

DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

EXTRAORDINARY MEETING OF EXECUTIVE MINUTES OF THE MEETING HELD ON THURSDAY, 23 NOVEMBER 2023

Councillors Present: Lee Dillon (Chairman), Jeff Brooks, Heather Codling, Martin Colston, Iain Cottingham, Denise Gaines, Stuart Gourley, Janine Lewis, Alan Macro and Tony Vickers

Also Present: Councillors Ross Mackinnon, Dominic Boeck, Howard Woollaston, Richard Somner, Jo Stewart, Howard Woollaston, David Marsh, Carlyne Culver and Adrian Abbs

Officers Present: Paul Coe (Executive Director – Adult Social Care), AnnMarie Dodds (Executive Director – Children’s Services) Clare Lawrence (Executive Director – Place), Nigel Lynn (Chief Executive), Sadie Owen (Principal Democratic Services Officer), Benjamin Ryan (Democratic Services Officer), and Nicola Thomas (Service Lead – Legal & Democratic)

1. Apologies for Absence

Councillor Lee Dillon congratulated Councillors Richard Somner and Jo Stewart on their recent marriage.

There were no apologies for absence.

2. Declarations of Interest

There were no declarations of interest received.

3. Medium Term Financial Strategy and 2024-25 revenue budget proposal consultations (EX4440)

Councillor Iain Cottingham introduced and proposed a report (Agenda Item 3), noting that the Council was facing financial pressure in both the current year and the forthcoming year of 2024/25. Councillor Cottingham noted that a rigorous process had been undertaken to identify areas of efficiency and cost savings to reduce the financial deficit and these were outlined within the report. It was noted that a number of the proposed savings required public consultation, which, if agreed, would take place between 27 November 2023 and 11 January 2024.

Councillor Ross Mackinnon commented that Table 1.3 of the report forecast £7.3m of savings that did not require consultation but did not provide many specific details and queried whether any of the savings were from Councillor Tony Vickers’ portfolio. Councillor Vickers responded that he was not aware of any savings.

Councillor Lee Dillon clarified that full details of all savings would be provided at the Budget Council meeting in 2024, and that the current report was intended to publicise those savings that required consultation.

In response to a query from Councillor Mackinnon, Councillor Cottingham clarified that parking fees would be re-structured upwards.

Councillor Mackinnon queried whether the Executive would assure the public that they would not proceed with certain savings if the consultation findings presented significant opposition. Councillor Dillon commented that the Executive would not pre-empt the findings of any consultation but would consider any views expressed.

Councillor Mackinnon referred to a proposal to reduce funding for bridge maintenance and suggested that this would have an impact on the safety of residents. Councillor Dillon provided assurances that none of the proposals would put residents at too great a risk.

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Councillor Dominic Boeck queried what proportion of the £1.3m commercial property portfolio revenue would be used for capital for transformation projects. Councillor Cottingham responded that the Executive were looking to dispose of two assets, one from the Commercial property portfolio, and another owned in West Berkshire. He noted that Councillor Howard Woollaston would have sight of the estimate values, which would be discussed at a meeting of the Property Investment Board the following day.

Councillor Boeck noted that current revenue was £1.3m per annum. He queried if the entire portfolio was sold, what proportion would be allocated to transformation. Councillor Boeck commented that at present the £1.3m was assured, but that any money put into transformation would not create assured revenue. Councillor Cottingham responded that consultants had advised that the market average receipt value was 70% and that if revenue fell to that amount, it would only just cover the cost of servicing the debts, the interest and capital repayments, and the cost to protect the assets. As a consequence, the Executive were looking to divest of the assets from a risk perspective. It was noted that potential transformation projects which were anticipated to deliver had already been identified.

Councillor Jo Stewart noted the proposals relating to Adult Social Care that were going to consultation and requested that residents be made aware of the implications for each of the suggested savings. Councillor Stewart queried which residents would specifically be impacted by the reductions in Adult Social Care Transport services funding, and how would it be ensured that those residents' health and lifestyle were not affected detrimentally. Councillor Alan Macro responded that the proposal would affect those residents transported to the day care centres, but that most had funds provided to them under the disability element of their Personal Independence Payments (PIP) specifically for transport. Councillor Macro commented that the Council was not obliged to make the payments and that most other local authorities did not provide a free service.

With reference to Willows Edge Care Home, Councillor Stewart queried what the estimated saving represented, whether it was an annual saving and whether, if the home was closed, alternative accommodation would be found for those displaced clients. Councillor Macro commented that it was a dynamic situation but that it was hoped that residents could be re-located to Birchwood Care Home, and that everything would be done to try and keep staff and clients together. Councillor Cottingham added that the current cost of a bed at Willows Edge was £1,600 per week, but that on the open market it would be approximately £1,150, which equated to a £450 saving.

