

# OVERVIEW AND SCRUTINY PANEL

MONDAY, 10 DECEMBER 2018 - 2.30 PM



**PRESENT:** Councillor C Boden (Chairman), Councillor M Humphrey (Vice-Chairman), Councillor G Booth, Councillor S Clark and Councillor K Owen

**APOLOGIES:** Councillor S Count, Councillor D Hodgson, Councillor Mrs K Mayor and Councillor S Tierney

**OFFICERS IN ATTENDANCE:** Anna Goodall (Head of Governance and Customer Services), Izzi Hurst (Member Services & Governance Officer), Sam Anthony (Head of HR and OD), Paul Medd (Chief Executive), Amy Brown (Interim Monitoring Officer), Richard Cassidy (Corporate Director), Kamal Mehta (Corporate Director), Mark Saunders (Chief Accountant), Annabel Tighe (Environmental Health Manager) and Justin Wingfield (Head of Business & Economy)

**ALSO IN ATTENDANCE:** Councillor M Buckton, Councillor M Cornwell, Councillor Mrs A Hay, Councillor Mrs D Laws, Councillor P Murphy, Councillor D Oliver and Councillor C Seaton.

**GUEST:** Stuart Philpott (ARP Strategic Support Manager).

**OBSERVING:** Councillor W Sutton.

## **OSC25/18 PREVIOUS MINUTES**

The minutes of the meeting of 15 October 2018 were confirmed and signed, subject to the following comments;

- Councillor Boden said in reference to minute OSC22/18, members had agreed that they did not want to commit a significant resource to benchmarking research.
- Councillor Booth said in reference to minute OSC22/18, he had stated that unless comparisons are made with like-for-like local authorities, the statistics will not be useful to the Council.
- Councillor Boden thanked officers for circulating information on the Contact Centre as requested in minute OSC22/18; he asked if further information could be provided in relation to the Contact Centre's call statistics. Councillor Mrs Hay agreed to provide members with this information.

## **OSC26/18 ANNUAL REVIEW OF ANGLIA REVENUES PARTNERSHIP**

Councillor Boden explained that Paul Corney, Head of Anglia Revenues Partnership (ARP) had been unable to attend today's meeting and introduced Stuart Philpot, Strategic Support Manager for ARP.

Members considered the Annual Review of ARP presented by Stuart Philpot.

The presentation included information regarding ARP's collection of Business Rates and Council Tax for 2017/18 and the new ARP Enforcement team. Stuart Philpot explained that for consistency purposes, members of staff work on one set of data across all seven partners of ARP. He highlighted that the collection of Council Tax had exceeded target however the collection of

Business Rates had fallen slightly short of target. He explained that this is due to valuation figures in 2010 and the large sum of refunds paid due to this. He highlighted that in relation to the processing speeds of Benefits, this has been improved by staff vacancies being filled but can be heavily affected by the annual billing period.

Stuart Philpot said that ARP are very proud of the Enforcement Team and their achievements since their formation in 2015. He told members that over £12.5 million attributed to ARP Enforcement had been generated for partners, with almost £3 million being generated this year. Additional enforcement work is being undertaken by ARP on behalf of South Norfolk Council and Norwich City Council.

Stuart Philpot provided information in relation to the Fraud and Compliance team at ARP. He explained that following the withdrawal of funding by the Department of Work and Pensions (DWP), ARP's Fraud and Compliance team had identified over £380,000 worth of fraud. He explained the associated costs to the Council for being a partner of ARP and highlighted the savings the Council have made by joining the partnership.

Stuart Philpot informed members that a number of developmental initiatives are being undertaken by ARP that will positively impact both staff and members of the public, including investment into automation and robotics. He thanked members and invited them to ask questions.

Councillor Boden thanked Stuart Philpot for his presentation.

