

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
13 NOVEMBER 2014

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held in the Delyn Committee Room, County Hall, Mold on Thursday, 13 November 2014

PRESENT: Councillor Carolyn Thomas (Chair)

Councillors: Marion Bateman, Clive Carver, Paul Cunningham, Peter Curtis, Ian Dunbar, Andy Dunbobbin, Robin Guest, Joe Johnson, Richard Jones, Richard Lloyd, David Roney, Paul Shotton and Arnold Woolley

SUBSTITUTE: Councillor Mike Reece (for Ron Hampson)

APOLOGY: Cabinet Member for Corporate Management

ALSO PRESENT: Councillor Haydn Bateman

CONTRIBUTORS: Leader and Cabinet Member for Finance, Chief Executive, Chief Officer (People & Resources) and Corporate Finance Manager

Neighbourhood Housing Manager and Revenues Manager (for minute number 39)

IN ATTENDANCE: Member Engagement Manager and Committee Officer

36. DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

No declarations of interest were made.

37. MINUTES

The minutes of the meeting of the Committee held on 9 October 2014 had been circulated with the agenda.

Matters Arising

Minute 33: Revenue Budget Monitoring 2014/15 Month 4 - Councillor Richard Jones thanked the officers for the meeting which had taken place to discuss and agree changes to the format of budget reports to be implemented from Month 6. Councillor Jones also reiterated his comments about including consideration of a zero-based budget as part of the budget consultation process.

RESOLVED:

That the minutes be approved as a correct record and signed by the Chair.

38. BUDGET CONSULTATION PROCESS

The Leader of the Council thanked all Members who had attended the recent workshops and said that Group Leaders would be asked to pass on

information to those who had been unable to attend and offer the opportunity for a separate discussion with officers.

In terms of reconciling the £2.6m gap to meet the overall revised budget gap of £16.4m for 2015/16 following the 3.4% reduction in the settlement, he said that there were a number of options remaining to be explored around school budgets, Council Tax levels and further service efficiencies, and that draft budget proposals would include further savings with emerging risks. At the formal Overview & Scrutiny budget consultation meetings scheduled for January 2015, there would be an opportunity for Members to scrutinise the 'green' rated risk options which had not been shared at the workshops and which represented a significant share of the efficiencies. In referring to the challenges of managing the expectations of Council Members and members of the public, he said that although the current situation was reflected nationally, Flintshire's approach to closing the budget and defending important local government services was to create opportunities for alternative service models and innovation. In response to concerns raised by a number of Members at the workshops on the provisional budget settlement for 2015/16 received from the Welsh Government (WG), it was the Leader's intention to submit the Council's response for discussion at full Council.

The Chief Executive referred to the deadline for consultation responses of 19 November and the need to have a full debate with all Members at Council. He said that any significant change in the final settlement was unlikely as there was limited scope for financial flexibility within WG given budget pressures across the public sector, and therefore it was advisable to concentrate on the need for longer term planning in a consultation response. He went on to provide information on the timescale for the budget setting process with work being undertaken on impact and equality impact assessments of the budget proposals and options.

Councillor Clive Carver made reference to the Council seeking expressions of interest on the Community Asset Transfer (CAT) initiative from Town and Community Councils. He said that any decision to pursue this would impact significantly on precept amounts and asked how this could be justified when the asset in question was not limited to residents only in those communities. The Chair said that the same concerns had been raised by others and in particular, smaller Town and Community Councils.

In acknowledging the point raised, the Leader of the Council said that this was a genuine attempt to offer the opportunity to transfer responsibility of important assets to Town/Community Councils or volunteer groups to protect and retain those facilities for the benefit of communities. He referred to the scale of the current financial challenges and said that discussions could take place with Town/Community Councils on any ideas for CAT that were put forward, including options for collaboration with other Town/Community Councils.

The Chief Executive gave examples of options on assets such as libraries with the potential for volunteering input and acknowledged that there may be greater capacity in larger than smaller Town/Community Councils some of whom were now meeting with Council officers. He stressed that the aim was to allow

time and space for consideration of options which could be progressed during the next financial year and not immediately for the 2015/16 budget.

