

## **CORPORATE OVERVIEW AND SCRUTINY COMMITTEE**

### **MINUTES OF MEETING Tuesday, 24<sup>th</sup> November 2020**

**PRESENT:** Councillor Holly (in the Chair); Councillors Bamford, Boriss, Joinson, Mir, O'Neill, O'Rourke, Rana and Wraighte.

**OFFICERS:** N. Thornton (Director of Resources), J. Rooney (Assistant Director – Information, Customers and Communities), S. Smith (Deputy Chief Finance Officer), C. Goddard (Head of Revenues and Benefits), M. Nixon (Risk and Insurance Manager), K. Smith and P. Thompson (Resources Directorate).

**ALSO IN ATTENDANCE:** Mr. M. Sangster (Gallagher Bassett Limited)

#### **26 APOLOGIES**

Apologies for absence were received from Councillors Nolan and Robinson.

#### **27 DECLARATIONS OF INTEREST**

There were no declarations of interests.

#### **28 MINUTES**

Resolved:

That the Minutes of the meeting of the Corporate Overview and Scrutiny Committee held 22<sup>nd</sup> September 2020 be approved as a correct record and that the 'actions list' appended thereto be noted.

#### **29 EXCLUSION OF PRESS AND PUBLIC**

Resolved:

That the Press and Public be excluded from the meeting during consideration of the following item of business, in accordance with the provisions of Section 100A (4) of the Local Government Act 1972, as amended.

Reason for the resolution:

Should the press and public remain during debate on this item there may be a disclosure of information that is deemed to be exempt under Parts 1 and 4 of Schedule 12A of the Local Government Act 1972.

#### **30 INSURANCE CLAIMS REPORT 2019/2020**

The Committee scrutinised a report of the Chief Finance Officer which provided Members with insurance statistics and highlighted insurance claim trends, relating to the authority. The information, presented by the Risk and Insurance Manager, detailed the amount of total claims cost mitigation amount achieved by the Insurance team; the five year total for Liability claims paid/outstanding; and the associated defensibility rates.

A representative of the Council's current insurance claims handlers, Gallagher Bassett Limited, Mr. Sangster, was in attendance to answer Member's questions on the submitted report.

The report contained confidential data and trends in relation to the Council's insurance claims and informed Members of the impact on potential costs from the work of the Insurance Team and was intended to increase awareness of trends in claims over recent years but with particular regard to 2019/2020.

In considering the report Members sought clarification on 'claims cost mitigation' which was referred to in paragraph 4.4 of the submitted report but the actual associated costs were not detailed. The Council's Risk and Insurance Manager undertook to circulate this information to Members of the Committee.

Resolved:

1. That the report be noted and welcomed.
2. The Council's Risk and Insurance Manager be requested to submit to Members of the Committee details of the claims cost mitigation, which was referenced at paragraph 4.4 of the submitted report.
3. The Committee requests that future reports on this matter, include details of associated claims cost mitigation to the authority.

*N.B. the press and public were readmitted to the meeting at the conclusion of this item.*

### **31 RESOURCES AND NEIGHBOURHOODS DIRECTORATE PLANS 2020/2021 QUARTER 2 PERFORMANCE UPDATE**

The Committee scrutinised a joint report of the Director of Resources and the Director of Neighbourhoods detailing the progress at the end of Quarter 2 2020/2021 (30<sup>th</sup> September 2020) towards achievements of targets contained in the Resources Directorate Plan 2020/2021 and in the Neighbourhoods Directorate Plan 2020/2021.

In considering the Resources Directorate element of the report, Members were updated on the actions that were still outstanding at 30<sup>th</sup> September 2020 and which had received an 'amber' rating.

A Member referred to the Borough Council elections and elections for the position of Mayor of Greater Manchester Combined Authority, both scheduled to be held on 6<sup>th</sup> May 2021 and sought clarification on the arrangements that were currently in place for these. The Director advised that the latest information from the government was that there were no plans at present, for the elections to be held totally via the postal system (as happened in 2004) and that polling station were intended to be utilised for electors to vote.

In considering the Neighbourhoods Directorate element of the report, Members were updated on the actions that were still outstanding at 30<sup>th</sup> September 2020.

Resolved:

1. The Resources and Neighbourhoods Directorate Plans 2020/2021 - Quarter 2 Performance (July – September 2020), be noted.

2. The Director of Resources be requested to write to Members of the Committee, clarifying arrangements for the Borough Council and Greater Manchester Mayoral Elections, which are both scheduled to be held on Thursday, 6<sup>th</sup> May 2021.

## **32 LGO ANNUAL REPORT 2019/2020**

The Assistant Director (Information, Customers and Communities) provided Members with a report on the Annual Review of complaints made to the Local Government and Social Care Ombudsman (LGSCO) about Rochdale Borough Council in the year ending 31<sup>st</sup> March 2020.