Members asked questions, made comments and received responses as follows;

1. Councillor Boden said ARP had previously considered creating a Trading Company and asked for an update on this. Stuart Philpot explained that the ARP Joint Committee had decided to put this project on hold and focus on the Enforcement side of the business instead. He highlighted that discussions had taken place and it had been decided by the Joint Committee that the Partnership was at its optimum level with seven partners, as expansion would result in savings being reduced across all partners.
2. Councillor Owen asked that in future these figures are provided to members prior to the meeting to allow them sufficient time to consider.
3. Councillor Boden asked what ARP's target was for Council Tax collection as the figures provided show that ARP have exceeded this by over 1%. He highlighted that their target must be significantly below the Council's budgeted figure. Stuart Philpot said this figure is calculated based on the previous year's performance and is around 97%. Mark Saunders said the Council's budget is based on the recovery rate of Council Tax collected and the Council use a figure of approximately 99%. He highlighted that the recovery of this can take several years and will fluctuate throughout, but will eventually end on this figure.
4. Councillor Boden said the presentation had shown that ARP have substantially exceeded their target for Council Tax collection which suggests the previous year's target was incorrect or the Council is in a much stronger position than it was in previous years. He asked if the current financial year's target was exceedingly higher than last year's target. Mark Saunders explained that the year on year figures for Council Tax recovery do vary and although it can take between ten-fifteen years to achieve, the Council still budget for an overall recovery rate of 99%. He highlighted that this is the formula used during the process of setting Council Tax.
5. Councillor Boden asked that members are provided with; the target of Council Tax collection in 2017/18, the figure achieved in 2017/18 and the target set for 2018/19.
6. Councillor Booth asked at what point the Council and ARP decide that it is not pragmatic to pursue an outstanding debt. Mark Saunders explained that the Council have a provision in their accounts for outstanding debt after five-six years. He highlighted that this does not stop the Council pursuing the debt after this time and ARP will continue to pursue it too.
7. Councillor Booth asked if it was cost effective to pursue outstanding debts after this period

of time. Councillor Boden highlighted that there are systems in place that highlight new information in relation to an outstanding debt or debtor.

8. Councillor Booth explained that he had had an issue with a constituent in which it was increasingly difficult to speak to specific officers at ARP. He asked Stuart Philpot if there were plans in place for ARP to improve this link between them and members of the public. Stuart Philpot said whilst they want to get information to people as easily as possible, they are trying to encourage people to use the self-service side of their website. He highlighted that when members of the public speak to officers at ARP, they will receive the same level of service and advice across all ARP sites and advisors.
9. Councillor Booth said whilst he appreciates the benefits of people using the self-service system, members of the public cannot speak to specific officers at ARP when issues arise. Stuart Philpot explained that this would require network work to be undertaken to integrate the ARP network with partner authorities. He highlighted that there is an escalation process that allows Customer Services officers to transfer to a member of the team, if they cannot deal with the individual's query.
10. Councillor Booth asked if there was a universal number available for ARP. Stuart Philpot confirmed that this is an ongoing project that ARP are currently working on.
11. Councillor Boden highlighted that most of ARP's work follows a straightforward process and does not require a large amount of human intervention unless there is a particular issue. Stuart Philpot agreed.
12. Councillor Boden asked if ARP are considering the introduction of Artificial Intelligence (AI) into their systems as part of their automation and robotics work. Stuart Philpot said ARP does not currently require AI as the processes they follow are fairly restrictive. With robotics, the information will be treated exactly the same between cases without the need for AI.
13. Councillor Boden said although robotics allow this for a restrictive process, there are a number of instances that fall outside of set parameters of which AI would be able to process. Stuart Philpot said most of the information ARP receive is straight forward and therefore AI would only benefit a very small proportion of their work. He confirmed that the ARP Joint Committee had endorsed the introduction of automation and robotics. He assured members that ARP are working hard to ensure the complex parameters of this system are set correctly.
14. Councillor Booth asked what impact the introduction of Universal Credit has had on ARP and how they are managing this. Stuart Philpot said there had been significant delays with the roll-out of Universal Credit and these have caused problems. He explained that ARP have a representative in the National Local Government Association Steering Group and they are continually lobbying Parliament to improve the process.
15. Councillor Owen said it was important that officers have local knowledge when investigating fraud and compliance cases and asked if ARP have officers based locally within their partner authorities. Stuart Philpot confirmed that ARP have visiting officers that work across all authorities.
16. Councillor Boden asked what comparative figures were produced by ARP to demonstrate the efficiency and cost effectiveness of its service provider compared with others. Stuart Philpot said previously the Chartered Institute of Public Finance (CIPFA) benchmarking data was available however as a unique partnership of seven councils for the delivery of the Revenues and Benefits service, currently there is no like for like partnership for comparison purposes. He highlighted that the cost to Fenland District Council had reduced over the last few years which shows the effective response of ARP's operation.
17. Councillor Boden said there are a number of other amalgamations of Council's Revenue & Benefits services across the Country and asked if these could be compared. Stuart Philpot said if ARP found a similar partnership they would compare figures.
18. Councillor Boden asked for confirmation on the number of partners within ARP as one of the partner authorities had recently announced a merger. Stuart Philpot confirmed that in April 2019 and following the merger, there will be five partner authorities within ARP.
19. Councillor Boden asked if any work had been carried out in relation to the scalability of services to see if additional partners would be of benefit to the service. Stuart Philpot

