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SHOPSHIRE COUNCIL

PERFORMANCE MANAGEMENT SCRUTINY COMMITTEE

Minutes of the meeting held on 16 September 2020
2.00 - 4.52 pm

Responsible Officer: Julie Fildes
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Present

Councillor Claire Wild (Chair)
Councillors Joyce Barrow, Roger Evans, Hannah Fraser, Peggy Mullock, Dave Tremellen and Leslie Winwood

96 Apologies for Absence and Substitutions

Apologies were received from Councillors Karen Calder and Alan Mosley.

97 Disclosable Pecuniary Interests

None were declared.

98 Minutes of the meetings held on 10th June, 8th July and 29th July 2020

Minutes of 10 June 2020 - Paragraph 73 Schools Operation during the Covid-19 Pandemic

In relation to the penultimate paragraph, the Director of Adult Services confirmed that he would request that feedback from the Director of Children's Services on referrals from the NSPCC which had not been received by the Council to be circulated to Members of the Committee.

Minutes of 8 July 2020 – Paragraph 82 Highways Improvement Plan Update

The Chairman requested that the Director of Adult Services ensure that the forward plans for WSP and Kier were made available to Members of the Committee.

In response to comments made by Councillors about the content of Minutes, the Chairman agreed to discuss this at the end of the meeting.

RESOLVED: that the minutes of the Performance Management Scrutiny Committee meetings held on 10th June, 8th July and 29th July 2020 be approved as a correct record and signed by the Chair.

99 Public Question Time

There were no public questions.

A petition bearing over 200 signatures to remove the Clive of India Statue from Shrewsbury town centre from Mr David Parton was considered. Mr Parton submitted

a written submission supporting the petition which was read out to Members [copy attached to the signed minutes].

The Portfolio Holder for Assets, Economic Growth and Regeneration reminded Members that this had been considered by Council at its meeting on 16th July 2020 and had resolved to take no action.

In response to a query, the Solicitor, confirmed that the reason this petition was before the Scrutiny Committee and not Full Council was because it did not have enough qualifying signatures to be referred to Full Council for debate. It had over 200 qualifying signatures and hence had been referred to this Scrutiny Committee instead. He went on to confirm that there was another petition going to the next meeting of the Full Council looking to retain the Clive of India Statue and he understood that the Minutes from the previous meeting of Full Council held on 16 July 2020 with details of the debate that took place on the previous Petition were attached to the Agenda by way of background. Members would therefore have another opportunity to debate the issue at the next Full Council meeting.

RESOLVED: that the petition be noted.

Councillors Roger Evans and Hannah Fraser asked for it to be noted that they had voted against the resolution.

100 **Member Question Time**

There were no questions from Members.

101 **Report of the Marches Local Enterprise Partnership [LEP]**

The Chair welcomed Mandy Thorn and Gill Hamer, Chair and Chief Executive Officer, respectively, of the Marches Local Enterprise Partnership [LEP] to the meeting. Members congratulated the Marches LEP on the work they were undertaking to support the economy in Shropshire.

Ms Hamer explained that the Marches LEP had concerns about a possible increase in unemployment levels once the Government's furlough scheme ended in October 2020 and were pursuing a number of projects to improve the economic environment in the county. These included promoting work placements, developing peer to peer network and other initiatives to assist employers, new programmes to use the remaining European funding received from the European Regional Development Fund and providing investment to colleges and training providers. She continued that work was ongoing with the Shropshire Growth Hub to support new businesses.

In response to a Member's question regarding Broadband provision, Ms Hamer commented that the Council's Officers had invested funds received to improve internet connectivity over the whole of the county. She added that the Marches LEP were expecting a report on internet coverage and were working on a new digital strategy.

Ms Thorn, in response to a Member's question regarding the challenges facing the Marches LEP, explained that despite the competitive nature of the way the LEP was structured, the three member Councils had a good working relationship and ensured that the voice of the rural sector was heard equally to that of the larger urban populations. She continued that the funding required to deliver infrastructure which in turn would drive economic and business growth was often unforthcoming. Although there had been growth in available capital funding, revenue funding was problematic. She continued that there were always more projects than funds and they relied on the private sector to become involved.