The Annual Review letter provided local authorities with the LGSCO's assessment of the Council's performance in complaint handling for the previous financial year. In addition, the review provides a general update on developments affecting the LGSCO and it also included details of the Council's compliance rate with the Ombudsman's recommended remedies.

The review showed that a relatively small number of complaints had been received against Rochdale Council by the Ombudsman during 2019/2020. In total 51 complaints and enquiries were received which was a slight increase on the number received last year. The number of decisions made by the LGSCO differed from the number of complaints and enquiries received, as complaints may be received and decided upon in different financial years.

Of 49 decisions made during 2019/2020, only 15 complaints were subject to detailed investigation. 16 complaints were referred back to the Council as premature to be considered under the Council's own complaints procedure, 15 complaints were closed after initial enquiries, and advice was given on a further 3 complaints.

Of the 15 complaints that were investigated, 47% (7) were found to be upheld. This compared to an average of 67% in similar authorities. The LGSCO recommended remedies for all of the upheld complaints were accepted and implemented by the Council.

A Member referred to the findings of the LGSCO regarding Special Guardianships, which were reported to the Cabinet at its meeting on 12<sup>th</sup> March 2020. The LGSCO had made a finding that a special guardian had suffered an injustice as a result of the Council's Special Guardianship Support Policy. The LGSCO had also recommended, and the Cabinet had agreed, that the Special Guardianship Support Policy should be reviewed and consulted thereon. The Committee was advised that this process had been completed and a report recommending the adoption of a revised Support Policy was scheduled to be considered by the Cabinet at its meeting on 1<sup>st</sup> December 2020.

Resolved:

That the report be noted.

### **33 2021/2022 SETTING THE BUSINESS RATE BASE**

The Committee scrutinised a report of the Chief Finance Officer that sought approval from the Council, at its meeting to be held 16<sup>th</sup> December 2020, to set the Business Rates baseline for 2021/2022, in accordance with the Local Government Finance Act 1988 and the Non-Domestic Rating Regulations 2013; and approval of the precept payment dates for 2021/2022.

Resolved:

That the Council, at its meeting on 16<sup>th</sup> December 2020 be recommended to approve:

- a) The draft Business Rate baseline figure of £63.251,000 for 2021/2022, subject to any changes which may result from:
  - The provisional Local Government Finance Settlement 2021/2022.
  - A change to the current pilot scheme for 100% retention of Business Rates
  - The issue of the Ministry of Housing, Communities & Local Government (MHCLG) guidance on completion of the 2021/2022 Business Rates baseline return (NNDR1), due in January 2021.
- b) The Chief Finance Officer, in consultation with the Cabinet Member for Finance, to be authorised to conclude and agree the final Business Rates baseline return (NNDR1) due on 31<sup>st</sup> January 2021, should the final information yet to be received from MHCLG change the baseline figure for 2021/2022.
- c) That the precepts payment schedule detailed in paragraph 4.2, of the submitted report, be approved.

### **34 CALCULATION OF 2021-2022 TAXBASE**

The Committee scrutinised a report of the Chief Finance Officer that was seeking approval from the Council, at its meeting to be held 16<sup>th</sup> December 2020, to agree the statutory Council Tax Base calculation for 2021/2022, calculated in accordance with The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 as part of the 2021/2022 Estimates process; for the Local Council Tax Support Scheme to remain unchanged for 2021/2022; and to approve the precept payment dates for 2021/2022.

Resolved:

1. The Cabinet at its meeting to be held 1<sup>st</sup> December 2020, be asked to recommend to the Council, at its scheduled meeting on 16<sup>th</sup> December 2020 that:
  - b. The Council Tax base expressed as “Band D equivalent properties”, be set at 54,637 for 2021/2022 (55,745 in 2020/2021) as detailed at Appendix 1, of the submitted report.
  - c. The Local Council Tax Support Scheme for 2021/2022 remains unchanged.
  - d. The proposed precepts payment schedule detailed in paragraph 4, of the submitted report, be approved.

### **35 COUNCIL TAX EMPTY PROPERTY CHARGES**

The Committee scrutinised a report of the Chief Finance Officer that was seeking approval from the Cabinet, on 1<sup>st</sup> December 2020, to increase the council tax empty property premium from 200% to 300% with effect from 1<sup>st</sup> April 2021 for properties that have been empty in excess of 10 years. Members were advised that in 2013, there were 552 properties across the Borough which were subject to the empty property premium charge; this has reduced by 202 to 350 by November 2020, 46 of which have been empty in excess of 10 years.

In considering the report members sought clarification of the level of capital programme funding available to address empty properties and action which was presently happening around empty properties in terms of loans and other forms of investment. It was reported that there was funding available for targeted work on some of the worst properties.

Members of the Committee asked that the Cabinet give consideration to authorising officers to look at ways, if possible, of purchasing empty properties across the borough, especially properties that have been empty in the long-term and that officer's look at working with external providers.

