

CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE
13 SEPTEMBER 2012

Minutes of the meeting of the Corporate Resources Overview and Scrutiny Committee of the Flintshire County Council held at County Hall, Mold on Thursday, 13 September, 2012

PRESENT: Councillor R.B. Jones (Chairman)

Councillors: G.H. Bateman, M. Bateman, C.S. Carver, P.J. Curtis, I. Dunbar, R. Lloyd, P. Shotton, I.R. Smith and N.R. Steele-Mortimer

APOLOGIES:

Councillors R.G. Hampson, M. Lowe and A. Woolley. Head of ICT and Customer Services

ALSO PRESENT:

Councillor J.B. Attridge attended as an observer

CONTRIBUTORS:

Leader of the Council, Cabinet Member for Corporate Management, Chief Executive, Head of Finance, Head of Human Resources and Organisational Development, Head of Legal and Democratic Services, Corporate Finance Manager and Operational Services Manager,
For minute number 25 - Director of Lifelong Learning and Head of Leisure and Culture

IN ATTENDANCE:

Member Engagement Manager and Committee Officer

21. DECLARATIONS OF INTEREST

No declarations of interest were made.

22. MINUTES

The minutes of the meetings of the Committee held on 5 July 2012 and 12 July 2012 had been circulated to Members with the agenda.

Matters Arising

5 July 2012 meeting

Councillor C.S. Carver asked whether a date had been arranged for the next meeting of the Single Status Project Board. The Chief Executive confirmed that he would make enquiries and advise Councillor Carver outside of the meeting.

Councillor P.J. Curtis indicated that a written response had not yet been received on further details on car parks; the Member Engagement Manager circulated a response.

12 July 2012 meeting

The Member Engagement Manager advised that the end time for the meeting would be amended to read 11.44 a.m.

RESOLVED:

That subject to the foregoing, the minutes be approved as a correct record and signed by the Chairman.

23. VARIATION IN ORDER OF BUSINESS

The Chairman indicated that there would be a slight change in the order of business to bring forward the Quarter 1 Service Performance reports for Legal and Democratic Services and Finance. The remainder of the agenda would then be considered in the order as shown.

24. QUARTER 1 SERVICE PERFORMANCE REPORT

Legal and Democratic Services

The Head of Legal and Democratic Services introduced a report to request that the Committee consider the 2012/13 Quarter 1 service performance reports, note the position of the Strategic Assessment of Risks and Challenges (SARC) contained within the performance reports and note progress made against the Improvement Targets contained within the performance reports. He gave a short presentation on the performance within Legal and Democratic Services, outlining work which had been undertaken to improve performance and areas where improvement was needed, as outlined within the report.

The Chairman asked if an estimate could be provided of when the risk for data protection could be reported as green in the SARC document. The Chief Executive explained that it was a specific risk but should be amber or green next year.

Councillor C.S. Carver commented on the small number of Members who attended the Code of Conduct training sessions. He also asked if letters which did not specifically refer to being a Freedom of Information request were included in the figures reported as being received and determined. The Chief Executive and Head of Legal and Democratic Services confirmed that the figures were indicative of the number of questions which specifically mentioned being a Freedom of Information request.

In response to a question from Councillor P. Curtis, the Head of Legal and Democratic Services said that the 51 new parking prosecutions were those which had been taken to Court and not just the number of people who had been given parking tickets. He added that the figures did not include prosecutions undertaken by North Wales Police.

Councillor R. Lloyd asked if the turnout for voting could be increased. The Chief Executive said that the Authority did all it could to encourage voters and the Chairman said that candidates could also remind the public about voting when they were visiting areas in the run up to the elections.

Finance

The Head of Finance introduced a report to request that the Committee consider the 2012/13 Quarter 1 service performance reports, note the position of the Strategic Assessment of Risks and Challenges (SARC) contained within the performance reports and note progress made against the Improvement Targets contained within the performance reports. She gave a short presentation on the performance within Finance, outlining work which had been undertaken to improve performance and areas where improvement was needed, as outlined within the report.