Councillor Stewart queried why there was a proposal to increase fees at Adult Social Care homes to above the rate of inflation. Councillor Cottingham noted that whilst the increase was above inflation it would still deliver less than the cost to the Council to provide the service. Councillor Macro noted that the proposal was similar to that included as a measure within the previous Administration's budget and which had not been consulted on.

Councillor Dillon commented that the report provided a summary of the proposed consultations and that when they were published there would be substantially more detail to support each proposal.

Councillor Woollaston queried the level of Council Tax that was being forecast. Joseph Holmes, Executive Director Resources, referred to the Government's Autumn Statement of the previous day and noted that it had contained no specific details relating to Council Tax, but that the assumptions within the report were based on previous government assumptions of 2.99% Council Tax and 2.00% Adult Social Care precept. Councillor Woollaston suggested that at a time when finances were so difficult it was odd to allocate

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£1m to reserves. Councillor Dillon clarified that reserves needed to be increased in order to manage any additional 'in-year' pressures.

Councillor Richard Somner noted that under section 6 of the report there were few measures listed to increase revenue, and queried whether planning application fees should be consulted on too rather than waiting until the Budget meeting. Councillor Vickers responded that the Council had no discretion in relation to planning fees as they were set by central government.

Councillor Somner suggested that the proposed reductions to dog waste collection and grass cutting were likely to lead to a re-negotiation of the grounds maintenance contract and cautioned against the risks related to this.

Councillor Somner suggested that a reduction to the opening hours of Household Waste Recycling Centres underpinned the need to retain a booking system. Councillor Stuart Gourley assured Councillor Somner that there was no plan to change the booking system.

Councillor Somner expressed concern in relation to flooding and road maintenance related to a reduction in gully emptying. Councillor Denise Gaines acknowledged the concern but commented that not all gullies required clearing every year and that the plan was to utilise artificial intelligence to employ a more forensic approach to clearing and to bridge maintenance.

Councillor Somner queried whether Members would have sight of the consultations prior to publication and hoped that that they would be well publicised. Councillor Vickers commented that he was keen to reach those residents not digitally enabled and would be looking to communicate with all aspects of the community effectively.

Councillor David Marsh sympathised with the financial situation and was pleased to note the proposed consultations, but echoed Councillor Mackinnon's comments and urged that the Administration take note of the consultation responses. Councillor Dillon responded that the results of the consultation would be reviewed and studied, but that the Council was also under a legal obligation to set a balanced budget.

Councillor Marsh urged not to award an increase to Member allowances in 2024/25.

Councillor Dillon commented that he was a member of the Strategic South East Leaders organisation and that the Local Government Finance Minister was due to attend its conference on 9 December where it was intended to lobby for longer term finance settlements for local authorities.

Councillor Adrian Abbs referred to Chart 1.2 (Annualised client numbers for Long Term Services) in the report and commented that the start and end dates did not appear to align. Joseph Holmes clarified that the dates were annualised in the New Year when inflation and contracts increased. Councillor Abbs suggested that the information could be presented in a simpler format.

Councillor Abbs queried the accuracy of the yearly forecast and suggested that error margins should be reduced, which would then reduce the level of reserves required.

Councillor Carlyne Culver referred to section 5.5 of the report and queried what was meant by a 'hard reset of business rates baseline'. Joseph Holmes clarified that in 2013 the Government had allowed the Council to retain a set amount of business rates collected. Over the years the size of collections had increased and consequently there was a risk that the Government would undertake a fair funding review and set a higher level of business rate which would mean that the Council would not be able to retain the current amounts.

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In response to a query from Councillor Culver it was clarified that a forecast level of 0 in 2026/27 for Adults Social Care discharge fund was based upon Government assumptions.

It was confirmed that the consultation responses would be available for the Scrutiny Commission’s special budget meeting on 6 February.

Councillor Jeff Brooks assured Councillor Mackinnon that all the specific information relating to the £7.3m of savings referred to in Table 1.3 of the report would be detailed within the Budget papers. Councillor Brooks noted that tough decisions were having to be made and that it was recognised that it was also difficult for staff. Councillor Brooks noted that the paper represented a work in progress and seconded the recommendations within the report.

RESOLVED that: the Executive

- Approve a consultation exercise on the specific budget proposals identified within the report at para 5.25.
- Note the report.

(The meeting commenced at 5.00 pm and closed at 6.10 pm)

CHAIRMAN
Date of Signature