

RESOURCES OVERVIEW AND SCRUTINY PANEL

THURSDAY 18 OCTOBER 2012 AT 10.00AM

PRESENT: Councillor Watson (Chairman) Councillors Betton, Bowditch, S Bowman, Craig, Forrester, Mrs Parsons and Whalen.

ALSO PRESENT Councillor Dr Tickner – Finance, Governance and Resources Portfolio Holder
Councillor J Mallinson – Observer

ROSP.67/12 APOLOGIES FOR ABSENCE

There were no apologies for absence submitted.

ROSP.68/12 DECLARATIONS OF INTEREST

There were no declarations of interest submitted.

ROSP.69/12 MINUTES OF PREVIOUS MEETINGS

RESOLVED – 1) That the minutes of the meeting held on 26 July 2012 be agreed as a correct record of the meeting and signed by the Chairman

2) That the minutes of the meeting held on 30 August 2012 be noted.

ROSP.70/12 CALL-IN OF DECISIONS

There were no items which had been the subject of call-in.

ROSP.71/12 OVERVIEW REPORT AND WORK PROGRAMME

The Overview and Scrutiny Officer (Mrs Edwards) presented report OS.27/12 which provided an overview of matters that related to the work of the Resources Overview and Scrutiny Panel's work.

Mrs Edwards reported:

- The Notice of Key Executive Decisions had been published on 1 October 2012 and the following issues fell within the remit of the Panel:

KD.019/12 – Revision of Statement of Gambling Policy – the routine revision of the Gambling Policy was being considered by the Executive on 3 September 2012 and 29 October 2012 prior to being referred to Council. The Chair of the Panel had considered the report and decided that the report would not be included on the agenda as the changes to the policy were due to statutory changes.

KD.021/12 – Localisation of Council Tax – on the agenda for consideration later in the meeting

KD.027/12 – Highways Claimed Rights Review – Members of the Panel were invited to the meeting of the Environment and Economy O&S Panel on 13 September 2012 when they considered the issue. Comments were scheduled to be presented to the Executive at their meeting on 29 October 2012

KD.029/12 – Tullie House Museum and Art Gallery Trust Business Plan 2013/14 – the Community O&S Panel were scheduled to consider the Plan at their meeting on 22 November 2012. Members of this Panel had been invited to attend.

KD.033/12 – Budget Process 2012/13 – The Panel were scheduled to consider the budget report at their meetings on 4 December 2012 and 3 January 2013.

- The Saving Paper Task and Finish Group had held their first meeting on 27 September 2012 and determined the remits of their review. The Scrutiny Review Scoping Document was presented to the Panel for approval. The Task and Finish Group had requested further information on the MyCMIS app. A demonstration had been arranged for 24 October 2012 at 10:00. The demonstration would be open to all Members as well as members of SMT.
- The last update on the Asset Business Plan was brought to the Panel in July. The Director of Resources (Mr Mason) advised that a further update would be submitted at the meeting on 21 February 2013.

RESOLVED – 1) That the Overview Report incorporating the Work Programme and Forward Plan items relevant to this Panel OS.27/12 be noted.

2) That Forward Plan items:

KD.029/12 – Tullie House Museum and Art Gallery Trust Business Plan 2013/14 - Members of the Resources Overview and Scrutiny Panel would attend the meeting of the Community Overview and Scrutiny Panel on 22 November 2012 to scrutinise this item.

KD.033/12 – Budget Process 2012/13 –would be considered by this Panel on 4 December 2012 and 3 January 2013.

3) That the Saving Paper Task and Finish Group Scrutiny Review Scoping Document and Terms of Reference be approved.

4) That a further report on the Asset Management Plan be submitted to the Panel at their meeting on 21 February 2013.

ROSP.72/12 SICKNESS ABSENCE 2012/13

The Deputy Chief Executive (Mr Crossley) presented report CE.17/12 that provided an update on the City Council's sickness absence in 2012/13 with end of year predictions. A summary of the level of sickness absence in each directorate was provided that indicated that, based on the first five months of the year, sickness absence could fall by over 25% in 2012/13 in comparison to 2011/12. Mr Crossley advised that as of 5 October 2012, 87% of return to work interviews had been completed.

