

Shadow Overview & Scrutiny Committee Minutes

Date: 5 August 2019

Time: 6.32 - 8.52 pm

PRESENT: Councillor A Collingwood (in the Chair)

Members: Councillors P Birchley, L Clarke OBE, P Cooper, B Gibbs, J Gladwin (Vice-Chairman), G Hall, G Hollis, S Lambert, L Monger, S Renshell, R Stuchbury, P Turner, J Waters and C Whitehead

1. CHAIRMAN'S INTRODUCTIONS

The Chairman welcomed all members and officers to the meeting and there were introductions around the table. The Chairman reminded members that the Committee needed to be focussed on scrutinising and enabling the effective transition to the new Council. It was hoped that the best talents from all five existing councils would be retained and that the new Unitary Council would deliver quality services for residents.

A member agreed that the Committee had to look forward and focus on what was best for Buckinghamshire residents.

2. APOLOGIES

Apologies for absence were received from Councillor Ralph Bagge, Councillor Peter Jones and Councillor Richard Newcombe. It was noted that Councillor Llew Monger was substituting for Councillor Peter Jones for the duration of the meeting.

3. DECLARATIONS OF INTEREST

There were none.

4. MINUTES OF THE LAST MEETING

The minutes of the meeting held on 8th July 2019 were agreed as a correct record, subject to one amendment regarding an inaccuracy in one of the agenda reports.

Under Item 7, Communications and Engagement Strategy, an additional bullet point would be added at the top of the bullet point list to read as follows: -

A member commented that p35 of the agenda, the Communications and Engagement Strategy referred to 'The County's five MPS'. It was noted that there were actually seven MPs for the county of Buckinghamshire, but five in the area corresponding to the new Unitary Council.

ACTION: Democratic Services

There was a discussion about the procedure for substitutes for the Committee and if they should even be allowed at all. It was noted that the Alliance group had nominated two standing deputies to attend as substitutes on the Committee if needed. It was agreed that the procedure for substitutes would be investigated after the meeting.

ACTION: Catherine Whitehead

A member noted that there had been a number of different reports and follow up information which had been requested at the Committee's first meeting and it was unclear which of these might still be outstanding. The Democratic Services Officer was able to confirm that some of the actions had been completed, but it was agreed that any outstanding items would be followed up.

ACTION: Democratic Services

A member asked if the Committee had adequate resource in place to support its work. In response, the Chairman explained that whilst there was no physical budget for the Committee, it had access to the same officer resource as the Shadow Executive, with Democratic Services staff supporting both.

It was agreed that the dates of all future meetings would be put into members' diaries. It was noted that formal meetings, which would be webcast would usually be held in Aylesbury, although a venue in the south of the County was being investigated. Informal meetings would be held in various venues.

ACTION: Democratic Services

5. TIER 2 AND TIER 3 LEADERSHIP REWARD, TERMS & CONDITIONS

The Chairman welcomed Mrs Sarah Murphy-Brookman, Director of Human Resources and Organisational Development (HR&OD), Buckinghamshire County Council to the meeting. Mrs Murphy-Brookman introduced the report on Tier 2 and 3 Leadership, Reward, Terms and Conditions and highlighted the following:

- A spot salary structure had been recommended instead of a pay spine as this would help to attract and retain the best talent. Salaries would be set within the parameter of the Leadership Pay Broad Band as outlined on page 11.
- Benchmarking of terms and conditions had been undertaken using Epaycheck and Hay Paynet, which were widely used in local government. In addition, benchmarking had been carried out against other councils with populations over 300,000, e.g. Hertfordshire and Cornwall and near neighbours had been considered to ensure competitiveness.
- The recruitment process for Tiers 2 and 3 would soon be underway. The advertisements for Tier 2 posts would be published on 12th August, with a

view to appointment by the end of October. Tier 3 recruitment would commence in October, with a view to appointing by the end of December.

- Consultation with Senior staff regarding structures and new job summaries had already started. Anyone who chose not to apply for the Tier 2 or 3 roles or were unsuccessful would then have individual discussions about possible roles. As there was still a significant amount of transformation to take place, the expertise of existing senior managers would still be needed.
- There would be no compulsory redundancies – anyone at Tier 2 or 3 without a new post would TUPE over to the new Council on 1st April, although some senior managers had indicated that they may wish to take voluntary redundancy. There would be one year of Terms and Conditions protection, as some of the district councils currently had more generous leave allowances.

In response to members' questions and during the subsequent discussions the following main points were noted:

- Some Tier 2 manager posts had been slotted in, namely the Director of Children's Services (DCS) and the Director of Adult Social Care (DASS). There would be some limited slotting in at Tier 3 if job roles essentially remained the same.
- The consultation on the structure for Tier 2 and 3 would close on 5th August. It was agreed that the structure chart would be shared with the Committee, along with an outline of the number of posts currently at Tier 2 and 3 to allow for comparison.

