

MINUTES of the meeting of General Overview & Scrutiny Committee held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Monday 30 June 2014 at 2.00 pm

Present: Councillor WLS Bowen (Chairman)
Councillor BA Durkin (Vice Chairman)

Councillors: AM Atkinson, ACR Chappell, EPJ Harvey, TM James, RL Mayo, PJ McCaull, AJW Powers, A Seldon and DB Wilcox

In attendance: Councillors H Bramer, J Hardwick, RI Matthews, PM Morgan and GJ Powell

1. APOLOGIES FOR ABSENCE

No apologies for absence had been received.

2. NAMED SUBSTITUTES (IF ANY)

No substitutes were present.

3. DECLARATIONS OF INTEREST

No declarations of interest were made.

4. MINUTES

The minutes of the meeting held on 12 May 2014 were received.

A committee member drew attention to resolution b) under minute 84, Community Safety Update, that 'The concerns of the committee be forwarded to the Ministry of Justice'. The Chairman confirmed that a response would be sought from the Ministry.

RESOLVED: That the minutes of the meeting held on 12 May 2014 be approved as a correct record and be signed by the Chairman.

5. SUGGESTIONS FROM THE PUBLIC ON ISSUES FOR FUTURE SCRUTINY

No suggestions had been received from members of the public.

6. QUESTIONS FROM THE PUBLIC

No questions had been received from members of the public.

7. DRAFT WORK PROGRAMME

The Chairman said that the committee needed to consider various changes and additions to the work programme.

In response to a question from the Chairman, the Assistant Director, Governance advised that the terms of reference of the two overview and scrutiny committees were mutually exclusive and housing was a matter for this committee.

Seminars

Community Safety Strategy

Referring to discussions at the last meeting about domestic violence and abuse, the Vice-Chairman suggested that a seminar be held on this topic for members of both overview and scrutiny committees, with input from the key agencies concerned. Committee members commented on: the links between public health and environmental health functions; the correlation between drug / alcohol abuse and domestic violence; and reports of premature deaths of homeless people. The Cabinet Member Health and Wellbeing commented on the differences between people seeking social housing and those people who consciously chose to sleep rough. In view of the broader issues raised, the Cabinet Member Corporate Services suggested that the seminar could cover the principal work-streams of the Community Safety Strategy.

Understanding Herefordshire

A seminar on the Understanding Herefordshire 2014 report was suggested for members of both overview and scrutiny committees.

Task and Finish Groups

In response to a question, the Chairman confirmed that task and finish groups would be routinely listed in the work programme for future editions.

Local Enterprise Partnership (LEP)

In response to a question from a committee member, it was reported that the governance arrangements for the LEP were due to be considered by Cabinet in late July 2014 and that this report would be awaited before the need for any scrutiny work was assessed.

Community Infrastructure Levy (CIL)

In view of the recent change of Vice-Chairman and given the expectation that the Vice-Chairman would chair a high proportion of task and finish groups, the Chairman suggested that consideration should be given to Councillor Durkin replacing Councillor Harvey as chair of the CIL Task and Finish Group.

Councillor Harvey commented on a number of issues, including: the recent background to this matter; that CIL was a long standing and on-going piece of policy shaping work and was material to the viability and deliverability of the Core Strategy; and the potential detrimental impact on public perceptions if a change was made at this time.

Some committee members made comments about: the importance of continuity; the initial intention that task and finish groups should be chaired by councillors with specific knowledge of a particular area; the difficulties experienced by the CIL Task and Finish Group; and the need to conclude the work as soon as possible given the importance of CIL to the soundness of the Core Strategy.

The Assistant Director, Governance provided clarification that Council had approved changes to allowances for the vice-chairmen of the two overview and scrutiny committees to reflect the expectation that the vice-chairmen would chair a certain percentage of task and finish groups (minute 42 of 23 November 2012 refers).

A motion to change the chair of the CIL Task and Finish Group was not carried and Councillor Harvey was re-elected as chair of this group.

In response to a concern expressed by a committee member, the Assistant Director, Governance confirmed that the issue of chairmanships of on-going task and finish groups would be specifically addressed within this report in future years.

Digital Strategy

Councillor Harvey stood down as chair of the Digital Strategy Task and Finish Group, although indicated that she would wish to remain as a member. Councillor Durkin was elected as chair of this group.

The Vice-Chairman emphasised that chairmanship of groups was about duty, not allowances. He added that the formation of this group was something he may wish to consider.

Planning Services

The Vice-Chairman proposed that the work initiated by Councillor Seldon be extended into a Planning Services Task and Finish Group, particularly to consider interactions between the department and service users.

Councillors Bowen, Chappell, Durkin, Powers and Seldon indicated that they would be prepared to be involved. Councillor Durkin was elected as chair of this group.

In response to a comment from a committee member, the Chairman said that scoping statements for new task and finish groups would be drafted and presented to the committee for consideration in the usual manner.

