

Minutes of a meeting of the Scrutiny Committee
held in The Council Chamber, Council Offices, Ely on
Monday 21st January 2013 at 4.30pm

P R E S E N T

Councillor Michael Allan (Chairman)
Councillor David Ambrose Smith
Councillor Will Burton
Councillor Tony Cornell
Councillor Tom Hunt
Councillor Neil Morrison
Councillor Robert Stevens
Councillor Hazel Williams, MBE
Councillor Gareth Wilson (as Substitute for Councillor Sue Austen)

I N A T T E N D A N C E

Linda Grinnell - Head of Finance
Andrew Killington – Deputy Chief Executive
John Hill – Chief Executive
Adrian Scaites-Stokes – Democratic Services Officer
Annette Wade - Head of ICT & Customer Services

58. **PUBLIC QUESTION TIME**

There were no public questions.

59. **APOLOGIES AND SUBSTITUTIONS**

Apologies were received from Councillor Sue Austen.

Councillor Gareth Wilson substituted for Councillor Austen for this meeting.

60. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

61. **MINUTES**

It was resolved:

That the minutes of the meetings held on 12th November 2012 and 27th November 2012 be approved as correct records and be signed by the Chairman.

62. **CHAIRMAN'S ANNOUNCEMENTS**

There were no Chairman's announcements.

63. **2013/14 – 2015/16 DRAFT BUDGET – PRE-SCRUTINY**

The Committee considered a report, reference M216 previously circulated, which outlined the process for making recommendations to the 31st January 2013 meeting of the Finance and Governance Committee. It also considered additional papers, previously circulated, on the issues brought up during the Members' seminar held on 17th January 2013.

The Chief Executive reminded the Scrutiny Committee that the budget seminar had considered the Council's Medium Term Financial Strategy with the aim of providing a balanced budget to pass on to the next Council with a surplus in the savings reserve. Although there had been unexpected expenditure during the last year it was still expected that a balanced budget would be delivered. Plans were in place to also produce an outturn balanced budget for 2013/14 by introducing a 2% council tax increase.

The general reserves level was now adequate and this would only be used as an emergency fund. The figures provided by Government had been clarified and this demonstrated that in reality its grant would reduce by 4% for the first year and by another 13% the following year. The capital programme needed looking at in detail. The balanced budget would allow some investment in such projects as community land trusts, an apprenticeship programme, economic development and on homelessness. There would still be an ongoing requirement for further corporate savings of £45,000 in 2013/14.

The Members' seminar had brought up a number of issues including the community infrastructure levy, community right to challenge, business rates, the Government grant, earmarked reserves and council tax options.

Councillor David Ambrose Smith thought that the wide spread of potential investment priorities were very good. However, there was no mention of the Town Centres Working Party. Could some funding be put aside for that? The Chief Executive explained that there was budget provision for town centre projects, as all communities had access to a considerable amount of Section 106 funds which could be used. If projects came forward they would be scrutinised and appropriately funded.

Councillor Michael Allan asked about the future of the handyman service associated with Care and Repair, as this would cease when the Council took over running the service from 1st April. If external funding for this was not obtained then the Council would have to fund it. The Chief Executive informed Members that this service was grant funded and time limited. Ongoing work for Care and Repair would continue to be completed by its contractors. The handyman service only dealt with small jobs and the Head of Environmental Services would assess future jobs and would have mechanisms in place to

address them, for example by using existing appropriately skilled staff if needed.

Councillor Tom Hunt asked about the £100K per year budget for cultural activities and the £65K budget for closed churchyards. As there was over-capacity in Ely cemetery, was there the potential to work with the City Council to tackle this problem? The Chief Executive explained that the Council had no choice as it had a duty to maintain closed churchyards. Although the Council did not operate any cemeteries, as the responsibility lay with the parish councils, it could collaborate if needed. Of the £65K direct budget for cultural activities, £54K was given to Arts Development in East Cambridgeshire, while the remainder related to central recharges allocated to individual service budgets.