ACTION: Sarah Murphy-Brookman

- A member asked if a reduction in terms and conditions would be a common theme that would be extended further down the pay scale, as it was important that existing staff should feel valued. In response, Mrs Murphy-Brookman explained that the total package for senior managers had to be affordable. Modelling for wider staff was progressing and trade union and employee representatives would be consulted on proposals. It was also noted that pay protection rights from the existing five councils would be transferred as part of TUPE.
- It was noted that the Hay Job evaluation methodology was used to evaluate all jobs. This generated a job size which was then used to identify a mid-point for salaries and this can be finessed further according to market scarcity, experience etc.
- In response to a question about what the criteria would be for managers to qualify for a bonus, it was explained that a performance framework was currently being designed. This would involve agreeing objectives at the start of the year and progress would be assessed at the end of the year. The Leader would agree objectives for the Chief Executive and Tier 2 roles would have objectives set by the Chief Executive.
- It was noted that clarity around objectives and bonus awards was needed for members and the public. Mrs Murphy-Brookman emphasised that bonuses would only be available to senior managers if the Council had sufficient resources. Even then if the Pay Committee were not satisfied with the level of performance, there would be no bonuses, therefore members were able to retain control.

- A member also commented that the Delivering Successful Performance (DSP) system at Buckinghamshire County Council was complex and not universally popular with staff, so it was important that any new performance management framework was robust and transparent. It was suggested that it would be helpful to get external advice on possible performance management frameworks and it was important that staff were well-trained on how any new system should work.
- A member raised concerns about the how the mid-point salaries set out in Annex 1 had been calculated, indicating that he felt they were too generous. He suggested that the mid-point for Tier 2 should be £142,000, rather than £155,000 and Tier 3 should be £107,000 rather than £120,000. A note to explain how these figures were arrived at was requested to be appended to the minutes of the meeting.

ACTION: Sarah Murphy-Brookman

The Chairman thanked Mrs Murphy-Brookman for attending the meeting.

6. CONSOLIDATED FINANCIAL POSITION

The Chairman welcomed Mr Richard Ambrose, Interim Section 151 Officer for the Shadow Authority to the meeting. Mr Ambrose introduced the report on the Consolidated Financial Position and highlighted the following:

- There was a legal requirement to produce a balanced and robust budget for the new Unitary Council.
- The budget needed to align with the Council's strategic priorities, be able to deliver its statutory duties and there should be a clear understanding of both member and officer accountabilities.
- With a gross budget of just over £1billion, it would be one of the largest Unitary Councils in England.
- Five Programme Boards had been established to manage the transition and two Shadow Executive members had been assigned to each of the Programme Boards. These members and officers on the Programme Boards would be reviewing the robustness of the current consolidated Medium Term Financial Plan (MTFP) proposals, identifying any potential savings and considering any unexpected service pressures.
- It was noted that some risks had already been identified and mitigation work was already taking place.

In response to members' questions and during the subsequent discussions the following main points were noted:

- It was noted that the figures in the table at paragraph 10 did not reconcile with the figures laid out on page 25 of the report. Mr Ambrose advised this was because the diagram on page 25 used 2019/20 figures and the table at p10 began with 2020/21.
- It was noted that different district councils had different policies around Community Infrastructure Levy (CIL), S106 agreements and New Homes Bonus(NHB) and this was being reviewed corporately. The impact of CIL would have to be modelled.

- The Unitary Business Case had proposed savings of £18.2million. It was felt that this could still be achieved, but over a longer period of time as significant transformation of services would not happen until after vesting day on 1st April 2020.
- In response to a question about Council Tax growth being shown at 3% when any rise was limited by the 1.99% referendum threshold, Mr Ambrose explained that it was a reflection of anticipated housing growth. It was agreed that further detail would be provided on this.

ACTION: Mr Ambrose

- In addition a member requested more detail on the consolidated budget figures, as some of the numbers were very different to the individual Council's budget papers. Mr Ambrose acknowledged that the Budget Task and Finish Group would want more detail and this would be provided.

ACTION: Mr Ambrose

- The Committee also requested a list of the Programme Boards and their membership and if any service pressures had been identified mid-year, then it would be useful to share this information with the Committee. Mr Ambrose also agreed to attend a future meeting to explain any funding assumptions that were underpinning the current budget building exercise.

ACTION: Mr Ambrose

- A member asked if there would still be a fund available to Aylesbury Vale to encourage Parish and Town Councils to take development in their area. NHB had previously been used in this way. It was also noted that if the new Council wanted to introduce CIL this would require a Local Plan to be agreed for the whole area which might take four or five years to develop. Mr Ambrose explained that he was aware of the concerns of Parish and Town Councils in Aylesbury Vale and the implications of CIL and all options would be considered.
- A member raised concerns about the costs of transformation not being factored into the consolidated budget. Mr Ambrose acknowledged that there would be costs associated with transformation and each Programme Board was being asked to consider this and to produce detailed business cases to bid for funding. The use of reserves was one option to fund transformation.
- It was suggested that all capital projects should be re-examined by the Shadow Executive, even if they had already been agreed by one of the existing five councils, due to the ongoing budgetary implications. Mr Ambrose indicated that it was likely that capital projects would be revisited as a priority.
- A member expressed concern about the possible financial risks highlighted in the report in connection with the Localism agenda. He questioned why devolving services would create additional costs for the new Council. Mr Ambrose explained that the idea of establishing Community Boards, to make decision making more local also had a financial implication as a devolved budget of £2m had been initially discussed. A consultation on Localism was due to begin very shortly.
- It was noted that the Medium Term Financial Plan (MTFP) would be for the next three years, with the first years information being more detailed. Whilst there would be initial savings from the new management structure ie Tiers 1-3, further savings proposals would be included in the MTFP.