Mr Crossley explained that a small team of officers had commenced a Lean Systems Review of sickness absence in January 2012. Initial research and discussion with Senior Officers, line managers and staff had identified the need for timely, accurate and

accessible sickness figures, and an assurance that staff felt valued through regular contact and consistent application of policy and procedures. As a result, managers would in future input sickness absence directly into Trent, training for which had taken place the previous day. Managers had also been reminded of the importance of regular contact with staff during sickness absence.

Mr Crossley outlined a number of improvements in sickness absence information being available to managers. It was proposed that a group would be set up to share good practice in relation to sickness absence management. The group would consist of a manager who it was perceived managed sickness absence well, a manager with poor attendance, an HR advisor and an independent manager.

A revamped Attendance Management Policy and Procedures document was currently being developed and consultation was expected to start by the end of October. Proposals made by the Lean Systems team were outlined and Mr Crossley advised that they would be included in the policy.

A number of actions outlined by Mr Crossley were still to be completed. In conclusion Mr Crossley requested that the Panel consider the information provided with a view to reducing the level of absenteeism.

The Director of Local Environment (Ms Culleton) explained the advantages of the Lean Systems Review and advised that it would assist staff in receiving support to enable them to return to work.

In considering the report Members raised the following comments and questions:

The Chairman welcomed the Branch Secretary and Convenor of the North West Branch of UNISON (Mr Lexa) to the meeting.

- A high number of long term sickness was stress related. Why did that differ across directorates and would the Lean Systems Review pick up those differences?

Ms Culleton explained that there were a number of reasons for long term sickness and not all were stress related. Within the Local Environment Team a large percentage was due to physical injury as the workforce grew older and were more prone to injury. Those members of staff had access to physiotherapy and occupational health in order to help them to remain healthy.

The Deputy Chief Executive (Mr Crossley) confirmed that the breakdown of staff who had been absent for more than 28 days could be included in future reports. The policy with regard to long term absence was the same as with short term absence in that managers worked with Occupational Health and other support measures to assist the member of staff's return to work.

Mr Lexa stated that an assumption had been made that long term sickness was stress related but there were many other reasons for long term sickness. He agreed that the figures required further analysis to determine how much sickness was stress related.

Mr Crossley expressed caution when breaking down the figures as some of the directorates were quite small.

The Director of Resources (Mr Mason) advised that the figures represented the overall absence reduction across the authority. The Resources directorate had seen a lot of movement of staff in recent months such as the service support team becoming part of that directorate. The shared services with Copeland and Allerdale had also affected the figures in previous reports but Mr Mason anticipated that the long term trend would be downward.

- Percentages were misleading and it would be useful to know how many staff were in each directorate. The medical profession had stated that stress in the workplace was the biggest factor of stress in the workforce. That had been noticed in the City Council as staff worried about their financial situation but continued to come into work. Manual workers were working for longer than in the past and many were worried that they would lose their jobs.

Mr Crossley advised that the report could be improved by including how many people had been absent and the type of work in which they were employed. He confirmed that future reports would include additional information with regard to number of staff in directorates and what the figures relate to.

- If there was an issue around confidentiality the report could be discussed in Part B of the agenda.
- Industrial injury could be physical or stress related and could lead to a compensation claim. It would be useful therefore to have a breakdown of figures to determine which were work related stress and which were physical.

Mr Crossley advised that those figures were available and could be provided within the information across the Council.

- Does industrial injury count as sickness absence on a person's record and was it included as part of the sickness absence figures?

Ms Culleton confirmed that industrial injury figures were included in the figures but would not be recorded on an individual's file as sickness absence. The figures in relation to industrial injury could not be discounted from the figures but additional information could be provided in the report.

