

Minutes of the Public Accounts Select Committee
Thursday, 24 September 2020 at 7.00pm

Present: Councillors Patrick Codd (Chair), Alan Hall (Vice-Chair), Jim Mallory, Paul Maslin and Joan Millbank and Bill Brown

Apologies: Councillor Tauseef Anwar

Also present: Councillor James Rathbone, Councillor Chris Barnham (Cabinet Member for Children's Services and School Performance), Councillor Amanda De Ryk (Cabinet Member for Finance and Resources), Timothy Andrew (Scrutiny Manager), David Austin (Director of Corporate Resources), Selwyn Thompson (Director of Financial Services), Suki Binjal (Director of Law, Governance & HR), Tom Brown (Executive Director for Community Services), Charlotte Dale (Overview and Scrutiny Manager), Kathy Freeman (Executive Director for Corporate Resources), Pinaki Ghoshal (Executive Director for Children & Young People), Salena Mulhere (Assistant Chief Executive), Katharine Nidd (Strategic Procurement and Commercial Services Manager), Kevin Sheehan (Executive Director for Housing, Regeneration & Environment) and Kim Wright (Chief Executive)

1. Confirmation of the Chair and Vice-Chair

1.1. Resolved: that Councillor Patrick Codd be Chair of the Committee and that Councillor Alan Hall be Vice-Chair.

2. Minutes of the meeting held on 4 February 2020

2.1. Resolved: that the minutes of the meeting on 4 February 2020 be agreed as an accurate record.

3. Declarations of interest

3.1. There were none.

4. Responses from Mayor and Cabinet

4.1. There were none.

5. Financial stabilisation - budget update and medium term plan

This report was considered after the agreement of the commercialisation and culture change review.

5.1. Kim Wright (Chief Executive) introduced the item – noting the attendance of senior managers and the collective responsibility for the budget process across the senior leaders of the Council and the themed approach being taken this year. She also highlighted some of the overarching challenges facing the Council as well as setting out a number of the Council's strengths and opportunities.

5.2. David Austin (Director of Corporate Resources) introduced the report highlighting the high levels of uncertainty facing the Council. He also noted the management action being taken to control overspending as well as the assumptions used to develop the medium term financial strategy and the plans in development for the cuts process. In addition, he outlined the responses to the report as it had been through the scrutiny process.

5.3. Kim Wright, David Austin, Kevin Sheehan (Executive Director for Housing, Regeneration and Public Realm), Pinaki Ghoshal (Executive Director for Children and Young People) and Tom Brown (Executive Director for Community Services) responded to questions from the Committee on a number of key issues, including:

- Management actions being taken to control in-year overspending.
- The importance of engagement between officers and members in responding to challenges and finding cuts.
- The intent to align the budget cuts process and the recovery programme.
- The types of cuts and proposals being considered that might have previously been viewed as “unthinkable”, including: new operating models; further work with communities to run services; tighter demand management; limits on choice of service delivery; the reduction or stopping of some services; changing the balance between universal and targeted services to focus on the most vulnerable; consolidation of buildings; utilising on learning from the pandemic as well as making the most of the newly developed adaptability of staff.
- The accuracy of the reporting of covid-19 and non-covid-19 related costs.
- The key importance of: service reconfiguration, demand management and improvements in productivity as key areas of focus in balancing future budgets.
- The potential implications of the second wave of the pandemic for the Council’s non-covid-19 related services.
- The Council’s work in relation to people with no recourse to public funds.
- The implications of long term overspending on the budget setting process and the requirement for cuts.

5.4. Resolved: that the Committee’s comments be referred to Mayor and Cabinet as follows –

- The Committee is deeply concerned about the challenging financial situation facing the Council – both in the immediate term due to spending pressures and in the longer term as a result of the ongoing pandemic.
- The Committee welcomes the management action being taken to control in-year overspending and it recommends prompt implementation of the measures that have been identified.
- The Committee notes the difficulty of making cuts in a changing and uncertain environment. It recommends swift and effective alignment of the Council’s plans for recovery from the impact of the pandemic with the development of proposals for budget cuts.
- The Committee recommends that Mayor and Cabinet Members be focused and resolute in controlling overspending – particularly in relation to the pressures on the budgets for children’s social care. The Committee also believes that attention has to be given to managing demand in social care for both children’s and adult services.

6. Final report of the Committee's commercialisation and culture change review

This item was considered after ‘responses from Mayor and Cabinet’.

6.1. Councillor Codd introduced the report- noting the importance that the Committee has attached to this area of the Council's work over the past few years. He highlighted the importance of leadership in bringing about culture change. In the discussion that followed these key points were noted:

- The Council's culture will have to change as a result of the impact of the pandemic.
- Members recognise the impact of the pandemic on the availability of resources and the use of officer time.
- Members express their thanks to officers.

6.2. Resolved: that the report and recommendations be agreed – and submitted to Mayor and Cabinet.

7. Select Committee work programme

7.1. Timothy Andrew (Scrutiny Manager) introduced the work programme – noting the importance of prioritising the programme during the year as urgent issues arise. The proposal to add an item on the capital programme was also noted.

7.2. Resolved: that with the addition of an item (on capital expenditure) for the March meeting – the work programme be agreed.

The meeting ended at 9.15 pm

Chair:

Date:
