

WEST OXFORDSHIRE DISTRICT COUNCIL

Minutes of the meeting of the
Finance and Management Overview and Scrutiny Committee
Held in the Council Chamber at 2.00 pm on **Wednesday, 1 February 2023**

PRESENT

Councillors: Alaa Al-Yousuf (Chair), Alaric Smith (Vice-Chair), Hugo Ashton, Michael Brooker, Andrew Coles, Julian Cooper, Mark Johnson, Charlie Maynard, Michele Mead, Ruth Smith, Jane Doughty and Harry St John

Officers: Phil Martin (Group Manager - Business Support), Elizabeth Griffiths (Chief Finance Officer, Deputy Chief Executive and Section 151 Officer) and Frank Wilson (Group Finance Director - Publica)

Other Councillors in attendance: Dan Levy and Mathew Parkinson

36 Minutes of Previous Meeting

The minutes of the meeting held on 7 December 2022 were approved and signed by the Chairman as a correct record, subject to:

- Page 8 – Cabinet Work Programme; Councillors Harry St John and Ruth Smith requested that it be noted that they had raised the item “CIL Review –Replacement of 106”.

37 Apologies for Absence

Apologies for absence were received from:

Councillors Langridge, Hill, Coul and Wilson.

Councillor St. John substituted for Councillor Langridge, and Councillor Doughty substituted for Councillor Hill.

38 Declarations of Interest

There were no declarations of interest received.

39 Participation of the Public

There was no public participation at this meeting.

40 Financial Performance Report 2022/23 Quarter 3

The Chair announced that the Financial Performance Report 2022/23 Quarter 3 would be considered first followed by 2022/24 Budget and Medium Term Financial Strategy.

The Chief Finance Officer Elizabeth Griffiths introduced the Finance Performance Report for Quarter 3 2022/23. The results this year showed inflationary increases that are reflected in the budget next year.

The points raised were;

- Challenges faced by residents – cost of living, food, inflation and energy prices unexpectedly going up.

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- Challenges faced by businesses – running costs including energy, fuel and inflation unexpectedly going up.
- Inflationary pressures that are built into the budget next year are being experienced this year.
- 2023/24 budget next year have increased expectations due to challenges in the year ahead.
- Staffing and departmental pressures due to loss of funding previously received from grants given over the Covid period.
- Unbudgeted items such as additional costs to cover member allowances, £20,000 on Council Tax leaflet and additional staffing costs in Democratic Services.

The Chair invited comments and questions from the committee.

The Councillors queried car parking and loss of income. The Chief Finance Officer explained that the revenue is based on fines. The car parking team had been reduced to 3 members of staff who focused on both on-street car parking and off-street. The County Council are due to take on-street back and the team can focus on off-street parking. There will be a review of Car Parking which is on the Executive Work Programme with a report to come back with recommendations.

A discussion took place regarding the use of forecasting when looking at the budget. The Chief Finance officer explained that factors such as unexpected pressures for example the cost of living crisis, inflationary pressures and rise of fuel costs had driven up the budget, which were shown in the current year's figures. The Councillors had concerns that there had not been a forecast. The Chief Finance Officer explained the budget was the focus and where needed individual areas had variances to budget that could be addressed, this was raised and discussed but due to limited resources in staffing, work had to be prioritised.

The Councillors asked for a point of note and thanked the team for the table on page 12 and asked for percentage variances to be included going forward.

The Chief Finance Officer explained that the Finance team worked with each Service area to get the best estimate of every individual line in coming year's budget and every factor was considered. Amendments were made through December and January resulting in almost weekly budget updates ahead of the final draft to Council in February.

The Committee discussed the following points;

- Review of Building Control and targets. – demand for services were low due to market share and the Council are in competition with the private sector.
- Agile working – costs incurred but this is an investment to generate a new revenue stream. Offices in Elmfield are being freed up for outside rental to generate income.
- There were some questions around inflation expectations and how this will affect staff and salaries they are as not RPI linked.
- Investment properties – we have an annual review of performance and expect an increase in this area in 2023/24. This is an item on the Work Programme.
- New Initiatives Programme –this is a one off not annually funded, unspent funds will roll over and there is still scope to use funds for up-coming projects.

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- Request to publish Aged Debt figures going forward. This was agreed.
- Waste contract - trade waste and revenue, the Committee asked for report on Waste Service Review on the Executive Work Programme to be added to the Committee Work Programme for the next FMOS Meeting.
- Questions around the issue of premises registered as businesses such as holiday rentals who are still having their waste collected for free as if they were a Council Tax paying home.