In response to comments from the Chair, the Chief Executive confirmed that the Council was working with the Flintshire Local Voluntary Council (FLVC) who were the first point of contact for expressions of interest on CAT.

Councillor Richard Jones thanked the Chief Executive for his response to questions previously raised on the Medium Term Financial Plan (MTFP) but asked why the Plan had not been reviewed to reflect the provisional settlement which was marginally better than expected. The Chief Executive acknowledged that the MTFP could be used more effectively as a tool and that more frequent updates were needed alongside the budget process drawing on the best intelligence for future years. He pointed out that even if targets were planned, the delivery of solutions was not made any easier. Early planning alone necessitated early decision making on difficult decisions.

The Leader of the Council spoke about the challenges for Councils due to a lack of clear financial forecasting from WG and reliance on information in the Institute for Fiscal Studies (IFS) report which was a standard approach being taken across Wales. He spoke of the need for further representations to be made to WG for adequate financial intelligence and planning long-term and about Flintshire's planning in defence of public services and redesigning management structures and services to better align to future delivery.

Councillor Jones commented on the impact of financial cuts in schools and felt that school governors and Members should be given a better steer on how to deal with this.

Councillor Arnold Woolley shared frustrations on long-term planning and raised concerns about the effect of education cuts on class sizes and the potential for reduced social services for those in need. He referred to the Council's Charter with Town/Community Councils through the County Forum which included the transfer of assets and asked if the terms of this conflicted with the current CAT initiative.

The Chief Executive confirmed that there were no proposals in the budget for 2014/15 to withdraw principal needs-assessed social care services to vulnerable people or to reduce service quality. He provided information on the Charter with Town/Community Councils and advised that this was a statement of intent and not a legal agreement. The Charter had been written before the escalation of financial challenges and perhaps required updating.

Whilst the Leader of the Council acknowledged the key challenges on CAT, he spoke of the potential for success in some areas, as demonstrated in parts of England, and the option for Town/Community Councils to facilitate involvement from community groups. He clarified that the opportunities for CAT applied to 2015/16, however options to explore any interest in the current year would be followed up.

Councillor Robin Guest commented on the views put forward on CAT and challenging decisions needed to justify additional expenditure of any asset

transfer. Councillor Carver spoke of the need to use plain language on agreements such as the Charter with Town/Community Councils.

Councillor Marion Bateman referred to the option for collaboration between Town/Community Councils on CAT and felt there was now a greater need for collaboration on larger issues.

The Chair said it was evident from this discussion that further questions remained and that reassurance was needed before proposals were considered by Cabinet. The Chief Executive said that enquiries could be directed through the Corporate Finance Manager or direct to Cabinet Members. In response to comments, he provided clarification on the FLVC as the contact point for expressions of interest on CAT, details of which would be posted on the FLVC website.

The Chair suggested that concerns raised on the impact of education cuts on classroom sizes and the impact on vulnerable people of any cuts to social care provision be referred to the Lifelong Learning and Social & Health Care Overview & Scrutiny Committees respectively.

The Chief Executive agreed to provide Members with more detail (by circular) on the Council's approach to CAT, including the FLVC website address.

RESOLVED:

- (a) That the update be noted;
- (b) That concerns raised on the impact of education cuts on classroom sizes be referred to the Lifelong Learning;
- (c) That concerns raised on the impact of any cuts on social care services to vulnerable people be referred to the Social & Health Care Overview & Scrutiny Committee; and
- (d) That more detail on the Council's approach to community asset transfers be shared with the Committee, including the FLVC website address.

39. FEEDBACK ON AGILE & FLEXIBLE WORKING

The Neighbourhood Housing Manager and Revenues Manager provided information on the findings of the pilot on agile and flexible working in their respective areas. In Housing, the co-location of three teams to one area had resulted in more consistent office cover and central administration support across Housing had helped to increase capacity in some areas. The pilot in the Revenues service had significantly reduced the office footprint and had reflected positively on productivity and short-term absences.