The Leader of the Council explained that a substantial risk to the Council was the introduction of the Welfare Reform and that an early estimate for the new Council Tax Support Scheme was that it could cost £2m in 2013/14. An announcement was awaited on the amount of funding which would be available from Welsh Government. The Welfare Reform Board, which was open to all Cabinet Members and Group Leaders and other partner organisations, had recently been established with the risk of costs being identified as a key priority for those on the Board. The Head of Finance said that the Council currently budgeted on the basis that 99% of Council Tax was collected but that it was anticipated that this could reduce to 97.5% following the introduction of the changes to Council Tax benefits. Should this be the case it would be at a cost of approximately £0.900m for the Council. The Chief Executive and the Chairman commented on the potential impact to precepts set by North Wales Police and Town & Community Councils. The Head of Finance said that a letter was being prepared to send to Town and Community Councils to assist them with their early budget planning. The Leader suggested that a report on the financial impact of the Welfare Reform be considered by the Committee at a future meeting due to it being such a significant issue.

The Cabinet Member for Corporate Management advised that the Authority should ensure that the public were aware of the situation and Councillor Curtis asked whether prosecutions would increase due to non-payment of Council Tax. The Chief Executive responded that the enforcement policy had not changed but there may need to be sensitivity around applying the policy depending on individual circumstances. He went on to explain that the public would be provided with information to ensure that they were aware of the changes due to Welfare Reform but added that the scope of the Council to help was limited due to the Authority not being responsible for the rules around Welfare Reform. He added that the Department of Work and Pensions were due to undertake a publicity campaign shortly.

Councillor I. Dunbar felt that the Council Tax collection rate being set at 97.5% was too high. He was also concerned that the changes in benefits would be detrimental to a significant number of people. The Chairman said the rate could be considered by Members at the budget setting stage when more information was available.

RESOLVED:

- (a) That the reports be received; and
- (b) That a report on the financial impact of Welfare Reform be considered by the Committee at a future date.

25. REVENUE BUDGET MONITORING 2012/13 (MONTH 3)

The Corporate Finance Manager introduced the report to provide Members with the latest Revenue Budget Monitoring information for 2012/13 as at Month 3 which would be submitted to Cabinet on 18 September 2012.

The projected in-year overspend of £1.053m was mainly due to a currently forecast overspend of £1.303m within Lifelong Learning, comprising of Leisure £0.399m, School Improvement Service £0.073m, Schools related £0.345m, Service units £0.245m and Facilities £0.274m, offset by minor savings of £0.033m. The significant in-year projected variances to date were detailed in appendices 1 to 5 for Council Fund and appendix 7 for Housing Revenue Account (HRA). Within Leisure Services, the £8m refurbishment of Leisure Centre Provision in Flint and Deeside had been completed on time and on budget. The business plans for each centre highlighted the need for the Council to invest revenue funding to support the new facilities in their first year of operation. It was now being recommended to Cabinet that £0.361m be allocated from contingency as a one-off investment for this purpose. It was the intention of Management to contain the currently projected variation within the overall agreed Council budget for the year. As part of the ongoing work to develop the Medium Term Financial Plan, opportunities to generate efficiencies were being explored, including those that may have a positive impact on the 2012/13 projected outturn.

The Corporate Finance Manager also highlighted the risks/assumptions and non standard inflation of £0.078m in respect of Energy for Street Lighting, Energy, Fuel and Food. Appendix 6 detailed the movements to date on unearmarked reserves and the level of contingency sum remaining. As a result of these movements, the current projected level of the contingency reserve at the end of March 2013 was an overdrawn amount of £0.422m.

The HRA reported an overall projected overspend of £0.030m at Month 3 and a projected closing balance of £1.590m, which at 6% of total expenditure satisfied the prudent approach of ensuring a minimum level of 3%. Appendix 7 provided details of the variance for the HRA. It was recommended that delegated authority be granted to the Head of Housing to

allocate additional CERA contributions from HRA balances over and above the required level of 3% of total expenditure.

The Chief Executive explained that the projected outturn for Central & Corporate Finance reflected additional corporate “windfall” income of £0.081m, arising from payment of a claim against Welsh Government for costs in respect of staff time incurred in supporting the recent Housing stock transfer tenants consultation and ballot. A total of £0.100m was claimed for staff time, which had been apportioned as appropriate between the Council Fund (£0.081m) and the HRA (£0.019m). The Chief Executive added that the overspend in the Lifelong Learning Directorate was being taken seriously and he introduced the Director of Lifelong Learning and the Head of Culture and Leisure to provide details and answer questions on the issue.

The Leader of the Council felt that it was important that a detailed discussion was undertaken by the Lifelong Learning Overview & Scrutiny Committee about the Lifelong Learning overspend as he felt that a projected overspend at Month 3 was a concern. He referred to the loss of revenue due to the leisure refurbishment programme and the early trading of new facilities and hoped that as this was a one-off investment it could be treated as a priority.

