



*Torrige District Council*  
*Internal Overview & Scrutiny*  
**ANNUAL REPORT**  
*2020/2021*



# *INTRODUCTION*

*BY*

*THE CHAIR*

*I am pleased to present the 2020/2021 Annual Report that shows the work the Internal Scrutiny Committee has undertaken during a year dominated by the Covid-19 pandemic.*

*The report comprises:*

- An overview of the purpose and structure of the Internal Overview and Scrutiny Committee.*
- Highlights of some of the activities undertaken by the Committee this year.*
- Proposals of key issues for consideration during 2021/2022.*

*In a year that has seen unimaginable changes to the way in which the council has had to carry out its business, we have continued to rigorously scrutinise the council's budget proposals, expenditure and performance.*

*The immediate impact of the first Covid-19 lockdown in March shaped the way the Council was able to hold meetings, moving from face-to-face meetings to virtual meetings. IT invested in and rolled out systems and equipment so that all Members and Officers across the Council could engage in virtual meetings. Both Members and Officers adapted exceptionally well. As the year passed, further effects of the pandemic started to emerge with priorities changing and future financial challenges becoming more apparent.*

*I would like to extend my thanks to committee members and officers who have supported the Committee throughout the year.*

***Councillor P Watson***  
***Chair – Internal Overview & Scrutiny***

## *SCOPE OF RESPONSIBILITY*

*The Council has 2 Overview & Scrutiny Committees, an **External** Overview & Scrutiny Committee and an **Internal** Overview & Scrutiny Committee.*

*The Overview & Scrutiny Committees have the power to review the policies of the Council and its objectives and are entitled to 'call in' decisions made by the Community & Resources Committee which are not yet implemented. They can also recommend that the Community & Resources Committee reconsider such decisions. Issues that remain unresolved will be referred to the Full Council for determination.*

*The Internal Overview & Scrutiny Committee exercises its functions in respect of the Council's policies, decisions, performance framework and actions with an "inward facing" emphasis.*

*The full Terms of Reference for the Internal Overview & Scrutiny Committee can be found in Appendix 1 to this report.*

## *COMMITTEE MEMBERSHIP*

*Chair* *Councillor P Watson*

*Vice Chair* *Councillor P Hames*

*Councillors* *R Boughton*  
*C Cottle-Hunkin*  
*J Gubb*  
*T Inch*  
*S Langford*  
*J Manley*  
*S Newton*

*Non-elected* *Mr S Dengate*  
*Representatives* *Mr I Harper*

*Support* *S Hearse, Chief Executive*  
*Officers* *D Heyes, Finance Manager (s.151 Officer)*  
*J Walter, Strategy, Performance & ICT Manager*  
*K Brown, Democratic Services Officer*  
*S Cawsey, Democratic Services Officer*  
*M Richards, Democratic Services Officer*

**WORK  
CARRIED OUT  
THIS YEAR**

**Reviews of:**

*Quarterly Business Report 4 to end March 2020*  
*Quarterly Business Report 1 to end June 2020*  
*Quarterly Business Report 2 to end Sept 2020*  
*Quarterly Business Report 3 to end Dec 2020*  
*Capital Programme*  
*Medium Term Financial Strategy 2021/2022 –*  
*2024/2025*  
*Review of Treasury Investment Options*  
*Covid-19 – Review of home working and Zoom*  
*meetings*  
*Grounds Maintenance Contract*  
*Quarterly Business Report*

**Call-ins:**

- ❖ *Temporary free car parking*
- ❖ *Westward Ho! site*
- ❖ *Burton Art Gallery*
- ❖ *Play Strategy*
- ❖ *Jet skis launching from Appledore slipway*

## **WORK CARRIED OUT THIS YEAR – HIGHLIGHTS**

### ***QBR / Medium Term Financial Strategy***

*The Committee looked at the council's financial performance against the objectives and goals set out in the Medium Term Financial Strategy, as well as scrutinising the budget proposals for the next year.*