The Chairman thanked Mr Ambrose for attending the meeting and it was noted that he would provide further detail at future meetings of the Committee and the Budget Task and Finish Group.

7. HARMONISATION OF COUNCIL TAX REDUCTION SCHEMES

The Chairman welcomed Mr Richard Ambrose, Interim Section 151 Officer and Mr Andy Green, Revenue and Benefits Service Manager, Wycombe District Council to the meeting. Mr Ambrose explained that the aim of the proposals in the report was that harmonisation of Council Tax reduction schemes should be cost neutral and also minimise the impact on claimants.

Mr Green reported that a six week consultation would launch at the end of the week. This had been publicised in the media and discussions had been held with organisations such as Citizens Advice Bureau. Vulnerable groups such as pensioners, disability claimants and lone parents with children under five would still be protected.

In response to a member question there was a brief discussion around the differences across the five councils.

8. HARMONISATION OF COUNCIL TAX DISCOUNTS AND PREMIUMS

Mr Richard Ambrose, Interim Section 151 Officer and Mr Andy Green, Revenue and Benefits Service Manager, Wycombe District Council introduced the report on Harmonisation of Council Tax Discounts and Premiums. Mr Green explained the table on page 35 of the agenda, which detailed the current policies of each of the four district councils and highlighted any differences.

The recommended level of discounts for the new Buckinghamshire Council were laid out in the table on page 37 of the agenda and would be as follows:

- Unoccupied and substantially unfurnished (Class C) - 1 calendar month
- Unoccupied and substantially unfurnished requiring major repairs (Class D) – 50% discount for 12 months
- Second Homes (furnished) – 10% discount
- Long Term Empty Premiums – 100% after empty for 2 years, 200% after empty for 5 years and 300% after empty for 10 years (from Apr 2021)

Mr Green reported that it was helpful to know about Second Homes as it helped with New Homes Bonus (NHB) therefore it made financial sense to offer a 10% discount across the County. A member questioned the Second Homes discount and noted that if the government made changes to NHB then the policy would need to be revisited. Mr Ambrose agreed that if national policies changed then all local policies impacted by that change would have to be reviewed.

The Chairman thanked Mr Ambrose and Mr Green for attending the meeting.

9. COMMITTEE TASK AND FINISH GROUPS

The Chairman reported that a number of members had volunteered to join one of the two task groups - the membership was agreed as follows:

Budget Task and Finish Group

Councillor John Gladwin, Chairman
Councillor Chris Whitehead, Vice-Chairman
Councillor Ralph Bagge
Councillor Lesley Clarke OBE
Councillor Alex Collingwood
Councillor Peter Cooper
Councillor Chris Ford
Councillor Guy Hollis
Councillor Steven Lambert
Councillor Paul Turner

Implementation Task and Finish Group

Councillor Barbara Gibbs, Chairman
Councillor Lesley Clarke OBE, Vice-Chairman
Councillor Patricia Birchley
Councillor Alex Collingwood
Councillor Gary Hall
Councillor Peter Jones
Councillor Paul Kelly
Councillor Jonathan Waters
Councillor Chris Whitehead

10. SHADOW EXECUTIVE FORWARD PLAN

The Committee noted the Shadow Executive Forward Plan. The timeliness of this information being available to the Committee was discussed, as the Forward Plan was subject to change at short notice. It was agreed that an updated version would be circulated to the Committee after the meeting.

ACTION: Democratic Services

A member also noted that it would be helpful to circulate guidance to all Shadow Authority members about the process of asking a question at Shadow Executive meetings.

ACTION: Democratic Services

11. WORK PROGRAMME

The Chairman reminded members that the Work Programme would be discussed and developed during the workshop with the Centre for Public Scrutiny.

12. MEETINGS OF THE COMMITTEE

The next meeting of the Committee would be an informal workshop session with the Centre for Public Scrutiny on 2nd September. Venue details and further information would be circulated to members in due course.

Chairman

The following officers were in attendance at the meeting:

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| Richard Ambrose | - Interim Section 151 Officer (SA) |
| Andy Green | - Revenue and Benefits Service Manager WDC |
| Sarah Murphy-Brookman | - Director of Human Resources and Organisational Development (BCC) |
| Kelly Sutherland | - Committee and Governance Manager BCC |