explained that increasing partners would change the entire structure of ARP and it was agreed by the Joint Committee that ARP had reached its optimum size of organisation as additional partners would not offer the benefits needed to justify the risk.

20. Councillor Boden said in principle, adding a local authority to the partnership of a similar size would reduce overheads. Stuart Philpot agreed in principle but highlighted that the management and risk of adding another partner had been carefully considered by the Joint Committee.
21. Councillor Booth said in the Overview & Scrutiny Panel meeting on 28 November 2017, ARP had reported only twelve complaints made against them last year. He asked if this figure had increased since last year and asked if ARP were confident that they were capturing this data correctly. Stuart Philpot confirmed that there had been no significant increase in the number of complaints but agreed to provide members with these figures after the meeting.
22. Councillor Humphrey thanked Stuart Philpot for his presentation but asked that at next year's meeting, for this item, a report is provided for members to consider. Stuart Philpot agreed.
23. Councillor Boden thanked Stuart Philpot for his attendance and response to member's questions.

*(Councillor Boden declared an interest by virtue of the fact that he is a member of the LGSS Joint Committee).*

### **OSC27/18 COUNCIL TAX SUPPORT SCHEME**

Members considered the Council Tax Support Scheme report, presented by Councillor Mrs Hay.

Councillor Mrs Hay explained that the Council Tax Support Scheme was included in the original Comprehensive Spending Review (CSR) discussions but members did not wish for it to be included in CSR therefore it has remained at 14% on the basis that members did not want to consider amending it. She said it would be beneficial for the Overview and Scrutiny Panel to consider this report earlier in next year's work programme to allow time for consultation if members chose to amend the Scheme.

Members asked questions, made comments and received responses as follows;

1. Councillor Boden agreed that the Council Tax Support Scheme should be scheduled to be considered by Overview and Scrutiny earlier in the work programme as it is too late to consider any amendments and undertake a public consultation.
2. Councillor Boden asked that at next year's meeting, rationale is provided to members for keeping the figure specifically at 14%.
3. Councillor Owen said in order to determine the correct percentage to set the Council Tax Support Scheme members must consider the effect of varying percentages.
4. Councillor Boden said whilst it was too late to reconsider the figure this year, members need to see the calculation used at next year's meeting.
5. Councillor Booth highlighted that the figure of 14% is used in the Council's Mid Term Financial Strategy so any future changes will need to be reflected in this.

Councillor Boden thanked Councillor Mrs Hay for her presentation.

### **OSC28/18 RESPONSE TO THE LETTER FROM THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE**

Councillor Boden explained that following the Corporate Governance Committee meeting on 20 November 2018, it was agreed that the Chairman of Corporate Governance Committee write to the Chairman of Overview and Scrutiny Committee in relation to the apparent financial deficit outlined in the Statement of Accounts in the following areas; Markets, Ports, Light Industrial Areas and Business Centres.