*Quarterly Business Reports were submitted over the year and these were closely scrutinised. Prior to the meetings, Members were invited to raise questions and responses were provided. This enabled a fuller understanding of the information presented and the opportunity to provide additional details.*

*A substantial array of questions was submitted on each quarterly report, linked to the wider strategic aims of the Council. Members had raised questions about plans for the Council's assets and maximising income; the economic strategy; planning and council tax related policies which impacted on affordable housing, future housing need and homelessness; policies influencing climate change; and the management of finances including debt collection.*

*Recommendations were made that:*

- The surplus of £151k, achieved in 2019-20, be transferred to the Transition in Government Funding Reserve to meet the pressures of Covid-19.*
- A contribution towards property maintenance pressures of £110K and funding for Apprentices and Trainee posts - £51K - be approved by Community & Resources.*
- The projected 2020/21 surplus identified of £642k be transferred to capital reserves recognising that the capital program is currently under-funded by circa £5m.*
- Reports be provided on the Torrington Pannier Market and the Market House and the pool cover for Victoria Park.*
- Any decision regarding usage of the 2020/21 surplus be deferred until the outturn for the current financial year is known.*

## **WORK CARRIED OUT THIS YEAR – HIGHLIGHTS**

### ***Covid-19 – Review of Home Working and Zoom Meetings***

*In December, a preliminary verbal update was provided on the impact of Covid in relation to home working, Zoom meetings, work/life balance and potential savings. The brief focused primarily on operational aspects and employee support.*

*Members invited the HR & Comms Manager back in March to share details of the financial impact of the pandemic on the Council's finances. The results of both the staff and the councillor surveys were presented together with an analysis indicating cost savings in relation to travel.*

*The findings of the review can be summarised as follows:*

- *The environmental benefits of virtual meetings and home working are obvious but what is less clear is whether public participation and quality of output is as high as in a 'normal' environment.*
- *The new ways of working will be captured in the carbon audit process and we will then be able to provide members with more details on our carbon usage across the authority.*
- *Home working is more suited to some job roles than it is to others.*
- *The survey results indicate overwhelming support for live streaming of Council meetings.*
- *Given a choice, members show a slight preference for virtual meetings.*
- *Connectivity and IT issues remain a barrier to some.*
- *Both officers and councillors acknowledge the lack of social interaction is a disadvantage and most seem to favour an approach where there is a mix between home working and office- based working.*
- *Commuting and a reduction in travel is an advantage recognised by both officers and members.*

## ***WORK CARRIED OUT THIS YEAR – ONGOING***

### ***Treasury Investment Options***

*At the August meeting, members were briefed on the categories and types of ethical investment and the benefits and risks of each option.*

*It was agreed that the Income Generation Task & Finish Group look at the options in more detail.*

*An update was provided to the Committee in November, which formed the basis for the piece of work to be carried out by the Task & Finish Group.*

### ***Grounds Maintenance***

*A report was presented to the Committee on the current service and the proposals to bring the service in house in April 2022. Committee members were assured that they will receive regular updates as the plans progress and once details are fully specified, they will be involved in the budgetary process.*



## CALL-INS

<b>Title</b>	<b>Reason for Call-in</b>	<b>Outcome</b>
<i>Temporary Free Car Parking</i>	<i>To consider the decision of Community and Resources to grant free parking - with special attention to be given to how that decision might be funded and how affordable it is.</i>	<i>Community &amp; Resources approved the recommendation of the Internal Overview &amp; Scrutiny Committee that the first hour be paid for and the second hour be free in selected car parks</i>
<i>Westward Ho! Hotel Site</i>	<i>To consider the decision made by Community &amp; Resources not to remove the Restrictive Covenant on the hotel site land in Westward Ho! for a capital receipt of £120,000.</i>	<i>The recommendation of Internal Overview &amp; Scrutiny Committee to remove the existing covenant, and to put on a new covenant requiring that the land be used for commercial use only, was refused.</i>
<i>Burton Art Gallery</i>	<i>To scrutinise the decision of the Community &amp; Resources Committee because, whilst acknowledging that funding for the first year had been budgeted for, as confirmed by the interim S151 Officer, there were concerns about where the money will come from to fund the subsequent 4 years. Community &amp; Resources Committee had not discussed how the funding would be paid for.</i>	<i>The matter was debated and It was agreed that the Committee accorded with the Community &amp; Resources' decision.</i>