Councillor Neil Morrison noted that 5 priorities for investment had been highlighted. Only one was shown to have funding available, so what about the others? The Chief Executive explained that, for community land trusts, a paper would be going to Finance and Governance Committee to agree a 2-year funding package. This would be to set up a grant fund to help parish councils set up a trust with a rolling loan fund, plus development of a 'toolkit' and the allocation of in-house support. £13K had been budgeted for apprenticeships and economic development (marketing) to allow the Council to sponsor up to 4 per year. The Council had overspent on homelessness and expected that additional resources would be required. An announcement was due about the funding of the leisure centre to clarify the extent and value of the enabling developments.

Councillor Gareth Wilson noted that Councillor Philip Read had suggested at the budget seminar that council tax be increased by £5. Was there any likelihood that this would happen? He also noticed that, in the reserves paper tabled at the meeting, the biggest change related to weekly refuse collections. The Chief Executive reminded the Committee that a 2% increase in council tax had been assumed. The paper tabled showed the figures for a number of options and the 2% increase would give a balanced budget. An increase by £5 instead would provide additional income and build up the budget base further. The Head of Finance explained that a number of earmarked reserves had been drawn down and some external funding had not yet been used. The Housing and Planning Delivery Grant would be used to help fund the planning budget. It would be used to offset any shortfalls in planning fees. The 15% increase in planning fees had been factored in and this increase would help make the Housing and Planning Delivery Grant last longer.

Councillor Neil Morrison queried the new homes bonus asking if any would be received after the years shown. The Head of Finance stated that the 2013/14 figure was known but the 2014/15 figure had been estimated.

Councillor Gareth Wilson asked the Committee that, as car parking charges were imminent, this could provide an opportunity to re-introduce a park-and-ride scheme until the Downham Road site was up and running. It would only cost a relatively small amount, £18K, and would only be a temporary measure for one

year. It was important to provide some free parking and this would encourage less cars to go into the city centre. The cars could park at Ely College and the Sainsbury bus could be used. The circumstances would be different to when the service ceased, as car park charging would be introduced. This was duly proposed and seconded and, when put to the vote, agreed.

Councillor Tom Hunt was 100% behind the apprenticeship scheme and marketing. This was a big priority so increasing the amount provided had to be looked at. The Council's Economic Development team did an excellent job with limited resources so the sum for this should be doubled, that is £16K for the apprenticeship scheme and £10K for marketing. Councillor Gareth Wilson suggested that central Government could help with funding and the Housing and Planning Delivery Grant was a possible source. This was duly proposed and seconded and agreed unanimously. The Chief Executive would ask Economic Development officers to provide a 6-month report on progress.

Councillor Hazel Williams was concerned about the effect on service delivery and staff morale because of the recruitment processes where gaps were temporarily left, to produce savings. Was the assumed 1.5% pay award, that had been proposed, from the Local Government Employers or from the Council and would it be across the board? Councillor Will Burton thought that the staff should be kept aware of redundancies and manning levels. The Deputy Chief Executive advised that the vacancy management strategy was different to natural wastage. Management were looking to micro-manage the establishment and pro-actively managed gaps in staff by leaving gaps where appropriate. The Local Government Employers wanted to make a pay award across the board, but it might be bottom loaded. It was expected that the offer would be between 1% and 1½%, but this had to be confirmed. The Chief Executive would be giving staff briefings during February and March.

Councillor Hazel Williams noticed how expensive dealing with trees had become. There were no problems with the performance of the service, whose officers were doing a very good job. Councillor Robert Stevens agreed that the Trees Officer was doing a fantastic job and used her knowledge to be very proactive. Councillor Will Burton thought the service was first rate.

Councillor Williams then asked which of the Drainage Boards had asked for a high increase in fees. Some had obviously asked for a massive increase, as others had agreed more modest rises. The Head of Finance stated that overall there would be an 8% increase. Unfortunately the majority of the Drainage Boards do not notify the Council of their levy until late. Councillor Williams thought Council representatives on the Boards should be asked to let the Head of Finance know.

