

MINUTES

FINANCE AND RESOURCES OVERVIEW AND SCRUTINY

26 MARCH 2019

Present:

Councillors: Cllr Chapman (Chairman) Cllr Barrett
 Cllr Adeleke Cllr Douris
 Cllr Armytage Cllr Taylor
 Cllr Banks Cllr Tindall

Officers:

M Brookes	Assistant Director – Corporate and Contracted Services
N Howcutt	Assistant Director – Finance and Resources
B Trueman	Group Manager – Information, Communication and Technology
T Angel	Corporate and Democratic Support Officer (Minutes)

Also Present:

Councillor Elliot – Portfolio Holder for Finance and Resources

The meeting began at 7.30 pm

1 MINUTES

The minutes of the meeting held on 5 February 2019 were agreed and then signed by the Chairman.

2 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Mclean.

3 DECLARATIONS OF INTEREST

Councillor Douris declared an interest as a company he was involved with rents a commercial garage from DBC.

4 PUBLIC PARTICIPATION

There was no public participation.

5 CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO CALL-IN

None.

6 ACTION POINTS FROM THE PREVIOUS MEETING

There were no actions to be followed up from the previous meeting.

N Howcutt introduced the item and highlighted some key points within the report.

Councillor Tindall referred to paragraph 4.2 on page 10 and queried the health and safety aspect. N Howcutt advised that geographical surveys were completed throughout the year where people notice depressions and mounds in land etc. and further work is needed to identify what the issues are. These are often linked to utilities, leaks etc.

Councillor Tindall referred to paragraph 5.2 on page 11 regarding £200k for garage premises. He queried if the underspend was the result of the review and queried when it would be completed. N Howcutt replied it was the budget for the maintenance of our garages which hasn't been spent in recent years. He said it was the expectation that the garage strategy which is under review at the moment, there would be a more robust and definitive outline capital investment programme in the garages which will go forward to 2019/20 onwards. A report on this will come back to this committee when proposals are submitted.

Councillor Tindall referred to paragraph 7.4 on page 13. He queried the £450k spend and if it had been published anywhere prior to this as he had no record of seeing it before. N Howcutt explained there were two costs; one was the costs incurred by ceasing the previous contract and the second was to ensure everything ran smoothly from day one. Councillor Tindall said he didn't recall this money being discussed before. N Howcutt advised that an amount of money was discussed for concluding the old contract and implementing a new contract and it fell within the parameters of those numbers.

Councillor Tindall referred to paragraphs 7.2 and 7.4 regarding Everyone Active memberships. He asked if it was stated in the contract whether or not they're allowed to increase their membership levels over the inflation rate. N Howcutt advised that within the bidders information it was advised that a payment would be made to them to cover the costs if the membership levels weren't achieved within the first 6 months of the contract. M Brookes added that the prices were protected to a maximum of 4% or CPI, whichever was greater. Councillor Tindall asked if that was for the duration of the contract and M Brookes confirmed it was but added that it excluded clubs. Councillor Tindall highlighted that it has only increased by 2% so far so could potentially increase further. M Brookes explained there was a process for putting forward a price increase so they would have to justify the reasons for it before implementing anything. He added that the re-modelling of the centre was taken into account for the recent increase. N Howcutt then added that they agreed KPI's annually which is linked to membership prices and it wasn't in their interests to over-charge people.

Councillor Adeleke referred to paragraph 4.1 on page 10. He understood that it costs the council more to use agency staff and queried the reasons why we were struggling to recruit and/or keep employees. N Howcutt felt it was difficult to say as there could be various reasons why people leave their job. He advised that they're looking at comparisons with other organisations to ensure we provide an all-round package for employees. The review will be over the next few months and a report will go to the

relevant committee with the findings and then they can look at the options going forward and make a decision.

Councillor Adeleke said consistency of staff was really important to members and felt it was a good idea to review our employee package. N Howcutt said consistency was important all round and they will be looking at how to retain employees.

Councillor Barrett referred paragraph 4.5 relating to waste services being under £150k income target and asked when the review was due. N Howcutt explained that the cost of picking up commercial waste matches the income but the income target exceeds what it costs for us to deliver the service hence the £250k short of budgeted income. He said the initial review said to strip down the service and deliver fewer different types of services and at a more commercially viable rate. He added that the consultant that carried out the review was currently on maternity leave and the decision was made to wait for her return so the report is expected in 2019/20. He said the aim was to look at a medium term plan rather than short term and to make the service efficient and economical to the council and maximise profit where possible.

Councillor Barrett referred to page 5.2 on page 11 relating to garages and questioned the percentage of overall income. N Howcutt advised we generate £4million from our garages so approximately 10%, shortfall on budget.

Councillor Douris referred to paragraph 3.1 and asked if we anticipated shock market situation. N Howcutt said there was no expectation to increase costs in 2019/20.

Councillor Douris referred to paragraph 4.3 and queried if we were looking at the sustainability of our vehicles. N Howcutt said he understood that our vehicles were environmental level standard 6 and it only goes up to 7 so we're going for the best environmental level vehicles that are tried and tested over a period of time

Councillor Armytage referred to paragraph 3.2 regarding successful rent reviews and queried if the service was in-house. N Howcutt explained that we have our own Estates and Commercial Assets team that do all our 604 commercial assets every 5 years or when the lease is reviewed and we also have our own in-house surveyors and legal support if we need it.

