available for all Members;
- the Environment Act was much wider than just waste and resources, it covered the areas of governance, environmental principles, water, nature, and air. One of the principles that underpinned the Act was that it would take pressure off local authorities and shift the cost to businesses;

- in terms of electronic waste tagging, products would carry resource efficiency labels;
- the intention was for the Council, where possible, to convert the fleet vehicles to electric or more environmentally friendly options.

Members discussed:

- the importance of Councillor Mrs Bridgeman as Cabinet Member for Environment and Street Scene, taking action to assess current business cases affected by the Environment Act contained appropriate procurement routes; it was responded that this was already being done;
- who was the Senior Responsible Officer for the oversight and implementation of work to come out of the Environment Act? It was responded that this would be specified in the written briefing provided to Members;
- what was the governance surrounding the Environment Act and the impact upon the Council? It was discussed that this should be considered by the Scrutiny Management Board so that further cross party scrutiny could take place.

It was agreed that –

1. Members note the Environment Bill Update;
2. a written report on the Environment Act and the implications for the Council would be provided to Members; this would also detail the senior responsible officer and governance structures;
3. the Scrutiny Management Board should discuss the Environment Act at a future meeting in order to ensure that appropriate plans were in place to scrutinise the impact that this would have on Plymouth and the Council and it's finances.

29. **Tracking Decisions**

Members discussed the tracking decisions document and highlighted that information requested at previous meetings was still outstanding.

It was agreed that this information would be requested again.

30. **Work Programme**

Members discussed the draft work programme specifically regarding the customer services strategy as well as scrutiny into leisure services. It was highlighted that the work programme may need to be amended slightly to fit in scrutiny.

31. **Exempt Business**

Agreed that under Section 100(4) of the Local Government Act 1972, to exclude the press and public from the meeting for the following items of business on the grounds that involves the likely disclosure of exempt information as defined in paragraph 3 of Part I of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

32. **Commercial Waste Services**

Members discussed the Commercial Waste Services report and noted the update.