

## Cooperative Scrutiny Board

**Wednesday 27 November 2013**

### **PRESENT:**

Councillor James, in the Chair.

Councillor Mrs Aspinall, Vice Chair.

Councillors Mrs Beer, Casey, Darcy, Philippa Davey, Sam Leaves, Murphy, Kate Taylor (substitute for Councillor Bowie) and Tuffin.

Apology for absence: Councillor Bowie.

Also in attendance: John Bougeard (Group Accountant), Mark Grimley (Assistant Director for HR and Organisational Development), Councillor Lowry (Cabinet Member for Finance), Peter Honeywell (Transformation Programme Manager), Giles Perritt (Head of Policy, Performance and Partnership) and Helen Wright (Democratic Support Officer).

The meeting started at 4.00 pm and finished at 5.30 pm.

*Note: At a future meeting, the committee will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.*

### 84. **DECLARATIONS OF INTEREST**

The following declarations of interest were made, in accordance with the code of conduct –

<b>Name</b>	<b>Reason</b>	<b>Interest</b>
Councillor Mrs Beer	Member of GMB	Personal
Councillor Philippa Davey	University Shop Steward	Personal
Councillor Casey	Son was an apprentice employed by Plymouth City Council	Personal

### 85. **MINUTES**

The Board agreed that the minutes of the meeting held on 16 October 2013 are confirmed as a correct record, subject to the inclusion of Councillors Mrs Beer and Darcy in the attendance list.

### 86. **CHAIR'S URGENT BUSINESS**

There were no items of Chair's urgent business.

87. **WORK PROGRAMMES**

The work programmes of the Cooperative Scrutiny Board and the panels were submitted for consideration and approval.

The Board agreed its work programme subject to the inclusion of the basic budget scrutiny training session on 11 December 2013.

The Board further agreed the work programmes of the following panels –

- Ambitious Plymouth
- Caring Plymouth
- Working Plymouth
- Your Plymouth

88. **TRACKING DECISIONS**

The Board considered its schedule of decisions and noted the latest position.

89. **FORWARD PLAN OF KEY DECISIONS AND PRIVATE BUSINESS**

The Board considered the following executive key decisions in the Forward Plan which were scheduled to be discussed at the Cabinet meeting on 10 December 2013 –

- Cooperative Commissioning and Market Management: A Framework for Delivering a Brilliant Cooperative Council;
- Award of Street Lighting Maintenance Contract;
- Acquisition and Dispersal of Land at Seaton Neighbourhood;
- Primary Basic Need 2014- 2017;
- Young Person's (Aged 16-25) Supported Accommodation;
- Events Plan for 2014.

The Chair advised that pre-decision scrutiny was difficult due to the publication of the Forward Plan of Key Decisions and Private Business 28 days prior to the Cabinet meeting. He further advised that he had raised this as a concern at the Cabinet meeting he had attended in October 2013.

The Vice Chair undertook to arrange a meeting with Councillors Mrs Beer, Bowie, Davey and Sam Leaves to discuss the Young Person's (Aged 16-25) Supported Accommodation with Councillor McDonald, Cabinet Member for Public Health and Adult Social Care.

90. **CABINET MEMBER**

The Chair welcomed Councillor Lowry, Cabinet Member for Finance, who provided a brief overview of the current areas work being undertaken, which included –

- (a) the three year sustainable balanced budget would be submitted to Cabinet on 10 December 2013; the Chancellor's Autumn Statement would be announced on 5 December 2013; it was anticipated that the net revenue budget would reduce from £212.5m to £201m in 2014/145;
- (b) work had been undertaken to restructure long term debt and to look at better rates of return from longer term investments (this would achieve a saving in 2014/15 of £1m;
- (c) the creation of an innovative affordable housing loan scheme of up to £50m would encourage more houses to be built in the city;
- (d) the proposed change to the council tax support scheme to reduce the contribution from 25 percent to 20 percent for those people having to pay council tax for the first time this year; there was also a proposal to reduce the cost of a Liability Order from £83 to £60;
- (e) the corporate landlord initiative which pulled together all property related budget was delivering annual savings of £200,000;
- (f) solar panels had been installed on five main corporate buildings and was generating over £10,000 of energy savings this financial year to date; a further 10 properties would be fitted with panels this financial year;
- (g) LED lamps had been installed in the Theatre Royal car park; the award of the LED street lighting contract would be made in March 2014 with installation commencing in June 2014;
- (h) the council held a substantial land and property portfolio comprising of 700 assets with a value in the region of £351m and a commercial estate comprising of 1770 interests with a value of approximately £136m; the commercial estate generated an annual income stream of approximately £6.8m per year (this income was utilised to fund front line services whilst supporting economic development across the city);
- (i) a strategic property review had been undertaken to ascertain how efficient the council was using its land and buildings; the review found that the current management of the operational and commercial estate demonstrated a significant number of strengths;
- (j) both the Land and Property and Strategic Development teams had achieved tangible results and successes, which included –
  - the implementation of a direct development employment accommodation scheme of 30,000 sq ft at Langage;
  - the restructuring of lease arrangements and realignment of

funding had enabled the £7m regeneration of the Theatre Royal;