It was resolved to RECOMMEND TO THE FINANCE AND GOVERNANCE COMMITTEE:

- (i) That up to £13,000 be included in the 2013/14 draft budget to reinstate the park-and-ride service at the City of Ely Community College for one year from the introduction of car parking charges

- and request that Development and Transport Committee seeks to utilise the Sainsbury bus to reduce costs;
- (ii) That the budget allocated to the apprenticeship scheme and Economic Development's marketing be increased from £13,000 to £26,000 with additional funding be drawn from the Housing and Planning Delivery Grant over two years.

64. **CUSTOMER SERVICE REVIEW – CONSIDERATION OF DRAFT IMPROVEMENT PLAN**

The Committee considered a report, reference M217 previously circulated, which detailed the draft Customer Services final report (Appendix 1) and Improvement Plan (Appendix 2).

The Deputy Chief Executive advised the Committee that this was Phase 2 of the review and followed on from the Council decision to introduce an 'one-stop-shop'. This model was now in place and the Improvement Plan showed what needed to happen next, which was to, as far as possible, integrate the three organisations' service into one. Four key areas had been identified for improvement and these would be subject to their own business cases as funding in some cases had not yet been secured.

The Head of ICT & Customer Services reminded the Committee that the new front of house service had been in operation since 9th May 2012. Stage 1 of the staffing improvement involved the need to provide a manager between the team and the Head of service, as the gap was too big. Stage 2 would be to explore the opportunities to merge the services, how multi-tasking could be implemented and how the services could be integrated with the Council's other services. 'Avoidable contact' would be measured so the service could be redesigned to help customers better.

The existing Customer Relationship Management (CRM) system was not fit-for-purpose as it suffered from performance problems. It had been a free product and there was little external support available for it. The new CRM system would be expected to integrate with the Council's other systems. The funding for this would be based on its business case.

Councillor Michael Allan asked how the Council would explore the opportunities to integrate the services and how this would work. The Head of ICT & Customer Services stated that the three areas in Reception caused confusion, so the multi-tasking of staff to cover different services would be looked at to see what could be done. Improvement East would help fund the integration of the front and back office systems but not for the new CRM system.

Councillor Robert Stevens considered face-to-face service important and wondered whether Forest Heath District Council could be approached for enquiries by residents in the south part of the district. Were there any other reciprocal arrangements in place?

The Deputy Chief Executive advised that the Council had met Forest Heath District Council to look at its office in the Rookery, Newmarket, to check on shared arrangements. However, they wanted a financial investment from this Council so this made the project unfeasible.

Councillor Neil Morrison queried whether, as Sanctuary had properties all over the district and people had to contact their Hull office when they had problems, the Council would take over this under the new arrangements? The Deputy Chief Executive stated this would not happen as the proposal was to train the staff to multi-task to assist people visiting reception and not to cover services delivered elsewhere.

The Deputy Chief Executive then revised the report recommendation, as Scrutiny Committee did not have the remit to agree the improvement plan, so the Committee could make a recommendation to the Personnel and Corporate Services Committee.

It was resolved to RECOMMEND TO PERSONNEL AND CORPORATE SERVICES COMMITTEE:

That the draft improvement plan be agreed.

65. **FORWARD AGENDA PLAN**

The Committee considered its Forward Agenda Plan.

The Chief Executive advised the Committee that a representative from Sanctuary Hereward had been invited to the next Committee meeting in March. Councillor Hazel Williams requested that the statistics from Sanctuary be supplied in advance of that meeting and Councillor David Ambrose Smith asked if the figures could be broken down by district. The draft homelessness strategy would also be brought forward to that meeting.

The April meeting would consider a new Annual Scrutiny report. This would be a comprehensive document and would show how Scrutiny had stepped forward this year.

Consideration would be given on how the Scrutiny Committee could engage with the Internal Drainage Boards.

The meeting closed at 6:01 pm.