Both Managers described the effects of moving to a different way of working which involved measuring performance on outcomes, and felt that their teams had benefited through a greater sense of ownership of their areas and had been motivated by the trust given to them. The increase in productivity had also helped in respect of requests for early voluntary redundancy. Although it was

acknowledged that flexible working was not suited to all posts, the majority of team members had been able to take part and feedback was positive.

Councillor Richard Jones thanked officers for the information and welcomed the measurement of outcomes.

In response to queries raised by Councillor Robin Guest, the Revenues Manager provided information on the reduction of office space achieved by the pilot, the rota system to co-ordinate team members working from home and the document management system to measure work items processed.

Councillor Paul Shotton expressed his appreciation to Housing officers who had recently met with Council Members for their respective areas.

In speaking of the change in culture involved in agile and flexible working, the Chief Executive praised the commitment of managers in encouraging their teams to see the advantages and said that a steady approach had been taken to avoid any negative impact on services.

When asked about contact with members of the public, the Neighbourhood Housing Manager advised that mobile phones were used and she provided explanation on the duty officer rota in place for Anti-Social Behaviour Housing officers together with plans for a single contact number call-handling service.

Councillor Clive Carver commented on the transportation of documents when working at home and the difficulties he had experienced in contacting some Council officers who were working at home. The Neighbourhood Housing Manager explained the use of mainly electronic documents in the section and the process for diverting telephones. She added that Housing officers' work mobile contact numbers had been made available during the Tenants' Conference and recent 'meet and greet' session with Members.

Councillor Marion Bateman took the opportunity to thank the Neighbourhood Housing Manager for her assistance on Housing matters.

The Chair said that she was unaware of any problems contacting officers in the two teams, however this was not the case in other sections of the Council where office cover was not always available. The Chief Executive said that there was an understanding that those working from home were contactable in some form.

The Chief Officer (People & Resources) referred to the challenges in changing culture to agile and flexible working and felt that successful examples such as those described would encourage other teams to view this as a positive experience. She thanked both managers and said that the pilots across the Council had been invaluable in demonstrating the effectiveness of this and had been used as a foundation for developing policies which would apply across the organisation.

RESOLVED:

That the information be noted and the officers be commended for their contribution to the development of Agile and Flexible Working.

40. REVENUE BUDGET MONITORING 2014/15 (MONTH 5)

The Corporate Finance Manager introduced a report to provide Members with the latest Revenue Budget Monitoring 2014/15 (Month 5) information for the Council Fund and Housing Revenue Account (HRA) to be submitted to Cabinet on 18 October 2014. This was based on actual income and expenditure as at Month 5 and projected forward to year-end based on the most up-to-date information available.

For the Council Fund, the projected net in-year non pay expenditure was forecast to be £0.608m less than the budget. Pay variances had not been included in the report due to the continuation of work to rebase all workforce budgets to reflect the actual new costs arising from the new pay and grading structure. This work was nearing completion however it was considered that pay variances would not be significant. The report detailed the main variances since Month 4 including some elements identified through a cost control exercise recently undertaken to identify areas of non-essential spend. As requested previously, the table showing total expenditure and income now included information on the original budget and the amount for the current month.

It was reported that £8.627m of corporate and functional efficiencies (98% of that included in the budget) had either been achieved or were expected to be achieved by the end of the financial year, which was an improvement from Month 4. An update was provided on the functional value for money target for administration support as indicated in the report, together with work being undertaken to assess the impact of the second phase of the voluntary redundancy programme to achieve £1.7m of workforce efficiencies for 2014/15.

Following comments previously raised by Members, the report also provided explanation on existing risks and changes to previously reported risks.

Information provided on unearmarked reserves reported a projected balance of £3.549m of contingency reserves at the end of the financial year.

On the HRA, an overall projected underspend of £0.045m was reported, resulting in a closing balance of £1.210m which at 4% of total expenditure, was above the recommended level of 3%.