The Finance, Governance and Resources Portfolio Holder believed that a person who worked with machinery or vehicles was more at risk of injury when suffering from certain minor illnesses such as colds and flu than a person who was office based and that should also be taken into account.

Mr Lexa believed that it would be interesting to determine how much of the sickness absence was due to work related stress. However it would be difficult to ascertain, if someone was suffering from stress, whether that was work related as individuals may be reluctant to declare that information.

Ms Culleton reminded Members that the Council had introduced the Employee Assistance Programme that gave employees and their families access to support including stress related illness. The employee did not have to be at work but could access the information from home.

- Return to work interviews carried out was shown as 87%. Should that not be nearer to 100%?

Mr Crossley agreed and added that it was the responsibility of individual managers to sit with employees on their return to work and talk about how they could change the way that person worked to put the issues right.

Ms Culleton added that many of the workforce did not work 9:00 to 5:00 and many were out on site and it was often difficult for managers to complete the return to work interviews. Ms Culleton acknowledged that return to work interviews were important and was attempting to underline the positive impact on the team and the individual.

Mr Mason explained that 87% of back to work interviews completed indicated the number of returns at a particular point in time and as there were likely to be a number of return to work forms still in the system the number would more likely be over 90%.

- Was phased return available particularly for people with physical injury?

Mr Crossley confirmed that phased return was undertaken and was supported by Occupational Health and the individual's GP where necessary to determine how best support the employee's phased return to work.

The Chairman, on behalf of the Panel, thanked Mr Lexa for his attendance and input to the meeting.

RESOLVED – That Report CE.17/12 on Sickness Absence 2012/13 be noted.

ROSP.73/12 LOCALISATION OF COUNCIL TAX

The Director of Community Engagement (Mr Gerrard) presented report CD.50/12 on the localisation of Council Tax. He informed Members that the Report CD.39/12 had been considered by the Executive at their meeting on 6 August 2012. The decision of the Executive was:

“That the Executive:

1. Agreed the principle of not reducing the current level of reductions given to existing Council Tax Benefit recipients when changing from a Benefit to a Discount.
2. Agreed that Carlisle City Council's LSCT Scheme would be identical to the current Department for Work and Pensions Council Tax Benefit Scheme but written as a S13A policy document, under The Local Government Finance Act 1992 (as amended), to ensure it becomes a legal discount rather than a Benefit.
3. Agreed the principles of funding the scheme, in part or full, through the application of Council Tax Technical Reforms and other funding streams.
4. Was aware that the full LSCT S13A policy and the decisions regarding implementation of Council Tax Technical Reforms and other funding streams would need to be approved by Council on 8 January 2013.

5. Approved the principle of a draft policy (statement of intent), to include consultees, as part of the formal consultation process.
6. Agreed that consideration be given to the financial implications of the local scheme during the first operational year and the position reviewed for subsequent years.
7. Agreed that the Localisation of Council Tax Support Scheme be included within the definition of documents included under the umbrella of 'Budget' in the Council's Budget and Policy Framework (Article 4 of the Constitution)."

Following that meeting the recommendations were approved and the consultation process for the draft scheme was initiated. A customer questionnaire was devised and issued to 9,467 current council tax benefit recipients. A press release was issued to publicise the draft scheme proposals to all residents and relevant interested parties. Guidance was also introduced on the proposed changes giving links to the draft scheme provisions and an on-line version of the survey questionnaire. Guidance on the scheme was also provided for all Members to raise awareness of the draft scheme and advise on frequently asked questions.

The consultation was scheduled to run from 3 September 2012 to 7 October 2012 and the responses were currently being analysed. The key question was to seek views on the intention to maintain support at the same levels as currently provided through Council Tax Benefit, which would be renamed Council Tax Support. Options for potential scheme changes were also included to gauge opinion for any future proposal in subsequent years. The findings from the consultation would be provided in a future update and used to recommend the provisions of the scheme for approval.