The Chief Executive said that it important to note that the Leisure overspend was a significant amount in relation to the total budget for the service and added that the overspend had been partly due to the income loss and partly because it had been highlighted in the business plan but not followed through. A significant amount of work was required to rectify the issue and it was important that it be dealt with as soon as possible to reduce the overspend identified at Month 3.

The Director of Lifelong Learning explained that even though the £8m refurbishment of Flint and Deeside Leisure Centres had been completed on time and on budget, the business plan profiled a gradual build-up of usage by customers, requiring £0.361m support from the contingency reserves. The refurbishment was part of a larger programme within Leisure Services which also included other projects which the Director detailed such as new booking system and catering offers. A more flexible staff structure was also being considered to ensure that employees were operational when and where they were needed. He added that there was also a need to ensure that the fees and charges for service provision were competitive with neighbouring authorities. The Director also commented on other changes within the Lifelong Learning portfolio which included school improvements and significant changes to the facilities management portfolio. He drew Member’s attention to earlier comments about the Welfare Reform which would also have an impact on the Lifelong Learning portfolio due to the continuing need for free school meal requests which was anticipated to rise further following the implementation of the reforms.

The Chief Executive said that the fault appeared to be the mismatch between the business plan and the core budget, which had not been

corrected. He shared the concerns on transparency but said that work to rectify the problem had been undertaken quickly once the problem had been identified. Councillor P. Curtis felt that the business plan had not worked. It was also noted that as new facilities the business plan projections would need to be carefully monitored over the early months of trading. The Head of Finance advised that the £0.361m was included in the overspend of £0.700m, not in addition to it.

Councillor Curtis queried whether the projected overspend would have an impact on work on other leisure centres. The Leader of the Council said that this was a challenge for the Authority and re-emphasised that the projected overspend was significant and if it was left unchallenged could result in service cuts. He said that urgent action had been taken to suggest use of £0.361m from contingency reserves but added that it was important to harness interest and footfall on the back of the Olympic legacy and rise to the challenge. The Chief Executive said that it was important to find a remedy for the overspend and reminded Members that the overspend was 10% of the total budget for Leisure Services. The Director of Lifelong Learning said that the mismatch between service delivery expectations and budget was of a longstanding nature and that a further separate piece of work which would be submitted to Cabinet and Overview & Scrutiny was being undertaken on the need to generate footfall for all of the leisure facilities run by the Council. The Chairman asked how it could be ensured that this did not happen again in the future as there had been opportunities to identify the budget error which had been missed.

Councillor P. Shotton asked about marketing of the facilities and whether concessions were given to Council employees which would encourage them to take family and friends to the centres, which he felt would make the leisure centres successful. The Director said that a range of marketing strategies were in place via leaflets and social networks and work was ongoing with partners to renew these strategies. He felt that it was appropriate for all users of the leisure centres to be able to receive the same offers whether they were employees of the Council or members of the public so did not feel that concessions to the workforce were appropriate. He added that positive comments on experiences in the new facilities had been received both from employees and the public which he welcomed.

Councillor M. Bateman asked whether any funding was available to upgrade the all-weather pitch in Sychdyn which she said was in urgent need of repair, rather than concentrating all of the work on the leisure centres at Flint and Deeside. The Director responded that the funding for Flint and Deeside had been from a commercial company and had not been funded up front by the Council. A renewal fund was not in place for the all-purpose pitches which he felt was a risk but reminded Members that the works undertaken at Flint and Deeside had meant that these sites had been removed from the list of risks which had been identified which could free up funding for other areas.

The Leader of the Council said that there were other areas which required funding for improvements/renewal but added that the Welfare Reform could also have an impact on the funding and use of the centres by customers. He felt that further reports to future meetings of the Committee were appropriate. The Chief Executive spoke of service growth and the need to be more creative in the budget process.

Councillor Curtis welcomed the decision to look at other facilities but queried why the slide and café had been removed from Holywell Leisure Centre and why the centre closed on bank holidays. The Head of Culture and Leisure said that the slide had reached the end of its useful life and the capital funding had not been available to replace it. The café provision was being reconsidered and the site was closed on bank holidays due to it not being cost effective to open them due to the cost of employee bank holiday payments.

Councillor N.R. Steele-Mortimer referred to the variance overspend of £0.073m for the School Improvement Service and asked if this was a one-off or recurring charge. The Director responded that this was an ongoing pressure to pay for the software and licence costs.

