

Report to: Council

Agenda
Item

Meeting Date: 15 July 2014

Public/Private*: Public

Title: **Resources Overview and Scrutiny Panel - Chairman's Report**
Councillor Reg Watson OBE

Overview Report and Work Programme

The Overview and Scrutiny Officer drew the Panel's attention to the draft Scrutiny Annual Report which had been attached to the report as Appendix 2. Panel Members were asked to comment on the draft report before it was formally approved by the Scrutiny Chairs Group. A Member wanted the Council to give more consideration to vulnerable people and asked that all of the Council's reports, policies and decisions reflected this. The Deputy Chief Executive responded that there was a framework in place to ensure vulnerable people and minority groups were considered as part of the decision making process and he agreed that it was worthwhile reviewing the process. The Town Clerk and Chief Executive reminded the Panel that the Local Government Act 2000 gave Members the ability to call-in decisions if Members felt that the decision was not protecting vulnerable groups.

Corporate Risk Management

Members had been informed that work would begin on the Arts Centre in May and asked when the Arts Centre Business Case would be available for scrutiny? The Deputy Chief Executive explained that the Business Case was under development. The building work would begin in May and the planning application would be considered by the Development Control Committee on Friday 11 April 2014. The Town Clerk and Chief Executive added that there was clear direction from the Administration that the Arts Centre would go ahead. The Business Case would be subject to scrutiny to ensure it was the best, most robust and deliverable Business Case that it could be. What risk was there to the Authority if Scotland became independent? The Town Clerk and Chief Executive reported that he would be attending a meeting in the afternoon to meet other Leaders and Chief Executives from local authorities including southern Scotland to discuss the impact on Local Government in the north of England and the Borders. The meeting was a result of the IPPR Borderland report. The Director of Resources added that the impact on Carlisle would depend on the two Countries tax regimes.

Transformation Board

The Deputy Chief Executive outlined the purpose of the Board reporting that the Board had assisted in the co-ordination of savings initiatives within each Directorate for the £719,000 savings target for 2014/15. £536,000 of the target had been achieved. The Deputy Chief Executive updated the Panel on progress within each of the Directorates and detailed the progress of the Automating Services project which had progressed and

expanded into a programme of delivering services in a smarter and more customer centric way. He reminded the Panel that additional recurring savings were required beyond 2014/15 and the savings targets were detailed in the 2014/15 budget. A further £3.939m savings were required between 2015/16 and 2018/19, £1.839m to be delivered by 2015/16 and £2.1m in later years. In total the Council would have saved £9.073m which equated to an approximate 45% savings on 2010/11 controllable expenditure budget. The Deputy Chief Executive detailed how some of the future savings would be achieved as set out in the report. In response to questions the Deputy Chief Executive confirmed that the savings to be achieved from Bereavement Services were on track and comparison work was being undertaken between the authority and other local authorities with regard to waste provision. The Chairman expressed his disappointment with regard to the reduction to the neighbourhood forum grants. Members had a detailed discussion on the way grants were given out to community groups and the effect the reduction may have. They hoped that the reduction would not affect the pro active engagement with local communities. The Town Clerk and Chief Executive explained the reason for the reduction in the grant to the County Council and how it was hoped that the way City Council Ward Councillors engaged with their communities would become more proactive.

Employee Opinion Survey 2014

In considering the Employee Opinion survey results Members raised the following questions and comments: Members were pleased that staff morale continued to improve despite the changes that were happening within the authority and the pressure that staff were under. Members felt that all managers should understand the value of positive feedback on staff. The percentage of staff that had taken part in a team or individual appraisal was very low. The Town Clerk and Chief Executive agreed that the figure should be 100% and work was needed to make the appraisal system more relevant and easier to understand. The Organisational Development Manager added that the appraisal process for 2014 had just begun and she would report the figures to a future meeting. She added that the question with regard to appraisals would be changed to a yes/no answer in 2015 for clearer results. A Member commented that it was important to retain staff and questioned the level of staff and resources required to ensure the authority could move forward. The Town Clerk and Chief Executive explained that the Medium Term Financial Plan showed a required saving of £3m and he felt that this was sensibly achievable. The Senior Management Team was looking at the running cost of the authority and comparing it to other similar authorities to identify where money was being spent to inform the options available to Members. He added that the City Council was viable for the future.