The Shared Revenues and Benefits Services Partnership Manager (Mr Bascombe) advised that while there was concern with regard to the financial liability of the proposal that would be looked at in the longer term. Officers were dealing with the Bill in the short term and Mr Bascombe confirmed that a further report would be submitted to the Panel following implementation in April 2013.

In considering the report Members raised the following comments and questions:

- If the income was to be reduced by 10% and not everyone would be affected by that reduction, eg disabled groups, what percentage of the shortfall would be spread among the remainder?

The Director of Resources (Mr Mason) reiterated that the proposal was to make no change in the first year.

- The legislation had not been completed. Was it expected to be received in sufficient time to be implemented?

Mr Bascombe advised that it was anticipated that the legislation would be received by the end of November. Mr Mason explained that Councils had been given an assurance that the legislation would be received before Members of Parliament broke for the Christmas recess.

- Did Officers have any reservations about the cuts in benefits?

Mr Mason stated that there would be no change next year and that the Council would need to fund the 10% cut. A report would be submitted to the Executive in November explaining options for funding the reduction in grant that would feed into the budget process. The report could come to the Panel if requested. Members agreed that they would like to see the report.

Mr Mason advised that officers were aware of the potential cost implications and £120,000 to £190,000 had been factored into the Medium Term Financial Plan for the purpose.

Mr Mason explained that 90% of Councils were passing on the shortfall but that could change over the coming weeks.

- What were the next steps anticipated to be for 2014/15/16? Would there be an issue with software for the new scheme?

Mr Bascombe advised that that could not be demined at the present stage but officers were looking at systems and costs. Software could not be developed until the legislation was published but a software change would have to be made.

- The report highlighted a potential increase in claimants. How will the section deal with the additional workload?

Mr Gerrard advised that Officers acknowledged that there would be a difficult challenge ahead with the introduction of the Localisation of Council Tax and Welfare Reform. Mr Gerrard believed that the role of the Council could change to offering more advice to customers on those issues. An informal Council meeting was scheduled for 23 October 2012 which would give the opportunity for Members to debate on the Welfare Reform implications and the need for more support to customers and stronger working with partners.

Staff working in IT were trying to plan ahead but were uncertain about the legislation. The situation would become clearer in future months.

Mr Crossley added that the potential uptake was unknown at the present time and that would be monitored once the legislation was introduced. Officers would have more clarity of the issues by this time next year.

The Finance, Governance and Resources Portfolio Holder reminded Members that the Welfare Reform changes would only be accessible through the internet and that could become an issue for people without access to the internet and those in rural areas with poor broadband access.

- The issue had been discussed at a Community Centre and there was the possibility that Community Centre staff or Officers from the Council could facilitate some sessions at the Community Centre to assist those people who did not have access to the internet.

RESOLVED – 1) That the localisation of Council Tax report CD.50/12 be noted.

2) That the Panel were in support of the progress made and the recommendations with the report.

3) That a further report be submitted to the Panel following the introduction of the legislation.

ROSP.74/12 PROGRESS REPORT ON DELIVERY OF TRANSFORMATION SAVINGS TO DATE AND DRAFT SAVING PROPOSALS FOR 2013/2014

The Finance, Governance and Resources Portfolio Holder presented report RD.35/12 on the progress of delivering transformation savings to date and draft saving proposals for 2013/14. Report RD.35/12 had been considered by the Executive at their meeting on 3 September 2012. The Executive had decided:

“That the Executive:

1. Noted the savings achieved to date and had considered the planned savings for 2013/14 (£1.38 million) and future years;
2. Approved the savings of £306,452 which could be delivered immediately in 2012/13, for recommendation to Council on 13 November 2012;
3. Approved the savings plan for future years, noting that those would form part of the 2013/14 budget process and be approved formally as part of the 2013/14 budget in February 2013; and
4. Noted that proposals in respect of the Economic Development restructure, Claimed Rights and CCTV would be subject to further reports to the Executive prior to implementation.”