Acknowledging a Member's comments about lack of funding for South Shropshire, Ms Thorn agreed that that valuable work had been done through the LEADER project. Ms Hamer added that the Marches LEP were waiting to hear from Government about successor funding for European Structural and Investment Funds [ESIF]. She continued that an announcement on the UK Shared Prosperity Fund was expected in November. The Marches LEP were part of a national group with a couple of LEPs, a lot of smaller Local Authority's and District Councils along with a couple of the larger County Councils that had really been making the case for future funding for rural areas and tourism, so they had been lobbying on that and looking at that successor programme.

It was reported that the LEP Board had made £1.58m available in July to the three councils and that Shropshire Council had benefitted from a larger share of that of £737k that went in to help with both flood and Covid recovery initiatives. Some of that money was currently being delivered through some of the market towns and tourism initiatives and again more detail could be provided by the team that were delivering that.

The Committee were informed that the Marches LEP were being asked to reposition their Local Industrial Strategies to be more recovery strategies and conversations about how to go about that had taken place and the information being evolved through Shropshire Council's Recovery Planning Group that Ms Thorn and Ms Hamer were members of, to really start building a recovery case for what was needed for the very vulnerable businesses and sectors.

Concerns were raised by Members in relation to Broadband and the number of not spots in Shrewsbury as well as in rural areas. Also, it was felt that very few small and medium enterprises interacted with either the Growth Hub, the Marches LEP or any other funding bodies so any kind of support around growing a Hub appeared to be difficult to latch on to including finding flexible low-cost office space and the availability of relevant training courses. Support appeared to be missing for any kind of growth in the service sector and issues around upskilling was becoming a stumbling block.

In response to the comments around Broadband, the Director of Place and Enterprise clarified that since 2013 £32m had been invested in the Broadband infrastructure with those households having access to superfast Broadband increasing from 24% to 94%. He informed the Committee that the Council's programme, with the support of the Marches LEP, had touched 65k premises. There were 3935 premises planned to be completed by 2023 which left 1433 premises that had not yet been planned. He confirmed that the Council were working with DCMS

and the utilities on how to get to 100% and get that last 1400 over the line. The gigabit voucher scheme also improved that connection for a lot of people.

Further to a query, the Director of Place confirmed that the information referred to above had been taken from a market intelligence review that was launched by Connecting Shropshire but that it gathered information from all suppliers on their latest commercial commitments for Shropshire up until June 2023.

A question was asked about the sort of carbon accounting the Marches LEP did around the projects that they funded and whether it was an important metric for them in terms of where they put their money. Ms Hamer confirmed that it had been a requirement for some years in their actual criteria for bidding for applications to demonstrate the impact on the economy and environment. However, in the last year, for the first time, they had actively had a bidding where the applications had to demonstrate clearly the impact on the environment and show that projects would not have an impact on the environment in any way. There were now a number of initiatives that were addressing net zero carbon initiatives and indeed, they had just recently secured funding of £5m for the Pride Hill Centre and all of those projects had to have an ambition to impact on net zero.

Ms Hamer went on to inform the Committee that they also now as a LEP had a colleague that worked full time with them and with colleagues at the Council in relation to an Energy Strategy which looked at all of the issues around carbon reduction/elimination and looked to ensure that housing was better supported in relation to its energy usage and reducing its energy costs etc.

Following Members' concerns that more Growth Deal funding had been spent in Telford than Shropshire, Ms Hamer explained that Telford & Wrekin Council had been more successful in bidding for funding in comparison to Shropshire Council but had benefitted more recently with the reallocation of Growth Deal funding that had not been spent in Herefordshire, so more money had come back into the Shropshire area. She informed Members that New College in Telford was being demolished and replaced with a housing development so actually, only £500k had gone into colleges in Telford whereas money had gone into SBC Training, Shrewsbury Colleges (on more than one occasion), the training centre in Bridgnorth, North Shropshire College and the Derwin College so actually, colleges in Shropshire had benefitted far better than in Telford and Wrekin.

In response to a query, Ms Hamer confirmed that details of the Integrated Transport Package was set out in the paper but that more detail could be provided upon request.

Ms Thorn clarified that all projects funded by the Marches LEP went through an independent evaluation process and were evaluated on their merits to ensure Government funded the best possible schemes to give the best outputs and was not done on a fair shares basis, however, it was actually fairly even when you looked at the overall picture.

Concerns were raised about the apparent imbalance in the spread of money in relation to the South of the County which was felt to be of vital importance to Shropshire itself and had a significant population. Ms Thorn and Ms Hamer, who

were themselves residents of Shropshire and as such were very aware of the importance of rural communities and would do whatever they could with whatever funds they were able to use (and were very dependent on central government for that) would do what they could to support their rural communities.

