

Thurrock Borough Council

Finance Recovery Board

Minutes – 9:30am, Thursday 21 September 2023

Attendees

Nicole Wood (NW) – Essex County Council Commissioner (Chair)

Cllr Andrew Jefferies (AJ) – Leader

Cllr Graham Snell (GS) – Cabinet Member for Resources

Cllr John Kent (JK) – Opposition Group Leader

Cllr Lynn Worrall (LW) – Opposition Group Deputy Leader

Dr Dave Smith (DS) – Managing Director Commissioner, Chief Executive

Steven Mair (SM) – Acting Chief Finance Officer

Jonathan Wilson (JW) – Acting Director of Finance

Mark Bradbury (MB) – Interim Director of Place

Luke Tyson (LT) – Chief Intervention Officer

Patrick McDermott (PM) – Chief of Staff to the Commissioners

Lorraine Surrey (LS) – Senior Project Manager

Vince Waddams (VW) – Delivery Assurance Manager

Mark Bowen (MBo) – Interim Project Lead (Legal)

Keilah Gallardo (KG) – Business Support Officer, Chief Executive (minutes)

Apologies

None.

1. Welcome and Introductions

2. Minutes of last meeting / Action Log

2.1. Review of actions, no matters arising were mentioned.

2.2. Previous minutes were agreed.

3. Workstreams Update

3.1. Sponsor Report and Highlight Report.

3.2. Update on Toucan sales and position with JLG and other investment asset sales.

3.3. The finance function review consultation period runs until 6 October 2023.

3.4. SM provided an update on the ongoing review of the Housing Revenue Account (HRA).

3.5. There was a complete review of fees and charges, having gone through various scrutiny in the spring. The accounts include some technical issues meaning there needs to be a resubmission of technical papers to auditors. The view is the challenge will arise when looking to 'sign off' in January.

3.6. LW inquired on whether there was going to be a focus on the HRA and if this was going to be an additional expense. SM confirmed that it would be, however, there is no anticipated completion date. NW noted that the divestment piece, alongside setting the budget raises a question as to whether there is sufficient capacity to complete these tasks. SM clarified that some of this work is supported by an external provider. NW noted that it was positive to see a sustained proposal on the Capital Disposals piece. NW asked when there will be clarity on the outlook for capital assets. SM clarified that this is currently being worked on with GS working on figures and deliverability.

3.7. MB spoke on the rental income paper, noting that it was necessary to have a conversation regarding resources.

4. Asset Disposals

4.1. RL summarised, explaining that the asset disposal update and the headline sheet will be included in the report highlighting teams' work. RL stated at present, the Council has £30million of properties on the market and £13.6million sold. JK raised concern over ward members not being informed of properties planned for sale, requesting that members be made aware of, and involved in, the process.

4.2. PM and NW suggested that a snapshot of figures showing figures from this report be shared with members. This would allow for details of the properties that are being worked on have completeness, as well as open transparency between members.

4.3. MB noted that there has been an agreement with TRL and development sites at Bellmont Road. Currently there are disposals scheduled for next year, but this will be progressed further.

4.4. RL explained that with proposed sales, properties, there is a 5-day cooling off period for Cabinet. JK raised a concern that during the five-day period, other members cannot see

the detail. DS stated he would seek advice from AH on when these details can be made public.

4.5. The Member Investment Panel will meet the end of October.

Action: DS to take advice from the Monitoring Officer regarding the sharing of the confidential papers on asset disposal that went to September Cabinet with all councillors, and whether it will be possible to build in a further call-in period.

5. Rental Income

5.1. MB explained that progress was being made through outstanding lease events focusing on an opportunity to generate new lettings. The target is currently outstanding rents.

5.2. There was agreement to change the approach to setting the target for this work to be based on value rather than number of renewals.

Action: MB to advise FRB of the revised target for the Rentals project, ahead of the next FRB meeting. MB to bring a report to October FRB on progress on delivery of the revised rentals target.

6. Financial Strategy Update

6.1. SM stated the report has been to Cabinet. SM confirmed that the report brings together aspects of work that are active in Finance.

6.2. NW asked MBo whether there was visibility on director conduct. MBo identified items, nothing that administrators would like to be provided reports from the Secretary of State. PM noted that colleagues are working with DBT to explore this option.

Action: PM communicate DLUHC's stance for considering appropriate in engagement with DBT on reports to the Insolvency Service.

7. 2023/24 Savings Delivery Risk Assessment

7.1. VW presented report, noting that the assurance team was up to strength. Risk assessment (RA) is recorded in a centralised spreadsheet. VW noted that currently, directors are reporting 93% of savings are on track. Upon cross-checking, the RA team is reporting 75% savings on track. The reason for the lower level of assurance stems from ongoing reviews of evidence. The goal would be that this number increases as more evidence is gathered. VW clarified that the benefit of cycle-to-cycle reporting is the ability to benchmark and compare on previous reporting.

7.2. NW noted that this was presented well, but asked about what assurance confidence means in the cycle. VW explained that each directorate will present evidence on whether they feel they are performing to standard. VW confirmed this will then be not partially rated based on evidence provided. VW confirmed this would then be fed back to directorates to which they can challenge.

7.3. LT enquired with VW whether the expectation is that as the model and evidence base grows, the confidence levels would eventually reach 100%. VW confirmed this was correct.

8. Section 114: Management Information Report

- 8.1. JW provided reminder to the criteria, noting that information sets out the processes since implementing the panels. The panels themselves are the Executive Control Panel and the Strategic Panel. The impact of this demonstrates the levels of requests have come in split by directorate, giving insight to reason for expenditure. Earlier stages have received requests, where they are already in progress. Broad level of requests in the system of which have come in throughout the year were also noted. JW noted that if year on year spending is dropping, which can be seen through cash flow, receiving less requesting. This is also pending Commissioner review.
- 8.2. JK felt it would be useful to see samples of requests that have been approved and refused. JK also asked when this is reported to members, whether the intent was for it to go to Corporate Overview and Scrutiny. JW confirmed that it would be.
- 8.3. NW expressed this was a good report, and felt it useful to look at broad spending, audit plan, and audit checks.

9. Items for next meeting

- 9.1. Workstreams update.
- 9.2. Financial Strategy Update.
- 9.3. Delivery Risk Assessment.
- 9.4. Asset Disposals.
- 9.5. Rental Income.
- 9.6. Investments Recovery and Litigation Update.
- 9.7. Section 114: External Commissioner Assessment of Effectiveness
- 9.8. Section 114: Progress update for Resourcing/Recruitment Panel

10. Any other business

- 10.1. As there was no further business, the meeting was closed.

Appendix I: Full Meeting Actions

Action: DS to take advice from the Monitoring Officer regarding the sharing of the confidential papers on asset disposal that went to September Cabinet with all councillors, and whether it will be possible to build in a further call-in period.

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