The Portfolio Holder advised that a saving of £4.311 million had already been made with a further £699,000 identified and due to be delivered by 2015/16. That would leave a balance of £1.819 million still to be delivered by 1 April 2016. In the current MTFP that balance was equally spread over the next three years. However the new administration had requested the Senior Management Team (SMT), in liaison with Portfolio Holders, to produce proposals to front load the savings in delivering a majority of the savings required by 1 April 2013. The new administration was also directing SMT in liaison with Portfolio Holders to minimise staff redundancies. The draft savings proposals identified would deliver £1.38 million in savings by 2013/14 and by promoting vacancy management, staff redeployment and TUPE transfer arrangements, and reducing overtime working and identifying no staffing efficiencies, staff redundancies would be minimised. By delivering that saving of £1.38 million £439,000 would still need to be identified in future years.

The report detailed a breakdown by Directorate of efficiency savings proposals agreed after detailed discussions between responsible Directors and Portfolio Holders that amounted to £1,100,366. Many of the proposals could be progressed immediately while some would be subject to further reports to Members at the detailed planning stage. The report also included a breakdown of non staffing savings and reductions in overtime budgets. Those savings were considered as deliverable after close scrutiny of historic spending against such budgets by finance staff in liaison with the Finance, Governance and Resources Portfolio Holder. An assessment of which savings could be taken immediately, which by

1 April 2013 and which, due to the complexity of the savings initiatives, may not be delivered until early 2013/14 financial year were also included in the report.

Savings that could be delivered immediately would be taken and budgets reduced to reflect the reduced budgets requirements for the 2012/13 financial year. The 2013/14 budget proposal would reflect the savings identified to be taken on 1 April 2013 and during 2013/14. Draft proposals in respect of the Economic Development restructure, Claimed Rights and CCTV would be subject to further reports to members prior to implementation. Consultation would take place with key stakeholders including Overview and Scrutiny, staff and Trade Unions during September and October.

In considering the report Members raised the following comments and questions:

- The Council had an ethos of Environment and Economy and therefore there should be no further cuts in Economic Development.

The Portfolio Holder advised that the issues around Economic Development, Highways Claimed Rights and CCTV were complicated. The Executive were looking at economic growth but the Council had a number of vacant posts that were not impacting on the Council's services.

- Some clarity regarding the figures quoted in the report was required. A number of issues were raised in respect of the Chief Executive Service Team, town twinning, the Civic dinner, insurance, CCTV and allotments.

The Portfolio Holder explained that with regard to the allotments the team had lost one officer post and the governance arrangements were currently being looked at. Two posts had also been lost in the Chief Executive's team and the breakdown of savings was included in the report.

The Portfolio Holder further explained that with regard to the civic dinner the invited guests were those who were charitable workers and those who had been active in promoting Carlisle. Therefore it would be inappropriate to ask them to pay for their tickets to the event. He confirmed that there been a cut in funds available for Town Twinning but added that it was important to the Council and would focus more on the youth element in future.

With regard to CCTV the Portfolio Holder gave the background to the funding and advised that there was no contribution to the cost of hardware or monitoring from external parties. However there was no statutory requirement for the Council to provide CCTV coverage.

- The City Council had representation on the Cumbria Police and Crime Panel and any decision made by the Executive on CCTV could be fed back if required.

A report on CCTV was due to be submitted to the Executive at their meeting in November or December. Ms Culleton advised that cameras had been switched off in some areas of the country with no increase in crime figures.

- How would the income from an increase in car parking at Talkin Tarn be used? It was intended that Talkin Tarn would be self financing.

Ms Culleton explained that the intention was that Talkin Tarn would be self financing but at present was subsidised by the council by £58,000 and any additional income would offset that subsidy. Investment had been set aside at Talkin Tarn to cover car parks which had been improved the previous year. The Council were trying to encourage the use of the car park by introducing schemes for regular visitors to the park.

- Were officers confident that the proposed savings would be made?

The Portfolio Holder advised that he had worked with the service managers and officers in finance. Whilst he was confident about the figures contained within the Medium Term Financial Plan the Council could not control external factors.