<b>Title</b>	<b>Reason for Call-in</b>	<b>Outcome</b>
<i>Play Strategy</i>	<i>To scrutinise the decision of Community and Resources Committee to adopt the Play Strategy but not provide a ringfenced budget for play area maintenance.</i>	<i>The Internal Overview &amp; Scrutiny Committee did not agree with the resolution of Community &amp; Resources Committee that there will be no allocation of maintenance budget for play areas. The matter was referred to Full Council (AGM) and at that meeting was deferred to the next Full Council Meeting needing further information.</i>
<i>Jet Skis Launching from Appledore Slipway</i>	<i>To scrutinise the decision of Community and Resources Committee that the closure of Appledore Slipway for jet skies with suitable bollards being positioned to enable continued access for swimmers and canoeists, and the decision for Bank End to be left to the Harbour Board be agreed.</i>	<i>The Internal Overview &amp; Scrutiny Committee did not agree the decision of Community &amp; Resources Committee to ban the launching of jet skis or the closure of Appledore Slipway with the use of bollards. After further consideration, the Community &amp; Resources Committee agreed with the recommendation of the Internal Overview &amp; Scrutiny Committee. The launching of jet skis from Appledore slipway will not be banned, nor will the slipway be closed with the use of bollards</i>

## **TASK & FINISH GROUPS**

### **QBR Review**

*The purpose of the group was to revise the QBR and align it with the Council's newly adopted Strategic Plan.*

*The Group was comprised of Cllr Watson (Chair), Cllr Langford, Cllr Newton (MBE), Cllr Hames and Mr Dengate, supported by the Strategy, Performance and ICT Manager, the Service Improvement Officer and the Finance Manager (s.151 Officer).*

*The Group had met on 4 occasions and had thoroughly reviewed all aspects of the current QBR.*

*The newly designed QBR format and the Trend Analysis Quarter 4 addendum will be adopted for use from 2021/22.*

**Income Generation** – *The Group met to look at ethical investment and environmental, social and governance criteria. They reached the conclusion they would like the council to undertake short-term treasury deposits, where possible, in an ethical and green manner with the following criteria:*

- *Green Treasury Deposits are made with UK Banks (or Building Societies) that are F1 rated (Fitch)*
- *The interest rate is within 0.20% of standard treasury deposits.*

*Any such investment will be reported through the QBR.*

**Estuary Strategy** – *The current Estuary strategy, adopted by Community & Resources in August 2014, was presented to the Internal Overview & scrutiny Committee for discussion. The Committee agreed that a Task & Finish Group be set up to explore the Estuary Strategy before referring the document back to the Harbour Board. The Group consists of Councillor Watson, Councillor Hames, Mr Dengate and Mr Harper, with an invitation being extended to the Chair of the Harbour Board. Inaugural meeting 4 June.*

# *FUTURE WORK PROGRAMME*

## *To Continue to scrutinise:*

- *the council's budget and financial strategy through quarterly business reports*
- *the Estuary Strategy*
- *Grounds Maintenance and Leisure Services Provision*

## *To look at:*

- *The Capital PID Process*

# APPENDIX 1

## OVERVIEW & SCRUTINY COMMITTEES

### **Statement of Purpose**

The Council's Overview & Scrutiny Committees have been appointed to discharge the functions conferred by Section 21 and 21A of the Local Government Act 2000, the Police & Justice Act 2006 and the Crime and Disorder Act 1998 in relation to the work of Full Council, Council's established Committees and other external bodies.

The Council has appointed two Overview & Scrutiny Committees: an Internal Overview & Scrutiny Committee and an External Overview & Scrutiny Committee. As a guide:-

#### Internal Overview & Scrutiny Committee

The Internal Overview & Scrutiny Committee will exercise its functions in respect of the Council's policies, decisions, performance framework and actions with an "inward facing" emphasis.