- the agreement to dispose of nine surplus former schools and community sites and the delivery of 544 new homes;
  - the support of 326 businesses and 2670 jobs through the 97 percent occupancy levels of the council's commercial property estate;
  - development of land at Derriford to provide new homes, a new primary school, a community park and a new spine road;
  - negotiations to develop a new spectator grandstand for Plymouth Argyle, a new ice area, 120 bed hotel, 12 screen cinema, shops, restaurants and a new car park;
- (k) work was currently taking place to acquire new development sites for marine industries as part of the City Deal with discussions continuing with the MOD and the Cabinet Office to identify the necessary funding.

In response to questions raised by Members, it was reported that –

- (l) there had been no significant financial impact of transferring assets to the community sector;
- (m) the Cabinet Member undertook to provide information on the number of properties that were Disability Discrimination Act (DDA) compliant;
- (n) the 700 assets which made up the corporate estate contained both land and property; work was ongoing to ensure that these assets were being utilised correctly, although it was recognised that assets did need to be transferred to the voluntary community sector (at a nominal rent) in order to support the city as a whole.

The Chair thanked Councillor Lowry for providing a comprehensive report and attending the meeting.

## 91. **CORPORATE MONITORING REPORT**

The Board received the corporate monitoring report for September 2013. Councillor Lowry (Cabinet Member for Finance) together with John Bougeard presented the corporate monitoring report for October 2013; as this was now available and contained the most up to date information; the report highlighted the following main areas -

- (a) the revenue forecast year end overspend was £1.214m which represented a reduction of £308,000;

- (b) key issues and corrective actions, which included –
- progress on the budget action plan –
    - ▶ following a ‘star chamber’ meeting a reduction in expenditure of £0.196m had been achieved;
    - ▶ measures had been put in place to avoid inappropriate admissions to hospital and to return people to community based support rather than residential and nursing care;
    - ▶ a joint project was underway between the Clinical Commissioning Group and the council to map the hospital pathway from both organisations’ perspectives and to track the baseline volumes and budgets to measure the financial success of reablement;
- (c) delivery plans;
- (d) revenues and benefits;
- (e) capital position;
- (f) revised medium term programme 2013/14 – 2016/17;
- (g) business rates continued to show an improvement with 71.47% being collected against a target of 68.97% (above target by 2.5%) and an increase in the collection rate of 2.88% compared to this time last year;
- (h) council tax collection was currently 62.7% which was slightly lower than the 63.61% target; debt profiles indicated that there was an increase in debt due to be collected in February and March 2014 (which was as a result of extending instalments over 12 months rather 10 months); reprioritising of work over October had allowed for additional resources to be used for post Liability Order cases and it was anticipated that there would be a steady increase in collection over the next few months;
- (i) council tax support and technical reforms continued to show improvement with both areas remaining ahead of target; council tax support cases were showing 51.38% against a 34% target and technical reforms were showing 55.49% against a target of 46%.

In response to questions raised by Members, it was reported that –

- (j) the delivery plans were robustly challenged by Cabinet Members;
- (k) Councillor Lowry was confident that a balanced budget could be achieved at the year-end;

however, over the next three years the council would need to achieve savings of £20m per year and therefore it would become significantly more difficult to achieve a balanced budget hence the implementation of the transformation programme.

The Chair thanked Councillor Lowry for providing an updated corporate monitoring report.

## 92. **CORPORATE PLAN PERFORMANCE FRAMEWORK MONITORING REPORT**

The Transformation Programme Manager presented the corporate plan performance monitoring report, which highlighted the following key points –

- (a) progress against key actions and supporting performance measures for the financial year 2013/14, quarters one and two to deliver the brilliant cooperative council;
- (b) 37 out of the 42 key actions monitored in the corporate plan were reported on target;
- (c) there were no key actions that had deliverables that were at risk as mitigation was in place;
- (d) four key actions were not on target or were at significant risk of not achieving the milestones by the planned completion date;
- (e) currently there was one key action which was awaiting development/confirmation.