The Councillors commended the Chief Finance Officer and her team for all their hard work particularly in difficult times with additional factors and economic pressures that have occurred without prior warning. The Chief Finance Officer acknowledged her thanks to her team and highlighted again the pressures facing the team in the coming months and year.

The Committee **Resolved** to

1. Note the Finance Performance Report 2022/23 Quarter 3 and it's comments.

41 **2023/24 Budget and Medium Term Financial Strategy**

The Chief Finance Officer Elizabeth Griffiths introduced the 2023/24 Budget and Medium Term Finance Strategy, and gave an explanation on how the paper has been presented. The Committee were asked to take into account the updated position since the budget was last considered in December. The following points were highlighted;

- The last report highlighted the £1.8m deficit as the settlement figure was not confirmed.
- New Homes Bonus has been extended for 1 year and is £1m less than the previous year. This is a 1 year settlement and not guaranteed to continue.
- It is not known whether there will be a funding guarantee and funding could be lost in the future.
- Significant inflation which has caused disproportionate pressures
- Rates reset will not happen till at least 2025/26
- Uncertainty on GLL income.
- Waste team have requested a 10% increase to their container budget which was not included in this draft but will be for Council.
- NNDR rates calculation was later than usual this year due to late issuing of the guidance by government and then further delayed by and software upgrades. This was expected to result in another adjustment to the budget of £15,000 ahead of Council.

The Chair clarified that the budget papers presented to committee are the same set of papers to be discussed at the Executive meeting on 8 February 2023. The Revenue Budget had options of growth and no growth. The Executive would make recommendations on this paper

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to put to Council. So there were two versions to discuss. The Chief Finance Officer explained that both versions had been included so that members could see the impact that the proposed budget growth had in both the short and long term.

The Committee discussed the following points;

- Fixed-term Contracts for staff created challenges for recruitment and retention of staff. The Chair asked for this to be noted as and passed to the Executive.
- Grants were given during Covid and used for short term projects with an understanding that there was a time limit on the contract of employment. In some posts there is a possibility to extend the contract with a view to finding funding from an outside source. Where roles have ended, staff are re-deployed into other vacancies where possible.
- Clarification that the Leisure contract contingency was cumulative within the MTFS calculation.
- Wage settlement for Publica Staff,- the current year saw a fixed cashed increase across all payscales which averaged at 6%. The Chief Finance Officer confirmed that the difference between Publica staff and Councillors figures can be shown.
- Costs of Members Allowances- an additional amount has been included in next year's budget to cover uplifts not yet reflected in the budget which had caused an overspend in the current year.
- Finance team are currently under resourced - there has been a shared request from other Publica Councils for an additional post but it was under discussion as to the exact post and further requests were expected.
- Leisure facilities and the provision of swimming pools. Most residents only have the opportunity to learn to swim in one of our three main leisure centres and the provision of leisure facilities remains a challenge post Covid. A strategy is being developed to consider how we might improve the performance and take the leisure service forward.
- Unicorn Public House, was discussed at a previous Uplands Planning committee. The Estates Team are dealing with this case. Claire Locke will provide a written response to Councillor Cooper.

Committee **Resolved** to:

1. Comment to Executive and noted the report.

Councillors Graham and Parkinson left the Council Chamber at 4pm.

42 Committee Work Programme

The Chair asked for comments on the Scrutiny Work Programme for 2022/23.

The Committee asked that the following items be added to the Scrutiny Work Programme;

- Waste Service Review and Update Report
- Leisure Centre Strategy

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- Stand-alone report from CBRE for the regeneration plan for Marriott's Walk – due July 2023.

Committee **Resolved** to

1. Note the Scrutiny Work Programme.

43 Executive Work Programme

The Chair invited comments on the Executive work programme published January 2023. None were received.

Committee **Resolved** to

1. Note on the Executive Work Programme.

44 Exclusion of the Press and Public

Committee **Resolved** to:

1. Pass a resolution in accordance with the provisions of Paragraph 4(2)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2012 on the grounds that their presence could involve the likely disclosure of exempt information as described in specific paragraphs of Schedule 12A of the Local Government Act 1972.

45 Briefing on the procurement of Marriotts Walk

Frank Wilson, Group Finance Director (Publica) delivered a briefing on the procurement of Marriott's Walk.

There was a discussion within on the briefing in respect of the regeneration aspects of the site and the business case. The Committee asked that a stand-alone report from CBRE be brought to the committee when completed (anticipated in 6 months' time). This would be added to the Scrutiny Work Programme.

Committee **Resolved** to:

1. Note the briefing.

The Meeting closed at 4.53 pm

CHAIR