Members of the Committee requested that Cabinet give consideration to providing Council Tax exemptions, or some form of relief for domestic accommodations that are attached to commercial premises, such as pubs and shops, which had become empty because they have had to close because of the adverse effects of Covid-19.

Resolved:

1. That the report be noted
2. That the Cabinet be requested to give consideration to authorising officers to examine ways of purchasing empty properties across the borough, especially properties that have been empty in the long-term and also in this regard that officers look at working, if appropriate, with external providers.
3. The Cabinet be requested to give consideration to providing Council Tax exemptions, or some form of relief, for domestic accommodations that are attached to commercial premises, such as pubs and shops, which had become empty because they have had to close because of the adverse effects of Covid-19.

### **36 SCHOOLS FINAL OUTTURNS AND REPORTABLE SURPLUS 2019/2020**

The Committee considered the School's Final Outturns and Reportable Surplus annual report, for 2019/2020, which detailed the final budget outturns and reportable surplus held by local authority-maintained schools, as at 31<sup>st</sup> March 2020. Members were advised that it was a requirement for Council's to review and challenge the level of surpluses held by individual schools.

The Committee were informed that surplus balances greater than 8% of a school's funding for a consecutive two-year period would be subject to challenge and review by the local authority in conjunction with the School's Forum. It was reported that potentially, under Rochdale's Scheme for

Financing Schools, any surpluses fitting the defined criteria and not deemed to be used for 'eligible' purposes could be clawed-back with re-distribution to all schools via the fair funding formula.

Members considered the report and note that there were currently 29 schools (25 primary, 1 secondary, 1 nursery and 2 special) with a surplus balance greater than the threshold percentage. Of those 29 schools, 15 were subject to review in accordance with Section 4 of the Scheme for Financing Schools. It was reported that all 15 schools had provided details of the planned spend and a summary was detailed in the submitted report.

Members of the Committee noted that as the content of the report related solely to schools and education it would be more apt if, in future years, this report was submitted to the Health, Schools and Care Overview and Scrutiny Committee.

Resolved:

1. The report be noted.
2. Future consideration of School's Final Outturns and Reportable Surplus annual report's be provided by the Council's Health, Schools and Care Overview and Scrutiny Committee.

## **37 FINANCE UPDATE REPORT**

The Committee scrutinised a report of the Chief Finance Officer, which described the Council's forecasted financial position, for the ensuing, municipal year, as at 30<sup>th</sup> September 2020. The report had also factored in additional specific Covid-19 funding that had been received in October 2020.

The Finance Update report contains details of the forecasted revenue outturn position, which yields an in-year saving of £1,745,000. The General Fund net pressure relating to Covid-19 was reported to be £125,000, which was largely offset by the use of government funding relating to Covid-19 of £22,231, including an additional £6,199,000 being received in October 2020. Non-Covid-19 in-year savings were reported to be £1,870,000, which represented an improved position of £2,408,000 from the period 4 forecast (31<sup>st</sup> July 2020). This was largely due to an improved situation within the Adult Social Care and Economy Directorates, which were reporting a breakeven position, whilst the Children's Social Care and Neighbourhoods Directorates were each forecast to achieve a budgetary underspend.

The report detailed savings plans of £4,169,000, which were ongoing; an update on the Health and Social Care Pool Fund position; a forecast Capital expenditure of £70,688,000, after re-phasing of £5,579,000 into future years; the forecast 2020/21 Collection Fund position of a deficit of £30,450,000, which would be partially mitigated by increased government 'Section 31 grant' of £20,950,000, leaving a residual pressure of £9,500,000; and the mid-year 2020/2021 Treasury Management update.

The purpose of the report was to keep Members updated on the financial position of the authority, as effective budget management was considered to be critical to ensuring the financial resources were spent in line with the budget and that they were targeted towards the Council's priorities. The report focused on the forecast 2020/2021 financial position as at 30<sup>th</sup> September.

The Committee was advised that the submitted report was due to be considered by the Cabinet at its next meeting on 1<sup>st</sup> December 2020.

Resolved:

That the report be noted.

**38 GREATER MANCHESTER COMBINED AUTHORITY - MINUTES OF SCRUTINY COMMITTEES**

Resolved:

1. That the Minutes of the meeting of the Economy, Business Growth and Skills Overview and Scrutiny Committee, held 9<sup>th</sup> October 2020, be noted.
2. That the Minutes of the meeting of the Corporate Issues and Reform Overview and Scrutiny Committee, held 6<sup>th</sup> October 2020, be noted.

**39 WORK PROGRAMME 2020/2021**

Members considered the Committee's Work Programme for 2020/2021, which outlined the scheduled programme of reports for the remainder of the 2020/2021 municipal year.

Resolved:

That the Committee's Work Programme 2020/2021 be noted.