Members asked questions, made comments and received responses as follows;

1. Councillor Booth explained that as a member of Corporate Governance Committee he had been present at the recent meeting. He explained that members had had to make difficult decisions during CSR about certain services and the committee felt that effectively, these highlighted areas are loss-making and the true cost of these are not being reflected when the Council set their Fees and Charges. He highlighted that whilst the Council is not a business, it must operate in a business-like way to ensure the tax payer is getting the best value for money.
2. Councillor Boden thanked officers for the breakdown they had provided in relation to these trading areas. He said the accounts produced show depreciation as a cost however these are removed during the processing of accounts. He said if we consider these areas from a commercial viewpoint it is relevant to use these accounting adjustments as the Council can then compare them on a like-for-like basis to a privately run operation.
3. Kamal Mehta explained that in Local Authority accounting, non-cash adjustments are reversed out as regulatory framework states that these adjustments cannot impact the tax payer's bottom line. In commercial accounting this would be shown in a profit and loss account. He asked members to consider whether they wanted these trading functions to operate on a commercial profit and loss basis or for a wider purpose as a Local Authority function.
4. Councillor Booth said the Council must consider how accounts are produced and how we run these functions commercially. He highlighted that in relation to Business Centres, members must consider the additional income they generate and how they can be used to benefit the District in the future.
5. Councillor Boden proposed that this report should be considered by members of the Economic Development Review Group as all of these functions relate to Economic Development.
6. Councillor Boden asked for evidence that the business centres are being utilised as incubator units and therefore as their intended purpose and whether the Council have a waiting list of prospective tenants for these. Councillor Buckton confirmed that it is a balance of supply and demand and in general, there is no waiting list. Due to this, there is not the appetite for the Council to encourage people to move on to larger secondary accommodation.
7. Councillor Owen asked for clarification that the Council does not have a waiting list or is it that the case that nobody is waiting for a vacancy at these units. Councillor Buckton confirmed that there are no companies currently waiting for premises however if there are any enquiries that come in, these are followed up immediately.
8. Councillor Oliver clarified that when an enquiry is received it is actively pursued by the Business Premises Manager and the Valuation & Estates Surveyor.
9. Councillor Owen suggested that a list of all enquiries are collated and maintained in order to not miss any opportunities across all business centres. He said without this, we cannot assess the demand of the business centres. Councillor Oliver said if somebody expresses an interest in one of the business centres, staff conduct viewings and retain their details where required.
10. Councillor Owen said that during his last visit to the Boathouse Business Centre in Wisbech, he was surprised to see such a high occupancy rate. Justin Wingfield confirmed that the Boathouse Business Centre is almost fully occupied with new tenancies set to begin in the coming months.
11. Justin Wingfield confirmed that the Council do have a waiting list and database of enquiries

and explained that the demand at each Business Centre can fluctuate greatly. He said that initially, new businesses looking for premises can take up to a few months to make a decision about leasing an office space therefore it can take time before initial enquiries produce results. He confirmed that the Council is proactive in pursuing these enquiries.

12. Councillor Boden said the Economic Development Member-Led Review Group must assess if the Council are operating as a commercial landlord or are we achieving the initial objective of business centres acting as incubator units.
13. Councillor Humphrey questioned why the Business Centres are operating at a deficit if occupancy rates are high. He asked how the rent and terms of leases at the Business Centres compare to commercial premises. Justin Wingfield said rents at the Business Centre are largely in-line with the commercial rental market however the Council do offer more flexible commercial lease terms. These flexible terms appeal to new businesses as it reduces their upfront liabilities associated with renting office space. He added that rents are reviewed annually and the quality of each of the premises is assessed accordingly. He highlighted that business centres also generate income via their meeting room facilities.
14. Councillor Boden asked for figures in relation to the average length of time for occupiers and the turnover rate of occupiers. Councillor Buckton explained that the first generation of Light Industrial Units (developed in the 1980's) has an average tenancy of 9  $\frac{3}{4}$  years with the longest serving tenant being in-situ since 1991. The second generation Light Industrial Units (developed in the 2000's) has an average tenancy of 3  $\frac{3}{4}$  - 5  $\frac{1}{4}$  years with the longest serving tenant being in-situ since 2005. The Business Centres (The Boathouse Business Centre, Wisbech and South Fens Business Centre, Chatteris) have an average tenancy of between 2  $\frac{1}{2}$  - 6  $\frac{1}{4}$  years with the longest serving tenant being in-situ for 13  $\frac{1}{2}$  years at South Fens Business Centre. Councillor Buckton confirmed that the Council's main issue is the lack of secondary premises for business owners to expand into.
15. Councillor Boden thanked Councillor Buckton for the figures. He asked Councillor Mrs Laws to consider the inclusion of secondary business units as part of the Local Plan review.
16. Councillor Booth said figures contained within the Full Council agenda pack for 13 December 2018, show the percentage of occupancy for each site. He highlighted that South Fens Business Centre currently has an occupancy rate of only 58% whilst the Boathouse Business Centre has an occupancy rate of 93%. Justin Wingfield explained that both of the business centres operate on similar business models and until only recently, the occupancy rates had been lower at the Boathouse Business Centre than South Fens Business Centre.
17. Councillor Boden said the issue is the lack of secondary business premises within Fenland, for expanding business.
18. Councillor Boden asked for clarification regarding the difference between the Competent Harbour Authority (CHA) and the Statutory Harbour Authority (SHA). Councillor Oliver explained that the CHA in the United Kingdom are those harbour authorities that have been given statutory powers relating to the provision of pilotage in their waters SHA. The description was created by the Pilotage Act 1987, at which point a CHA had to be one whose harbour was wholly or partly within a pilotage district where at least one act of pilotage had been performed, or where a pilot exception certificate had been in force between 1984 and 1987. Councillor Oliver said the Harbours Act 1964 is the central piece of primary legislation governing the imposition of harbour dues by statutory harbour authorities. In addition, other primary legislation such as Harbours, Docks and Piers Clauses Act 1847 and a vast array of local acts of parliament apply to each statutory port. This means that the powers of a statutory harbour authority can vary from port to port. Local acts should therefore always be considered when deciding whether a harbour authority has the power to levy a harbour due. He confirmed that the split between statutory and non-statutory activities can be provided but there will be costs (staffing, vessels, equipment) that are apportioned where they cannot be identified to one activity only. Such apportionments can vary from year to year depending on the activities that time is spent on. These can be significant to give variances year on year in terms of the bottom line.
19. Councillor Boden asked for reassurance that the International Accounting Standards (IAS) adjustment figures and Pension Fund figures provided on page 35 of the agenda pack will

not reoccur in future years. Councillor Mrs Hay explained that the IAS adjustment is not a one-off adjustment and will occur every year. This is because the accounting standard requires the fund liabilities to be valued annually using particular parameters in respect of the discount rate used. The Chartered Institute of Public Finance (CIPFA) Code of Practice requires an accounting adjustment to be made so that the Income and Expenditure account reflects only the actual cash payments made by the Council as employer contribution to the Pension Fund. She highlighted that the reasons behind these being classified as accounting adjustments is detailed in the notes on each appendix (contained within the Agenda Pack). These are not a cost to the Council as they do not hit the bottom line of the Council's accounts. She said it is the actual cost to the Council of operating these services which is the important figure when making comparisons. She added that although the reporting can be used for comparison purposes with the commercial sector, great care needs to be taken as the commercial sector's motive is always profits and shareholders wealth in the company whereas the public sector motive is to serve communities economically, efficiently and effectively.

