

Minutes

OF A MEETING OF THE

Scrutiny Committee

HELD ON TUESDAY 5 FEBRUARY 2019 AT 6.30 PM

MEETING ROOM 1, 135 EASTERN AVENUE, MILTON PARK, MILTON, OX14
4SB

Present:

David Turner (Chairman)
Will Hall, Jeannette Matelot, David Nimmo-Smith, Ian Snowdon, John Walsh and Ian
White

Apologies:

Elaine Hornsby tendered apologies.

Officers:

Andrew Down, Simon Hewings, William Jacobs, Adrianna Partridge, Ron Schrieber,
Richard Spraggett, Mark Stone and David Wilde

Also present:

Councillors David Dodds and Bill Service

43 Declarations of interest

None.

44 Urgent business and chairman's announcements

None.

45 Public participation

None.



Listening Learning Leading

46 Revenue Budget 2019/20 and Capital Programme to 2023/24

The committee considered the head of finance's report. This brought together all relevant information to allow Cabinet to recommend to Council a revenue budget for 2019/20 and a capital programme for 2019/20 to 2023/24. The report also recommended the prudential indicators to be set by the Council in accordance with 'the Prudential Code', introduced as part of the Local Government Act 2003 and included the Medium Term Financial Plan (MFTP), which provided details of the forward budget model for the next five years.

Councillor David Dodds, the Cabinet member for finance, introduced the report. Also present to answer questions were Mark Stone, chief executive, William Jacobs, head of finance, Simon Hewings, strategic finance manager, and Richard Spraggett, senior finance business partner.

In his introduction, the Cabinet member expressed regret at being unable to repeat last year's cross-party working on the budget due to delays in producing the budget. He thanked the officers and, in particular, Simon Hewings, for ensuring the budget could be finalised given the delays experienced.

The committee was advised that there was considerable uncertainty regarding future funding. 2019/20 marked the last year of the four year funding settlement, and was also the final year of the New Homes Bonus (NHB) scheme in its current form. It was not yet known what funding would be receivable in future from government.

Members expressed concern that the use of reserves to balance the MFTP was not sustainable beyond the medium term. The Cabinet member outlined steps being taken to reduce expenditure, by reducing the Communities' grants budget by £500,000 per annum, and increasing income, by supporting the development of a more commercial approach for the council.

In response to members' questions about the development of a more commercial approach, the chief executive reported that, subject to the revenue budget bid being approved, a range of options would be drawn up and presented to members.

The Cabinet member reported that the administration had always looked for possible savings and would continue to do so. Accordingly, the council had commissioned the Chartered Institute of Public Finance and Accountancy (CIPFA) to support it in challenging the budget.

RESOLVED: to note the report

47 Corporate services contract changes and action plan update

The committee considered the report of the head of partnership and insight which gave an update on progress to date and next steps to address shortcomings in the council's IT or other corporate services provision and, in particular, the five change control notices raised to address specific concerns at the time.

Councillor Bill Service, Cabinet member for partnership and insight, introduced the report. Also present to answer questions were Andrew Down, head of partnership and insight, and David Wilde, IT consultant.

The committee was informed that the five change control notices raised in July 2018 had been progressed as follows:

- Return of the counterfraud service to South and Vale councils – completed in December 2018
- Return of all strategic finance responsibilities to South and Vale councils – completed in December 2018.
- Transfer back of strategic HR responsibilities to South and Vale councils – this change is now being considered as part of a wider commercial conversation.
- Finance system upgrade or replacement for South and Vale councils – this change was split into two:
 - On Pay360 the new system went live in December 2018 and the old Civica system has been retired.
 - On the finance system, the project has been fully defined and is ready to begin but there are ongoing commercial matters which need to be resolved.
- Separation of active directories for South and Vale councils from the five councils shared platform – this change is now being considered as part of a wider commercial conversation.

In response to members' questions about continuing concerns about performance, the committee was informed that the wifi network was not yet sufficiently robust and the finance system upgrade was still subject to negotiation.

RESOLVED: to note the report.

48 Work schedule and dates for all South and Vale scrutiny meetings

The committee noted its work programme.

The meeting closed at 7.45 pm

Chairman

Date