Balfour Beatty

A committee member noted that an agenda item was scheduled for the September 2014 meeting but felt that more in depth work was required and proposed that a Balfour Beatty Task and Finish Group be established, particularly to look at how the contract was working and how the new system was operating. Other committee members commented on the need to learn lessons from contract design and a high level approach should be taken to contract management issues.

Councillors Bowen, Chappell, James, McCaull, Seldon and Wilcox indicated that they would be prepared to be involved. Councillor Bowen was elected as chair of this group.

Hidden Costs of a Child's Education

It was noted that, arising from the Cabinet's response to the call-in of the Herefordshire School and Post 16 SEN School Transport Policy (minute 63 refers), consideration needed to be given for an 'Hidden Costs of a Child's Education' Task and Finish Group.

Councillors Atkinson, Bowen and Mayo indicated that they would be prepared to be involved.

The committee discussed the need for this particular group, especially as a number of national studies had been published on such matters and the limited scope of the council to affect change. The Chairman noted that the group might not proceed but suggested that a brief scoping statement be drafted for consideration.

Pupil Premium

The need for this group was also questioned, particularly given the potential for duplication with the work of the Herefordshire Schools' Forum and the monitoring role of Ofsted, and it was suggested that a brief scoping statement be drafted for consideration.

A number of comments were made by committee members about the need to be mindful of the finite resources available for scrutiny work.

Future Agenda Items

The provisional agenda items for forthcoming meetings were previewed.

Briefing Notes

Briefing notes would be produced on: Waste Management and Collection; Education Strategy for Herefordshire; Free Schools, Academies and the Relationship with Herefordshire Council; and Probation Service Performance.

The committee discussed the potential implications of the recent statement, by the Secretary of State for Communities and Local Government, that the Conservatives were considering the reinstatement of the previous legal requirement for councils to collect rubbish weekly if they won the next General Election. It was noted that the majority of councils had moved to fortnightly collections and the Local Government Association (LGA) had identified that public satisfaction levels with waste collection services were generally high regardless of the frequency of collection.

8. FINANCIAL OUTTURN 2013/14 AND BUDGET UPDATE 2014/15

The Chief Financial Officer provided the committee with a budget update, including the 2013/14 outturn and the 2014/15 position. The key points included:

- i. The revenue outturn position for 2013/14 showed an underspend of £397k which represented an improvement against the previously reported forecast.
- ii. The three month position for 2014/15 would be reported at the end of July 2014 and the key issues and risks to achieving a balanced budget were outlined in the report.
- iii. A detailed breakdown of the Adults' Wellbeing savings plan was provided in an appendix; the directorate had a target of £5.5m savings to deliver in 2014/15. It was noted that the majority of schemes were rated green, with some on amber, and one on red (Open Book Review).

The Chief Financial Officer responded to questions from the Chairman, the principal points included:

1. As with iii. above, risks were monitored across all the directorates. It was confirmed that the Economy, Communities and Corporate savings plan of £7.7m was on track for delivery.
2. Directors and Cabinet Members had spent a lot of effort making sure that the baseline position was correct and the budget was robust. Nevertheless, demographic growth and safeguarding issues were creating pressures and risks across the country.
3. Borrowing levels were considered average compared to similar sized authorities. It was reported that each new capital scheme was appraised on its merits and affordability.

The Cabinet Member Health and Wellbeing provided an overview of: the budget setting process; issues associated with the savings plans; measures to improve data reporting, assessment and resource allocation; uncertainties around new regulations; and the extent of the funding gap for councils resulting from reduced government funding and rising demand for services. Notwithstanding the significant challenges ahead, it was considered that the council was heading in the right direction.

Committee members made a number of comments, including:

- a. Clarification was sought about the comparisons that could be made with other authorities in terms of borrowing levels given the council's limited reserves and the relatively low income potential in terms of council tax and other revenue streams.

The Chief Financial Officer said that he would provide information on this, including details of the asset base and comparable authorities. He also said that recent decisions around prudential borrowing, such as sports centre provision, were coupled with reducing subsidies.

- b. Attention was drawn to capitalised change management costs, the requirement for local authorities to publish quarterly details of certain financial information, and to risks associated with disputes.
- c. The savings performance and monitoring information was welcomed but it was suggested that it would be helpful to be able to judge the savings against the total budget for the different lines of activity.

The Chief Financial Officer said that this could be included in reports to the committee going forward.

- d. It was acknowledged that local authorities were obliged to present their accounts in a particular way but it was suggested that, at least internally, finances could be represented in a way that was closer to standard business practice, so that costs and savings could be seen together. It was considered essential that information was presented in a clear and transparent way.

The Chief Financial Officer said that Cabinet had raised similar issues around cost / benefit analysis. Consequently, prudential borrowing projects would be monitored closely.