Overview Report and Work Programme

The Work Programme had been included in the report. The Audit Committee had referred the Revenues and Benefits report to the Panel for their consideration. The Panel agreed that a Task and Finish Group should be undertaken on Shared Services and would consider the Revenues and Benefits report as part of the Task Group if appropriate. The Overview and Scrutiny Officer asked Panel Members, the Portfolio Holder and Officers to give consideration to items for the Panel to scrutinise in 2014/15. A Member commented that the Panel would like further information on Section 106 monies. The Overview and Scrutiny Officer advised the Panel that the Environment and Economy Overview and Scrutiny Panel had recently considered a report on Section 106 monies and agreed to circulate it to Members.

2013/14 Sickness Absence Report

The Policy and Performance Officer reminded the Panel that the authority had experienced an 18% reduction in absenteeism in 2012/13 compared to the previous year. The reduction had been attributed to less stress related absences, revised management policies and the introduction of a wider employee assistance programme, details of which had been included in the report. The Policy and Performance Officer drew Members attention to appendix one of the report which showed the sickness absence levels split by directorate and showed a reduction of 3% compared to the same period the previous year. He detailed the

reasons for sickness absence with 'Other musculo-skeletal problems' continuing to be the biggest contributor to the figures for absence. He added that the reasons for absence were nationally used categories which enabled the authority to benchmark with other organisations when required. He reported that the number of Return to Work interviews which had been undertaken had increased from 92% in 2012/13 to 97.9% in 2013/14. 2) That the Sickness Absence monitoring reports be considered by the Panel on a six monthly basis and included the changes as set out above.

Corporate Programme Board

RESOLVED – 1) That the Corporate Programme Board report (CE.06/14) be welcomed; 2) That further information with regard to the delays with the YMCA Empty Homes Programme and the Gypsy and Traveller Transit Site be circulated to Members of the Panel.

Treasury Management Counterparties

The Director of Resources outlined the background position, reiterating that the Council had been investigating alternative ways of increasing the counterparties available to invest with. As a result of those investigations, and in order to try and maximise the return the Council could achieve on its short term investments whilst still maintaining security of the investment, an additional counterparty (Svenska Handelsbanken) was proposed, details of which were provided. The Council had approached its Treasury advisors (Capita Asset Services) regarding the proposal, in response to which they had indicated that it did not put the Council's investments at any additional risk.

Provisional Outturn for Council Tax and National Non Domestic Rates 2013/14

The Director of Resources presented report RD.09/14 setting out the 2013/14 provisional outturn and performance position for Council Tax and National Non Domestic Rates. He informed Members that the estimated outturn of 99% suggested that overall liability raised and Council Tax collected would exceed the budgeted projections of 98.5% due in the main to reduced losses on liability (if the collection pattern for recovering 2013/14 arrears followed that of previous years). The impact of increased collection performance was an overall surplus on collection fund of £394,371, the City Council's share of the surplus being £51,785. The Director of Resources pointed out that the Council had maintained collection performance so that for the third year running Carlisle was in the 3rd quartile when compared to districts nationally. Whilst that was the Council's joint best ever collection performance, the Council would never be in a position to move into the higher collection quartiles for the reasons set out at Section 3.1 of the report. He added that 2013/14 was the first year of the Business Rate Retention Scheme and new Collection Fund Accounting Regulations. The Deficit on the Collection Fund for Business Rate Retention for 2013/14 at 31 March was £408,578, of which Carlisle City Council's share was £163,430. The main reason for that deficit was the requirement to provide a provision for all outstanding appeals lodged at 31 March. As this was the first year of the scheme, the provision had to take into account all backdated appeals as well as those relating to 2013/14. That deficit would be recovered in the future. The overall position against budgeted funding was net growth of £5,129 after the deficit was taken into account. In accordance with his delegated authority for the write-off of outstanding debts, without limit, the Director of Resources had asked the Executive to note that debts totalling £96,867.50 had been written off for the period 1 January 2014 to 31 March 2014; such bad debts were summarised for the Executive's information in Table 1 of the report. The total amount written off in 2013/14 of £633,068 (mainly due to Business Rates written off) compared to total write-offs in 2012/13 of £527,001. The Panel asked for an update on the Central Plaza building located at the Viaduct as they had serious concerns regarding the condition and safety of the building. The Director of Resources informed the Panel that there were no rates on the building as it was a listed building but it was safe at the moment. The Legal department had been investigating who had legal responsibility for the building but were finding this very difficult.

Cllr R Watson OBE, Chairman