#### External Overview & Scrutiny Committee

The External Overview & Scrutiny Committee will exercise its functions in respect of the performance of partners and external public sector bodies and council services with an "outward facing" emphasis on the area of Torridge and its inhabitants.

The Council's Overview & Scrutiny Committees will conduct their functions in accordance with the following principles:-

- a) provide a "*critical friend*" challenge to decision makers and external bodies and agencies;
- b) reflect the voice and concerns of the public and the community;
- c) take the lead and own the scrutiny process on behalf of the public; and
- d) endeavour to make an impact to improve the delivery of public services.

### **Terms of Reference. Function and Responsibilities – Applicable to Both Overview & Scrutiny Committees**

The following terms of reference, functions and responsibilities shall apply equally to both The Internal and External Overview and Scrutiny Committees. Either of the Council's Overview & Scrutiny Committees shall:-

- a) exercise the right to call-in, for reconsideration, decisions made but not yet implemented by the Council and/or any committees of the Council in accordance with the Overview and Scrutiny Procedure Rules and to recommend that either the decision be reconsidered or that the decision be exercised/implemented by the Council;

- b) hear any matter brought to it as a Community Call for Action under powers adopted under section 21A Local Government Act 2000 and make any necessary reports and/or recommendations on the same;
- c) make reports and/or recommendations to Full Council and/or any Committees in connection with the discharge of any of its functions;
- d) assist the Council and its Community & Resources Committee in the development of its budget and policy framework by in-depth analysis of policy issues;
- e) question members of the Council's Committees and in particular, as appropriate, the Chair, Vice Chair and Chief Officer regarding their views on issues and proposals affecting the District;
- f) make recommendations to the Council's Committees and/or Full Council arising from the outcome of the scrutiny process;
- g) question and gather evidence from any person (with their consent); and
- h) call officers to account under the relevant Petition Scheme from time to time in force and contained at Part 7, Chapter 1 of the Constitution.

#### Finance

The Overview & Scrutiny Committees may exercise overall responsibility for any budgets made available to them.

#### Annual Report

Each Overview & Scrutiny Committee will report annually to Full Council on its workings, and make recommendations for future work programmes and amended working methods, as necessary.

#### Officers

The Overview & Scrutiny Committees may exercise overall responsibility for the work programme of the Officers employed to support their work.

### **Internal Overview & Scrutiny Committee - Terms of Reference, Function and Responsibilities**

The following terms of reference, functions and responsibilities shall apply to the Council's Internal Overview & Scrutiny Committee only. The Council's Internal Overview & Scrutiny Committee shall:-

- a) review and/or scrutinise decisions made or actions taken in connection with the discharge of any of the Council's functions including decisions taken by the Community & Resources Committee or by an Officer;
- b) review matters previously decided by the Community and Resources Committee of the Council and matters referred to it by Full Council under the Referral Procedure set out in Part 4 Chapter 4 of this Constitution;
- c) exercise any of its functions in respect of decisions relating to the overall resource of the Council, both land and finance;

- d) monitor the overall budget of the Council and ensure compliance with that budget (both revenue and capital) and the Council's assets, including arrangements for audit and review and scrutinise the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas;
- e) monitor compliance with the Council's overall policy framework;
- f) monitor the efficient administration of the Council's trading responsibilities;
- g) question members of the Community & Resources Committee and Chief Officers about their decisions and performance, whether generally in comparison with service plans and targets over a period of time, or in relation to particular decisions, initiatives or project
- h) consider Ombudsman reports as relevant to the Community & Resources Committee.

### **Composition of both Internal and External Overview & Scrutiny Committees**

1. The Council's Overview & Scrutiny Committees shall be made up of up to twelve (12) Members.
2. Membership of the Council's Overview & Scrutiny Committee shall be made up as follows:-
  - a) Nine (9) District Councillors; and
  - b) Up to three (3) Non-Elected Representatives.
3. The quorum shall be six (6).
4. Non-Elected Representatives are entitled to vote at Committee meetings in accordance with the Council's adopted Voting Scheme.