RESOLVED: To thank the Chair and Chief Executive of the Marches LEP for their update on the key projects supported by the Marches LEP in Shropshire and to acknowledge the purpose and impact of those initiatives.

102 Financial Monitoring Report Quarter 1 2020/21

The Director of Finance, Governance and Assurance introduced the Financial Monitoring Report Quarter 1 2020/21 which had previously been considered by the Cabinet at its meeting on 7th September 2020. He asked Members to note that the recommendations contained within the report were recommendations for approval by the Cabinet. Members were asked to note and consider the contents of the report.

The Director of Finance, Governance and Assurance outlined the main points of the report and responded to Members' questions.

The Director of Finance, Governance and Assurance explained that additional pressures had been caused by the Covid-19 crisis particularly in relation to spending on adult social care and a significant impact on income generation. Government had provided funding through the Covid-19 Grant to assist in the offsetting of these unexpected costs and a complicated mechanism to compensate for loss of income. He continued that the usual pressures unrelated to Covid-19 were still evident, although the Council's financial position was in a better state than previously anticipated.

In response to a Member's question regarding the Corporate Budget set out in Table 1 of the report, the Director of Finance, Governance and Assurance confirmed that the table showed an underspend due to the way the expenditure and income was shown, the Covid-19 Grant was shown against the Corporate Budgets as it was un-ringfenced and expenditure had been incurred across a range of corporate services.

The Director of Finance, Governance and Assurance confirmed that the estimated Government Covid-19 grant funding would cover much of the expenditure and loss of income due to Covid-19. He continued that this would be kept under consideration throughout the remainder of the financial year.

In response to a Member's question, referring Members to the General Fund Balance in paragraph 1.7, the Director of Finance, Governance and Assurance explained that the risk assessed level approved by Council for the General Fund Balance was £19.2m, which was the balance at the start of the financial year. By applying the projected overspend that gave the figure of £17.3m shown in the report which was a normal position to be in at the end of the first quarter of the financial year. This shows the overspend and how it would be dealt with.

The Director of Finance, Governance and Assurance confirmed that there were a number of debts across different service areas to be written off. This was only done

once the debt had been judged to be irrecoverable based on action taken to recover it. He added that due to the Covid-19 crisis the Council was seeing higher levels of arrears with lower levels of both Council Tax and Business Tax collection. These debts would not be written off until they were judged to be irrecoverable.

The Director of Place advised in answer to a Members question, that the brief for parking enforcement was to keep highways clear and it was not about unfairly penalising motorists. In relation to workplace charging set out in the report, changes in working practices meant that this saving had been recognised as being no longer possible and the saving would be achieved in a different way.

The Chief Executive responded to a Member's question on the outcomes of the Digital Transformation Programme. He observed that the investment in the IT infrastructure and changes to working practices embedded before the start of the crisis had enabled the continued provision of services during the crisis. Essential new ways of working had been quickly adopted, and decisions about how the Council would go forward informed by the new working practices. These were reflected in the current financial position of the Council. He continued that the context had gone beyond a reduction in headcount, with best use of resources being central to future policies.

A member requested clarification of the £1.9m overspend on the net budget and whether an £8m overspend on Safeguarding in Children's Services Budget was a realistic projection. He also requested further information on the loss of income from the Pride Hill Shopping centre and whether this would be recovered from Government Covid-19 grants.

The Director of Finance, Governance and Assurance responded that the Gross budget contained elements which the Council had no control over and needed to be shown. The Children's Services projected overspend was not all within safeguarding but was a reasonable representation of where costs would go over the remainder of the financial year but was still a projection. In relation to Pride Hill Income the shopping centres saw a reduction in income which was mirrored by shopping centres across the country, loss of commercial income was not eligible for government grants but it was at the Council's discretion to decide how the un-ringfenced Covid-19 funding received from government was spent.

In response to a Member question, the Director of Finance, Governance and Assurance explained that the majority of savings categorised as amber rated were situated within the Adult Services area. It was believed that these savings were being actively progressed across the Council and would be rated as green once delivered. It was anticipated that red rated savings would not be delivered unless there was a change in the external environment which enabled their delivery, although work was still undertaken to progress them.

Referring to the Budget approved by Council in February 2020, a Member asked if any additional savings had been identified, and if so if details could be circulated. The Director of Finance, Governance and Assurance referred Members to table 4 within the report which gave a summary of the position. He agreed to circulate the September return to Government with the caveat that it was not a user-friendly form.