In response to questions raised by Members, it was reported that –

- (f) key action 26 (deliver the Community Safety Plan) was showing as a risk as there had been a delay in receiving the information;  
  
key actions 24 and 28 (Civil Society Policy) was showing as delayed as the confirmed scope had taken longer to agree than originally planned;
- (g) in the future the report would contain additional information such as the expected completion date for late key actions and direction of travel (with improved information available, it would be possible to provide historic trends and future forecasts).

The Chair thanked the Transformation Programme Manager for attending the meeting and commended officers for the colourful design of the report.

93. **OVERVIEW OF THE WORKFORCE**

The Assistant Director for HR and Organisational Development presented the report on the overview of the workforce, which highlighted the following key points

–

- (a) the council employed 700 staff (around half of which were employed in schools);
- (b) the basic salary bill for the council's centrally employed staff was approximately £76m (with additional employer costs such as pension contributions and National Insurance) this figure rose to £90m; the salary bill for schools was also similar;
- (c) the total economic contribution to the city by the council through employment was estimated to be worth £150m per year;
- (d) the total reduction of staff from April 2010 to September 2013 was 753 full time posts (which represented a 20 percent reduction);
- (e) from April 2010 to September 2013 the average days' sickness per full time equivalent post had reduced from 12.5 to 7.9;
- (f) 431 staff had left the authority in the financial year 2013/14 of which 46 had been due to compulsory redundancies;
- (g) as 70 percent of staff were not currently represented by a trade union, the council should look at introducing a mechanism such as 'works councils'; where staff would be able to elect representatives to act as intermediaries for consultation and engagement; however, there was no intention of replacing 'collective bargaining';
- (h) it was anticipated that a significant number of staff would need to leave the organisation over the next three years, in order to achieve the estimated saving of £65m.

In responses to questions raised by Members, it was reported that –

- (i) it had been acknowledged that there would be a skills gap within the organisation whilst the transformation programme was implemented;
- (j) a new style of training would need to be introduced throughout the organisation; a 'coaching approach' would be used to impart knowledge and information with less emphasis on on-line training and more on the job training;
- (k) all the 'beat the bug' sessions had been fully subscribed with 500 members of staff receiving a flu jab;

- (l) the council had a duty to find alternative employment for those staff who found themselves at risk of redundancy and to date, the redeployment process had been extremely successful;
- (m) the use of agency staff formed a valued part of the resourcing strategy which helped to reduce the risk of redundancies.

The Chair thanked the Assistant Director for HR and Organisational Development for his comprehensive report. He also took the opportunity to thank him on behalf of the Board for the work he had undertaken and wished him well in his new job.

94. **URGENT EXECUTIVE DECISIONS**

There were no urgent executive decisions to consider.

95. **CALL-INS**

There were no call-ins to consider.

96. **RECOMMENDATIONS**

The Board endorsed and agreed the recommendations of the panels, as follows –

(1) Ambitious Plymouth Panel –

- a cooperative review would be undertaken in March 2014 to update the ‘Starting School in Plymouth 2014/15’ guide and a cooperative review would be submitted to the Cooperative Scrutiny Board in early 2014;
- the ‘School Transport Provision Review’ item is removed from the work programme scheduled for the meeting on 3 February 2014;
- a ‘Plymouth Adult and Community Learning Service (PACLS) OFSTED update’ item is added to the work programme for the meeting on 3 February 2014;
- a ‘proposed establishment of the Plymouth Adult and Community Learning Service (PACLS) as a Public Service Mutual (PSM)’ item is added to the work programme for the meeting on 3 February 2014;

(2) Working Plymouth Panel –

- the Strategic Property Review is included on the panel’s work programme for 2014/15;
- Transformation Change Programme suitably recognises the difficulties that hard to reach groups have with digital



connectivity in Plymouth;

(3) Caring Plymouth Panel –

- a review of the Carers Strategy takes place in the New Year following the consultation period and to review the action plan;
- a review of the Dementia Strategy takes place in December 2013;
- a review of Pledge 90, Mental Health takes place in December 2013;
- the next meeting is re-arranged for the purpose of the panel having sight of the Integrated Transformation Fund Plan prior to submission to the Department of Health on 15 February 2014.

97. **COOPERATIVE REVIEW(S)**

The following requests for cooperatives reviews were considered and agreed by the Board –

- public funerals (Your Plymouth Panel);
- mental health review – delivering Pledge 90 (Caring Plymouth Panel).

It was further agreed to delegate authority to the Board's Lead Officer in consultation with the Chair and Vice Chair to approve the recommendations from the mental health review (delivering Pledge 90) due to the tight timescale for the submission of these recommendations to the Health and Wellbeing Board.

98. **EXEMPT BUSINESS**

There were no items of exempt business.

This page is intentionally left blank