

Minutes of the Economy Overview and Scrutiny Panel

County Hall, Worcester

Monday, 25 March 2024, 10.00 am

Present:

Cllr Matt Dormer (Chairman), Cllr Karen Hanks (Vice Chairman),
Cllr Bob Brookes, Cllr Allah Ditta and Cllr Ian Hardiman

Also attended:

Rachel Hill, Assistant Director for Economy, Major Projects and Waste
Dave Corbett, Lead Analyst (Performance)
Steph Simcox, Deputy Chief Finance Officer
Samantha Morris, Interim Democratic Governance and Scrutiny Manager

Available Papers

The members had before them:

- A. The Agenda papers (previously circulated);
- B. The Minutes of the Meeting held on 16 January 2024 (previously circulated).

73 Apologies and Welcome

The Chairman welcomed everyone to the meeting.

Apologies were received from Councillors Martin Allen, Tony Muir and Craig Warhurst.

74 Declarations of Interest and of any Party Whip

None.

75 Public Participation

None.

76 Confirmation of the Minutes of the Previous Meeting

The minutes of the meeting held on 16 January 2024 were agreed and signed as a correct record.

77 Performance (Q3 October to December) and In-Year Budget Monitoring

The Panel was updated on performance and financial information for services relating to the Economy.

In-Year Budget Monitoring

The Panel received information relating to Quarter 3 (Period 9). The Deputy Chief Finance Officer made the following main points:

- At the end of December 2023, the Council's net overspend was £19.2m on a £401m net budget – this was after using one off monies from additional income from business rates and the additional use of reserves.
- The structural deficit (a budget deficit due to the Council's ongoing expenditure being greater than income) was £35m.
- £22.4m of savings had been built into the Council's overall budget and the majority of the savings would be made, the main exceptions being the income from County Hall and the vacancy management target.
- It was a very difficult time for local government and it was essential that services remained within budget and that savings were delivered. Council would continue to review and ensure that spend would be made where it was absolutely necessary throughout 2024/25.
- At the end of Q3, there was a slightly worsening position for the Economy and Infrastructure Directorate, but the direction of travel had started to improve and there would be an underspend at the end of the financial year.
- The most significant variances from budget were:
 - Planning and Regulation was forecast to overspend by £0.5 million, with pressures in Transport Planning which was after the full utilisation of the £1.037 million earmarked reserve.
 - Within Waste Management, there was a £0.5 million overspend projected, due to rates on waste tonnage increasing beyond what was assumed at budget setting. This was net of a favourable position relating to recycling within the contract.
 - £0.5 million underspend in Road Lighting, based on the current LED rollout reducing kWh usage by 20% rather than the expected and budgeted 15%.

The Panel was invited to ask questions and the following main points were made:

- A Member questioned the reasons for the continuing need to employ consultants to cover hard to fill vacancies and was advised that transport planning and development control vacancies were difficult to

recruit to due to skills shortages, and so it was necessary to employ consultants.

- It was confirmed that the County Council's contribution to the Worcestershire Local Enterprise Partnership (WLEP) was £90k. There was also an additional £100k towards the shared role of the Assistant Director for Economy (£190k in total).

Performance Information Q3 (October to December 2023)

The Lead Analyst introduced the report and the following main points were made:

- In response to a Member suggestion that the data provided in respect of rail journeys: station usage was an incomplete picture as some stations eg Redditch did not have ticket gates and so journeys would not be recorded. The data Analyst agreed that the information provided was a snapshot at a given time.
- Additional data relating to cargo on trains was requested for future meetings.
- A Member questioned whether there was any goods storage in Worcestershire which the Assistant Director, Major Projects & Waste agreed to check and advise the Panel accordingly.
- In response to a Member suggestion that the Business Survival Rates from Businesses started in 2019, and trading 3 years later, for Wyre Forest was disappointing. The Data Analyst advised that the reason for this would be checked and the Member advised accordingly.
- It was noted that the latest data provided for Economic Growth: Gross Value Added (GVA) related to 2019. The Panel was advised that more recent data would be available by the end of the financial year and provided for the next performance monitoring report.

78 Work Programme Refresh

Members were invited to consider suggestions for the Panel's 2024/25 work programme prior to it being submitted to Council for approval.

It was agreed that details of the Capital Programme related to the Panels remit would be added to the July Performance (Q4 January – March) and Year End Budget Monitoring Update.

The Panel confirmed that it was content with the draft work programme for submission to OSPB for consideration on 25 April.

The meeting ended at 11.40 am

Chairman