The Director of Finance, Governance and Assurance was unable to comment on the funds received from furloughing staff and the Draft Settlement as information had not yet been provided by Government.

RESOLVED:

That the report be noted.

103 Quarter 1 Performance Report 2020/21

The Intelligence and Insight Manager introduced the report and outlined the points of interest. He drew attention to the key consideration for quarter one which was the impact of Covid-19 and the lockdown on the services that the Council provided. There had been a direct impact on services such as Theatre Severn, the Old Market Hall, Libraries and Leisure Centres, all of which have had to either close or change the way that they deliver their services and included in the report were some examples of how Libraries had changed the way they were engaging and reaching out to their communities, including virtual Lego clubs, libraries at home and the creation a new set of web pages giving people access to different resources. There had also been a big increase in the loan of ebooks.

The Intelligence and Insight Manager went on to say that there was good evidence to demonstrate how services had evolved and that there were also a number of essential services that had been maintained throughout the period including curbside collections, schooling for vulnerable children and children of key workers and social care, to name but a few.

One of the things that had been seen throughout was the role of support services contributing to keeping the Council going through the period. Certainly, if you took a view of the Council's IT staff and IT services who very quickly moved to enable 2500 plus members of staff to work differently/from home, which did evidence the value of the Council's investment into the infrastructure and the digital technology which had helped that take place.

The Intelligence and Insight Manager felt that, bearing in mind the impact of Covid-19, there was a value of this Committee and all of the other Overview and Scrutiny Committees maintaining a view of the medium and longer term impacts of the virus and the lockdown, whether that was changes in demand for services or how services were provided, changes in the way the Council was going to provide services and also changes maybe in the way the Council's role would evolve as it went forward.

The other point that the Intelligence and Insight Manager wished to highlight was that tracking alongside the way the Council was changing and alongside some of the different focuses, the Council would be looking at measures over the coming months and quarters which maybe look more directly towards some of the directional changes that the council was travelling in, for example, we would expect to see some measures emerging around digital working.

A member commented that some of the data on the portal did not seem very up to date, for example, 'the number of affordable homes built in communities of less than 3,000 people', showed one figure in it which was 74 in March 2019, 'the latest figures for the number of apprentices to start in a good place to do business' referred to the update to March 2018, and, perhaps the one that was most worrying, was 'the number of people with a suitable home', so, the number of people on the housing waiting list, those numbers just weren't there at all. So there was some data that was quite important that was missing. Also there was no indication as to whether the figures were good or bad, what the target was or even whether they were going up or down. For example, 'the prevalence of overweight children' shows 23.1, however as there were no units against this figure, it was meaningless and did not show whether it had gone up, gone down or what the target was.

A query was raised about whether the Council's carbon budget could be included in the Performance Report under the Council section where Members were given the gross budget and also when might Members be able to view the Council's carbon budget on the portal along with the Council's performance against it.

In response, the Intelligence and Insight Manager agreed to follow up on the comments around the out of date figures on the portal and see whether there was anything more up to date which should be included. He would also follow up on the inclusion of more environmental measures within the portal as that was certainly a direction of travel for the Council along with the development of its Carbon Reduction Strategy and the climate change work which was taking place. He felt that measures around that should be incorporated as a priority as well.

Another area that Members felt could be looked at was satisfaction with highways and transport.

A query was raised in terms of a claimant count, especially for young people, for which the portal showed an almost threefold increase for claimants aged 18-24 year old in the last few months and whether that had increased since June. In response, the Intelligence and Insight Manager confirmed that although still high, the numbers seemed to have plateaued since June. The Director of Place clarified that the numbers had dropped back a little bit, following a peak in June. However, the Chamber of Commerce felt that as furlough finally tapered out, they would expect more Shropshire businesses to be making more people redundant and although the full extent of that was not yet know, that was something that the Council were alive to and focussing on.

The Director of Place set this in context in terms of job seekers and people looking for work, whereas in January there were 3,288 and then by July it was just shy of 8,000 at 7,913 universal credit claimants. He reported that the year had started off with 4,666 claimants and there were 11,432 to date which was a very sharp rise that reflected broadly the make-up of Shropshire's economy and its rurality. He confirmed that there was a lot of focus going on around this issue including the Economic and Social Task Forces who were working with partners to try to understand this. The level of apprenticeships had also been impacted and it had proved to be very difficult for new apprenticeships to kick off this year although there was a range of initiatives that Ministers were working on at the moment to try to mitigate that impact on young people.