20. Councillor Boden said whilst he accepts annual adjustments must be shown under IAS, is it likely that this will continue at the figure of £60,000 as reflected on page 25 of the Agenda Pack. Kamal Mehta explained that this figure is an adjustment that includes all LGPS staff pension liability valuations of those involved with the Port operation. The Annual Valuation for IAS19 given is based on high quality corporate bonds whose returns are used for the discounted rate. He confirmed that the Council's accounts only reflect actual payments made by the Council to the Pension Fund. In relation to the Pilot Pension Fund adjustment, he confirmed that this is a one-off payment.
21. Councillor Boden thanked Kamal Mehta for the explanation and asked if the corporate bonds are held as a long or short term investment. Kamal Mehta confirmed that they are long-term.
22. Councillor Booth asked if the IAS adjustment includes past employees who are now drawing a pension from the Council. Kamal Mehta confirmed this is correct.
23. Councillor Booth said page 26 of the Agenda Pack states that in relation the Pilot Pension Fund adjustment, it states that 'this has now been settled and no further adjustments are required'. He said that this phrase does not reflect that there may be future liabilities on the fund. Mark Saunders confirmed that the Council are not anticipating this in the foreseeable future and a note referencing this is contained within the Statement of Accounts. He confirmed that the Pension Fund provider had assured the Council that there would be no charges levied in the foreseeable future.
24. Councillor Boden asked what other benefits the Council gain from operating the Ports that would not apply if it was privately run. Kamal Mehta said as the Council are the Statutory Harbour Authority there are costs that arise from this that cannot be avoided. He explained that from a commercial perspective the Council offer other activities that allow them to recover some of the costs associated with running the Port.
25. Councillor Humphrey asked why the premises, supplies and services costs associated to the Ports (page 25 of the Agenda Pack) have increased so much. Mark Saunders explained that these were costs associated with improvements to the Port which have largely been covered by insurance reimbursement. He confirmed that the work was undertaken last year however the insurance money does not get reported until the following year therefore the figures for 2018/19 will be significantly lower.
26. Councillor Boden asked for a breakdown of the Market's premises costs as referenced on page 29 of the Agenda Pack. Councillor Murphy explained that the premises costs are as follows; Repair & Maintenance at a cost of £882, Electricity at a cost of £718, recently installed Electricity Feeder Pillars at a cost of £12,699, Business Rates at a cost of £3,283, Water Rates at a cost of £248, Cleansing Recharge at a cost of £36,740 and Insurance costs of £312. This is a total figure of £54,612. He explained that the Electricity Feeder Pillars have just been replaced and therefore are a one-off cost. In relation to the Cleansing Charge, the waste from the Markets is classified as Trade Waste and therefore is much more expensive to dispose of. Councillor Boden thanked Councillor Murphy for the

clarification.

27. Councillor Humphrey asked if these costs are associated to Wisbech Town Market too. Councillor Murphy confirmed that Wisbech Town Council run the Market and are responsible for the associated costs.
28. Councillor Humphrey asked if there was scope for the other Town Council's to take over operation of the Markets. Councillor Murphy said this is a consideration however the Cleansing and staffing costs to Town Councils would be much higher as currently Fenland District Council splits these costs across the three Markets.
29. Councillor Humphrey asked if Wisbech Town Council make a profit from the Market. Councillor Oliver confirmed that Wisbech Town Council make a slight profit but is unsure of the exact amount.
30. Councillor Boden highlighted that the Council is currently spending around £76,000 per year for the purpose of the District's towns retaining their Markets.
31. Councillor Booth said including other events costs in the figures is not a true reflection of the costs associated with operating the Markets. Councillor Murphy confirmed that events such as Four Seasons are run by the Council but still show as a charge in the figures as there are still associated Cleansing costs.
32. Councillor Booth said the costs of these events should be included under a separate heading in the accounts to reflect the true costs of operating the Markets. Councillor Murphy agreed.
33. Councillor Boden asked if members could be provided with the costs associated with hosting the Four Seasons events on the Markets.
34. Councillor Boden asked the Council's Land Estate comprises of. Councillor Oliver explained that the Council own a broad range of assets for differing reasons and purposes. He highlighted that information on all of these, can be found in Section 5 of the Asset Management Plan 2017-20, which can be found on the Council's website.
35. Paul Medd said a lot of the issues discussed today revolve around the position of the Council in terms of its policy and priorities going forward. He said the information presented today reflects how the Council currently operates however, if they wish to, members can consider changing the direction of these policies.