In response to questions from the Vice-Chairman regarding the main changes to the reported position in January for Adults' Operations, the Cabinet Member Health and Wellbeing explained the background to the writing off of obsolete stock relating to the Community Equipment Service and said that he would provide a written response about the additional agency staff costs identified in the report. The Cabinet Member commented that a forensic cleansing approach had been taken to costs on a number of occasions in the past year. He added that the authority was looking to minimise the use of agency staff but it was difficult to recruit social workers. The Chief Financial Officer commented on the need to focus on issues of materiality and the more significant risks related to demographics and unpredictable demand, rather than staffing.

There was a brief discussion about the use of the Public Health Grant. The Chief Financial Officer outlined the purpose of the grant and the conditions attached. The Cabinet Member Adults' Wellbeing commented on negotiations regarding the transfer of commissioning work and said that meetings had been held with Public Health England and NHS England to ensure that the authority conformed to the terms of the grant.

RESOLVED: That the final outturn for 2013/14 and the budget position for 2014/15 be noted.

9. TASK AND FINISH GROUP REPORT - HOUSEHOLD RECYCLING CENTRES

The purpose of this item was to consider the findings of the Task and Finish Group - Household Recycling Centres and, subject to agreement by the committee, to recommend the report to the Executive for consideration.

The Vice-Chairman, having chaired the task and finish group, introduced the report and made the following comments:

- i. Household Recycling Centres (HRCs) were provided in Herefordshire and Worcestershire for residents to recycle and dispose of their household waste; the facilities were operated by Severn Waste Services (part of Mercia Waste Management) on behalf of the two authorities. A Commercial Vehicle and Trailer Permit Scheme was in place at all the HRCs.
- ii. A site user survey had been undertaken, with questionnaires available at the HRCs and on the council's website, with 324 responses received. Given the level of interest in the topic and the issues raised, the scope and timing of the group's report had been extended slightly. This had ultimately resulted in 23 recommendations being put forward in the report.
- iii. The group had been informed that changes to the permit scheme from 1 October 2013 had not resulted in increased levels of fly-tipping but this would need to be monitored as the growing season progressed.
- iv. Minor amendments were identified and corrected: page 77 of the agenda, monitoring of implementation of agreed recommendations, should refer to March 2014 2015; and page 80, Q4 should refer to 'other swaste(s)'.
- v. Worcestershire County Council was awaiting the findings of this report to inform its own review of the scheme.

The Waste Disposal Team Leader said that the work of the group was welcomed, especially as feedback from service users had been obtained in a relatively short space of time, with an overwhelmingly positive response both in terms of numbers and levels of satisfaction with the service; 77.7% of respondents considered that the sites were managed effectively. It was noted that one of the group's recommendations was that further site surveys should be undertaken and this was something that the team was keen to take forward. Alexandra Nicholas was thanked formally for the comprehensive support that she had provided to the group.

In response to comments from committee members, the Waste Disposal Team Leader advised that:

1. The permit scheme was now operated by Worcestershire's customer services department and, whilst considerable savings had been achieved, both waste teams were experiencing some issues with obtaining reports. The Vice-Chairman noted the need to address the issues identified in the report collectively for the benefit of residents in both counties.
2. With a significant contract variation concluded in relation to the Energy from Waste Plant, work on other matters could now be progressed, including a new HRC at Kington. It was noted that Powys County Council was interested in discussing reciprocal arrangements for HRC use by residents on both sides of the border.

3. Although the recommendation to research the viability of a north Hereford city HRC was noted, it was considered that there was a very good network of HRCs in the county currently and there were considerable costs associated with new HRC provision.
4. The group's report had been forwarded to Worcestershire County Council but there had not yet been an opportunity to discuss the recommendations.

The Cabinet Member Contracts and Assets commented that the group's report and its recommendations, once agreed by the committee, would need to be assessed by the Executive and a response provided. He said that the Executive needed to be cautious about any measures that might put a greater degree of cost upon Herefordshire Council.

5. Encouraging the reuse of items was supported and opportunities to enhance facilities at HRCs for this purpose would be explored further.
6. Evidence from Worcestershire district councils showed that waste coming into HRCs did increase immediately following the introduction of fortnightly bin collections but ultimately dropped off as residents became used to the change in collection frequency. It was noted that site operatives were diligent in checking materials entering the HRCs. The Waste Disposal Team Leader commented on the value of HRCs, particularly the high levels of recycling achieved.

The Vice-Chairman drew attention to paragraph 6 of the group's report and noted that it was disappointing that waste regulations currently prevented helpful citizens from carrying and disposing of waste on behalf of elderly or disabled people in the community, even if authorised to do so by an appropriate local body.

RESOLVED: That

- (a) **The report of the Task and Finish Group - Household Recycling Centres be agreed and the findings be submitted to the Executive for consideration; and**
- (b) **The Executive's response to the review be reported to the first available meeting of the committee after the Executive has approved its response.**

10. DATE OF NEXT MEETING

Monday 1 September 2014 at 10.00 am (note: this meeting date was subsequently moved to 8 September 2014)

The meeting ended at 4.02 pm

CHAIRMAN