Further to the comments around the data contained on the portal, a Member commented that they would like to see the Council moving away from Members having to aggregate information, bring it all together and manually present it through a portal, to the Council moving increasingly to the dashboard approach using some of the technology that was available to it as a result of investment in eg Power BI and opportunities through Dashboard. It was hoped to see the Council increasingly using joining up data across the Local Authority and bringing that through so that it was visible and so that it was continually updating and was not reliant on a particular organisation releasing figures at a particular time or the figures only coming out annually, or quarterly in arrears in order that Councillors could concentrate much more on those figures that actually made a difference to people's lives and that allowed Members to demonstrate not just the areas that the Local Authority was working on but also those areas where the Council were having the best effect which would be increasingly important in order to understand how best to deploy resources to the best effect.

RESOLVED: That the report be noted.

104 Future Work Programme

The Overview and Scrutiny Officer introduced the Performance Management Scrutiny Committee's proposed work programme up until May 2021. He reminded the Committee that the Council had now fully reopened its scrutiny functions so all five Scrutiny Committees were meeting regularly including the Joint Health Overview and Scrutiny Committee. The upshot therefore, as forewarned at the previous meeting, was that all the topics that this Committee had been looking at in recent months had returned to their thematic Committees so the workplan for Performance Management Scrutiny Committee was looking a bit bare for the months ahead apart from its regular work such as the financial reporting and the performance reporting.

The Overview and Scrutiny Officer referred to a previously suggested item of planning enforcement and building control and wondered whether that was an item that the Committee wished to discuss in a bit more detail and give a bit more direction to. He also suggested that if the Committee wished to look at more routine documents that it might wish to consider, it could always look at the Council's risk register and its forward plan of future meetings on a semi-regular basis, which might provide a different perspective to the Committee's remit.

Other suggestions included a regular update on digital transformation, the very immediate situation of joblessness and what Shropshire Council and their partners and other agencies were doing to really try and help people back into employment or creating employment and the latest situation with regards to the Shirehall.

In response to a concern raised that the quarter two financial report was not due before the Committee until January although it was looking at the finances for the second quarter which ended in September. It was felt that this should be taken to the November meeting whether or not it had been presented to Cabinet. In response the Director of Finance, Governance and Assurance stated that, from a practical

point of view, his understanding had always been that there was a reduced benefit in Scrutiny looking at a report that Cabinet had not even approved at that point in time. Cabinet would normally approve a report and then Scrutiny could scrutinise that decision effectively and consider whether there were any issues. Clearly, if Scrutiny looked at it first then Cabinet could consider what Scrutiny had said and make a different decision, which could potentially undermine the basis of Scrutiny looking at it. The Director of Finance, Governance and Assurance thought that the report would be going to Cabinet towards the end of November or early December and he agreed to confirm that date and circulate it round to Committee members.

In response to a request that the Quarter two financial report should be taken to the November meeting whether or not it had been presented to Cabinet, it was agreed for the Overview and Scrutiny Officer to discuss this with the Director of Finance, Governance and Assurance.

A brief discussion ensued around whether to include Highways Performance in the future work programme however it was agreed instead to include a section in the Performance report focussing on Highways Performance to include more detail and a bit more narrative to some of the emerging themes.

In response to a query about when the Task and Finish Groups would start up again, the Overview and Scrutiny Officer reported that it was down to capacity at the moment as the Council was in quite a state of flux with regards to staffing but that he had it in mind to bring a number of these to some sort of conclusion. The first one that he wished to turn his attention to was the Road Safety Task and Finish Group and would set aside some time in early October to take a report to that Group. It was requested that the Brexit Task and Finish Group also be looked at.

RESOLVED:

1. to agree the proposed committee work programme attached at appendix 1;
2. to note the current task and finish groups attached at appendix 2.
3. to note the suggested topics for the committee work programme.

105 Date/Time of Next Meeting of the Committee

Members noted that the next meeting of the Committee would be held at 2.00pm on Wednesday 18th November 2020.

NB. This meeting was subsequently postponed until 10.00am on Tuesday 15 December 2020.

In response to concerns about the content of the Minutes, it was agreed for the Solicitor to discuss this with the Director of Legal and Democratic Services and to report back to Members.

Signed (Chairman)

Date:

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