Councillor Richard Jones welcomed the improved changes made to the report and asked if the value of assumptions and risks could be indicated on future reports, where possible, to help understanding. The Corporate Finance Manager said whilst that figures could be included in some instances, it would be more difficult for those such as out of county placements.

On the HRA, Councillor Jones referred to the potential impact from a review of the HRA Garden Service but pointed out that this had been accounted for in the appendix of major variances. Further points were raised by Councillor

Jones on the causes of major variances in Appendix 2 to the report, changes to budget headings for Social Services, clarification on the use of 'Penderels' and major variances in Social Services and the reconciliation of variances in Streetscene and Transportation.

The Chair suggested that Councillor Jones submit the list of detailed questions to officers to enable a full response to be collated and shared with the Committee.

Councillor Peter Curtis felt it would be helpful to provide detailed questions to officers in advance so that responses could be given at the meeting. Councillor Jones said that time did not always allow this.

The Corporate Finance Manager gave clarification on Penderels as a agency provider of social care and agreed to follow up the remaining questions so that a response could be shared.

Councillor Arnold Woolley pointed out the significant variance on waste disposal and collection and sought clarify on the reason for the additional costs. The Chief Officer (People & Resources) explained that a large number of vacancies in the service were currently on hold, pending a structural review. She acknowledged the figure involved but said it was likely that this included costs for other issues such as sickness absence.

Concerns were raised by the Chair on the ongoing costs in waste disposal and collection, and the potential for this to adversely impact on the rest of Streetscene. She felt that consideration should be given to separating these services.

In response to comments from Councillor Ian Dunbar on the existing risks for the Euticals site, the Chief Executive reported on management of site safety and progress with tenders to clear the chemicals at the site and the risk arising from support needed from the Welsh Government (WG) on a financial solution prior to any contract for site clearance.

On the same matter, The Leader of the Council said that this was an unprecedented case where the Council had acted in the interests of the public in terms of public protection. He referred to support required from WG and the need for Ministerial intervention if necessary.

Councillor Curtis referred to the vacancies in waste disposal and collection and felt that this had led to a lack of continuity in the workforce which had contributed to inconsistencies in refuse collection.

In relation to Streetscene, Councillor Clive Carver stressed the importance of adequate spend on road sweeping and gully cleaning.

The Chair proposed that the concerns raised about the ongoing costs in waste disposal and collection, including use of agency workers and impact on other Streetscene services be passed to the Environment Overview & Scrutiny Committee. This was seconded by Councillor Dunbar and agreed.

RESOLVED:

- (a) That the content of the report be noted; and
- (b) That the concerns raised on the costs in waste disposal and collection, including use of agency workers and impact on other Streetscene services be referred to the Environment Overview & Scrutiny Committee for consideration.

41. FORWARD WORK PROGRAMME

The Member Engagement Manager introduced the report to enable the Committee to consider the Forward Work Programme. The following suggestions were agreed:

- Consultation on the revised Customer Services Strategy to be submitted to the meeting on 11 December 2014.
- The meeting on 15 January 2015 to be moved to 10.30am to accommodate a training session on the changes made to future budget reports.
- The Chair together with Councillors Richard Jones and Peter Curtis to meet with the Chief Officer (People & Resources) to consider the presentation of future reports on Workforce Information prior to the report being submitted to the December 2014 meeting. The Chief Officer to respond to the Members on her availability for the following Friday afternoon.
- All Members would be invited to a People Strategy workshop to be held on the afternoon of 12 December 2014.
- Wales Audit Office Corporate Assessment report was expected to be finalised in time for the meeting in February 2014.

Councillor Clive Carver referred to Members' use of iPads and requested that reports were formatted appropriately for iPad use. Following earlier discussion, the Member Engagement Manager asked for views on a workshop to discuss the Medium Term Financial Plan. The Chief Executive replied that this would be more appropriate for early in the New Year.

RESOLVED:

That the Forward Work Programme, as amended at the meeting, be approved.

42. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE

There were no members of the press or public in attendance.

(The meeting started at 10.00 am and ended at 12.30 pm)

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Chair