**The Overview & Scrutiny Panel noted the content of the report and AGREED to refer this item to the Economic Development Review Group.**

### **OSC29/18 PROGRESS UPDATE ON THE FENLAND COMPREHENSIVE SPENDING REVIEW (FDC-CSR1)**

Members considered the Progress Update on the Fenland Comprehensive Spending Review (CSR) report.

Members asked questions, made comments and received responses as follows;

1. Councillor Boden said members had requested a report on the achievements of CSR1 and the prospects of CSR2. He said whilst the report discusses at length the success of CSR1, it was disappointing not to see any mention of transformation required in relation to CSR2 in the report. He explained that the savings derived from CSR1 were mainly transactional and therefore a more transformational approach needs to be considered as part of CSR2.
2. Councillor Seaton stated that during the period of austerity, the Council has undergone a significant process of transformation in terms of how it operates as an organisation and delivers its services. On two separate occasions the Council has received national recognition showing it to be one of the most efficiently run Council's in the country for the work it has undertaken to achieve savings and transform the organisation in a way that has largely protected important frontline services to residents. He said it is accepted that a number of the savings and income generated from the member led CSR1 decisions are transactional in nature. The terms of CSR2 are yet to be agreed by members, although it is



likely there will be a range of both transformational and transactional options available in ensuring the Council achieves a sustainable balanced budget whilst seeking to maintain quality services to local people. He confirmed that officers will produce saving options for CSR2 to members at Full Council in May 2019.

3. Councillor Booth asked that members are provided with a breakdown of the achieved targeted savings of CSR1. Councillor Seaton said it was important to understand that the Council have achieved the overall targeted savings but agreed to provide a breakdown of this.
4. Councillor Boden said in paragraph 2.6 of the report (page 34 of the Agenda Pack) there is reference to uncertainties and 'unknowns' that may affect the Council. He asked if these have been quantified and included in the budget. Councillor Mrs Hay explained that the deficits are based on current budget with known changes and pressures on existing services and assumed income levels, including Council Tax increases. She added that the Council cannot include quantification of what is stated as unquantifiable. She confirmed that once these become known, the Medium Term Financial Plan will be updated to reflect any deficits.
5. Councillor Booth said paragraph 4.1 of the report (page 34 of the Agenda Pack) states that 'the Council have maintained front line services through alternative service delivery models'. He highlighted that many service areas have been cut back and asked the wording to be amended. Councillor Seaton agreed.
6. Councillor Boden asked what the cumulative total savings are for CSR1 to the Council. Councillor Mrs Hay clarified that the report shows that when all of the CSR1 projects are delivered, the cumulative saving is estimated to be £1.802 million per annum.
7. Councillor Booth highlighted the importance of the Economic Development Review Group's work and the impacts their findings may have on helping the Council improve their savings.
8. Councillor Boden said he was concerned by the potential cost of unknowns that could affect the Council as this could be significantly greater than any savings. He hopes the Economic Development Review Group will find areas in which the Council can increase their income in some areas.

### **OSC30/18 MATTERS ARISING - UPDATE ON PREVIOUS ACTIONS**

Members were provided with an update on the status of actions they had raised at previous meetings of the Committee.

Members thanked officers for the Member Briefing Note that was circulated in relation to the Contact Centre and asked for information to be provided on the Contact Centre's call statistics.

### **OSC31/18 FUTURE WORK PROGRAMME**

Members agreed the Future Work Programme 2018/19 for the Overview & Scrutiny Panel, subject to the following additions;

1. It was agreed that the Clarion Review is moved to the meeting scheduled to take place on Monday 18 February 2019.
2. It was agreed that the Economic Development Review Group's findings are reported back to Overview & Scrutiny Panel at the meeting scheduled to take place on Monday 18 March 2019.
3. It was agreed that the Council Tax Support Scheme report will be considered earlier in next year's work programme and is included in the July 2019 meeting.

4.41 pm

Chairman