Councillor Armytage referred to paragraph 6.4 relating to aerial sites and asked what types of sites these were. N Howcutt advised the majority of sites were top of medium – high rise buildings. Councillor Armytage questioned who determined the different rental values of each site. N Howcutt explained that each was assessed and evaluated in-house and they call on a couple of independent organisations to verify the values.

Councillor Tindall referred to paragraph 8.3 and said he thought that the people planning for the Forum would have thought more about disabled access before now and felt disappointed that as a council we were having to revisit the issue of accessibility. N Howcutt explained that there was a desire to increase accessibility and they took the opportunity to do so whilst there was workers on site.

Councillor Chapman referred to paragraph 5.2 relating to garage premises and queried if we were going to use the £150million to refurbish the garages or if they

were going to be discontinued and built on as some of the garages weren't fit for purpose and in very bad disrepair. N Howcutt explained they were commissioning a stock condition survey so they were waiting for the outcome of that report. He said there was approximately 70% take up on the garages. Councillor Chapman said most people use the garages for storage rather than for their cars.

Outcome

The report was noted.

8 QUARTER 3 FINANCE & RESOURCES PERFORMANCE REPORT

N Howcutt introduced the report. He said there was nothing to add to the report and welcomed questions from the committee.

Councillor Tindall queried why there were no additional risks on the register relating to Brexit. N Howcutt advised that the risk register had been updated and also an additional report detailing the detailed issues relating to Brexit went to Cabinet last week. He said there were highlighted concerns in the Brexit strategy but financially there was nothing significant to be concerned about in the short term.

Councillor Tindall asked if we had considered the implication if there was a drop in the Pound (£). N Howcutt explained that it wouldn't have an impact as they had renewed contracts before Brexit and those contracts were fixed so there was nothing of concern standing out, and all treasury investments were in UK institutions in pounds sterling.

Councillor Adeleke asked what percentage of staff were Non-UK Nationals. Councillor Elliot said there was no obligation to disclose that information but those that did totalled to 10.

Outcome

The report was noted.

9 Q3 CORPORATE & CONTRACTED SERVICES PERFORMANCE REPORT

M Brookes introduced the report. He said there were no major issues to report to the committee and welcomed any questions.

Councillor Tindall referred to paragraph 4 on page 43 and queried if the Council had applied for the costs of the ASB cases. M Brookes said the Council would always apply for the costs but it was down to the discretion of Court whether to grant or not. He said he would have to speak to the relevant case officer for more details and let the committee know. **Action**

Councillor Barrett referred to page 44 and queried what the planning challenges were. M Brookes said it was largely that we weren't taking in to account things that we should have done in the final decision but he would have to speak to the relevant officer for more details and let the committee know. **Action**

Councillor Taylor advised they had signed off the Induction programme for the Councillors newly elected in May. He explained that they were looking at ways to police mandatory training for members which can all be found in the minutes of the

last Member Development Steering Group (MDSG) meeting. He explained that so much time and energy is put into the Members Induction and the annual training programme and he hoped that the new process would be more robust and effective. He highlighted that members training now sat under Councillor D Collins portfolio.

Councillor Tindall added that he had still tried to attend all training sessions after being a councillor for 40+ years so there was no excuse for any councillors to not attend training.

Councillor Douris referred to page 46 relating to Electoral Services where it was explained that 24,865 household enquiry forms were returned by post, of which 15,056 were no changes and 9,809 had changes. He queried if there was any way we could make it clearer that the forms don't need to be returned if there were no changes. He said this was a staggering number and such a waste of officer time.

M Brookes advised that it was made clear on the form, as well as lots of advertisement and social media awareness. He explained that we couldn't change the form but suggested we could send an accompanying leaflet to highlight it further. Councillor Douris felt that the cost for additional leaflets probably wouldn't have enough of an effect to make it worthwhile.

Councillor Chapman referred to page 44 advising of the sale of 4 garage sites to a housing association for £1.5m and queried if we were looking at other possible garage sites. N Howcutt explained that there were 19 more sites they were awaiting independent valuation from and then possibly going to market. He added that garages currently had a 73% occupancy.

Councillor Chapman said he was very pleased to see the recruitment of a Compliance Officer.

Outcome:

The report was noted.

10 Q3 PERFORMANCE, PEOPLE & INNOVATION PERFORMANCE REPORT

B Trueman presented the report on behalf of Linda Roberts.

Councillor Douris commended the officers for the PSN compliance.

Councillor Chapman said he was pleased to see the reduction in sickness. He then referred to page 5 (PP_R016 Failure to effectively and proactively manage all aspects of employee relations) and said it was so important to see we continued to provide dedicated support and coaching for all managers engaged in employee relation issues.

Councillor Adeleke referred to paragraph 4.2 and queried if the sickness absence improvement related to long term or short term sickness. He also queried which presented more concern, long or short term sickness. B Trueman said he thought it was a combination of both but the breakdown was detailed in the KPI's. He said he would need to speak to HR about more detailed information.

Councillor Tindall understood there wasn't a lot that can be done about long term sickness but the short term sickness needed to be addressed, particularly if it was related to stress at work, issues between managers and employees, etc.

Councillor Chapman felt it might be useful to know the cost to the council for using agency staff and asked if this could be reported to the committee in the future. N Howcutt agreed.

Outcome:

The report was noted.

11 WORK PROGRAMME

There were no changes to the work programme.

Before the meeting closed, Councillor Tindall highlighted that this Finance and Resources OSC meeting was the last in the cycle before the Borough Elections in May and he thanked Councillor Chapman for always chairing the meeting so well.

The Meeting ended at 8.40 pm