The Chairman referred back to the £0.361m requested to be taken from the contingency reserve to reduce the overspend in Leisure Services and felt that it should have been included in the table showing total expenditure and income; this would allow the need to use reserves to be quantified and the risk included in the Risk/assumptions section of the report. The Leader of the Council felt that the narrative could also be amended to reflect what had taken place. He felt that it was important that this was not a risk to the Council for future years. The Chief Executive said that this was not a normal circumstance and lessons had been learned and amendments made for future reports.

The Chairman suggested that variances on Locality Teams (Localities), Vacancy Management (Development & Resources), Family Placement (Children's Services) and Professional Support (Children's Services) reported in appendix 1 be referred to Social and Health Care Overview & Scrutiny Committee for detailed consideration.

RESOLVED:

- (a) That the report be noted; and
- (b) That variances on Locality Teams (Localities), Vacancy Management (Development & Resources), Family Placement (Children's Services) and Professional Support (Children's Services) reported in appendix 1 be referred to Social and Health Care Overview & Scrutiny Committee for detailed consideration.

26. QUARTER 1 SERVICE PERFORMANCE REPORT

ICT and Customer Services

The Operational Services Manager introduced a report to request that the Committee consider the 2012/132 Quarter 1 service performance reports, note the position of the Strategic Assessment of Risks and Challenges (SARC) contained within the performance reports and note progress made against the Improvement Targets contained within the performance reports. He gave a short presentation on the performance within ICT and Customer Services, outlining work which had been undertaken to improve performance and areas where improvement was needed, as outlined within the report.

In response to a question from Councillor I. Dunbar on the Procurement – General Update and the national pilot scheme being undertaken by the Authority alongside Swansea and Merthyr, the Operational Services Manager provide further detail on how the scheme worked.

Councillor C.S. Carver commented on the problems which he had experienced when using the Guest wireless system. The Operational Services Manager explained that he would look at the issues raised and try and identify a solution.

Human Resources and Organisational Development

The Head of Human Resources and Organisational Development introduced a report to request that the Committee consider the 2012/132 Quarter 1 service performance reports, note the position of the Strategic Assessment of Risks and Challenges (SARC) contained within the performance reports and note progress made against the Improvement Targets contained within the performance reports. She gave a short presentation on the performance within Human Resources and Organisational Development, outlining work which had been undertaken to improve performance and areas where improvement was needed, as outlined within the report.

Councillor P.J. Curtis welcomed the pilot scheme in Streetscene for physiotherapy but raised concern about the sickness levels and asked whether enough was being done on enforcement of the policy. The Head of Human Resources and Organisational Development said that she would provide further information on the pilot scheme to a future meeting of the Committee. There had been a slow but steady improvement in the reduction in sickness levels and she added that the policy was enforced and had led to some employees being dismissed due to their sickness record. Councillor Curtis felt that the sickness levels would have reduced because of the flexi scheme operated by the Council but this had not been the case, however he welcomed the work that was ongoing.

The Head of Human Resources and Organisational Development provided an update on progress made on implementing the self service modules on iTrent. She explained that the Expenses module for claiming mileage and subsistence was being rolled out across Corporate Services

currently. In response to a question from Councillor M. Bateman, the Head of Human Resources and Organisational Development said that the guidance on subsistence was being reviewed and explained that only a small number of the workforce were eligible to receive subsistence payments. She added that she would provide further information on the policy. The Leader of the Council welcomed the offer to provide further information but said that one example may be where an employee was representing the Council on an overnight stay.

RESOLVED:

- (a) That the reports be received;
- (b) That the Head of Human Resources and Organisational Development provide further details on the policy on subsistence claims.

27. FORWARD WORK PROGRAMME

The Member Engagement Manager introduced the report to advise on the Forward Work Programme for the Committee.

During earlier discussions it had been agreed that reports on the following be submitted to future Committee meetings:-

1. Workforce Information Report
2. People Strategy update
3. Financial risk developing from the Welfare Reform project

The Member Engagement Manager added that as the Cabinet developed its Forward Work Programme, topics would be fed into the programme for this Committee but reminded Members that they could also suggest topics for inclusion. He suggested that the Chairman, Vice-chairman and Member Engagement Manager populate the Forward Work Programme for the future meetings.

RESOLVED:

That the Member Engagement Manager, Chairman and Vice-Chairman populate the Forward Work Programme for the future meetings.

28. DURATION OF MEETING

The meeting commenced at 10.00 a.m. and ended at 12.50 p.m.

29. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There was 1 member of the public or press in attendance.

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Chairman