- It had been proposed to close one of the floors in the Civic Centre and to rent the space. Had any progress been made?

The Portfolio Holder advised that officers were looking at all options to reduce costs and increase income.

Mr Mason reminded Members that the Customer Contact Centre now provided offices for the Passport Office and the Police.

- A Member stated that he believed that enough had been cut from the budget for allotments and that Town Twinning should be used to encourage the youth of the City to meet others in Poland and Germany. With regard to CCTV the cameras were often pointing in the opposite direction to an incident and some were not working at all. If the Police were not prepared to put money into the service it was obviously not one of their priorities. The Executive were doing all that could be done to improve Council services.

- Would the restructure in Economic Development result in a loss of jobs?

The Portfolio Holder advised that no firm proposals were available at the present time.

RESOLVED – 1) That Report RD.35/12 on delivering transformation savings to date and draft saving proposals for 2013/14 be noted and that the Executive consider the points raised in discussion.

ROSP.75/12 ANNUAL REVIEW OF SIGNIFICANT PARTNERSHIPS 2011/12

The Director of Resources (Mr Mason) presented report RD.41/12 that provided an overview of the arrangements for monitoring the Council's partnership activities. The report incorporated the type and number of arrangements in place and further provided an evaluation of the main aims and objectives of each partnership. Whilst the report did not provide an in-depth analysis of each partnership, given that most were reported individually to various panels and boards throughout the Council, it did however provide a summary of each arrangement with an emphasis on the major or significant partnership arrangements active in 2011/12.

The Portfolio Holder gave the background to partnership working and highlighted the views that underpinned partnership working. The Portfolio Holder advised Members of the definition and classification of partnerships. There was a common misconception that arrangements where grant funding was provided by the City Council were regarded as partnerships. There were also examples where the Council had effectively contracted out a service to an external provider and although the provider continued to provide to support for the achievement of the Council's aims and objectives they were not partnerships. Whilst they were entities in which the Council had an interest and may often include voting/nomination rights, they were not considered true partnerships because the Council

could not demonstrate that its involvement was wholly intentional in order to directly meet specific corporate aims and objectives, or that the arrangement was in fact of a contractual nature.

The Executive was responsible for approving delegations and could delegate functions to officers and they were set out in the scheme of delegation that formed part of the Council's constitution. The Portfolio Holder outlined the responsibilities of the Council's Monitoring Officer and Director of Resources and added that Directors were responsible for ensuring that appropriate approvals were obtained before any negotiations were concluded in relation to work with external bodies. The responsibility for each partnership lay within the directorate concerned and whilst the ultimate responsibility sat at Director level, the responsibility for setting up and managing a partnership and monitoring and reporting on performance was usually undertaken by a nominated operational lead officer. Financial Services and Legal Services provided advice and guidance on partnership matters.

A central partnership register that consisted of 22 entries was maintained by Financial Services. Seven of those partnerships were categorised as significant and included three shared service arrangements and two other contracted services. Two reviews of the partnerships were taken annually and an annual report was issued in September that considered the performance of all partnerships covering the previous financial year. A six-monthly review was issued in December to ensure the Council's involvement was still relevant and that each partnership was delivering the required outputs, that outcomes and successes could be clearly demonstrated and that the partnerships were geared to meeting the Council's aims and objectives. The review also ensured that an exit strategy existed. Where an external review had been undertaken by a funding body or nominated external auditor the outcomes of that review were recorded for scrutiny. All significant partnership reviews for 2011/12 had been completed and information that identified progress against the relevant elements was included within the report.

The overall conclusion to be drawn from that information was that each partnership had a different role and priority but each had a system of monitoring in place that allowed for the early notification of issues which could become problematical and would enable actions to be taken to address those issues before they could develop further.

In considering the report Members raised the following comments and questions:

- There was concern that Carlisle Leisure Limited had not provided financial information as it had considered it commercially sensitive.

Mr Mason advised that Carlisle Leisure Limited was a large organisation with a number of services not linked to the City Council. However if Members required that information Officers would discuss the matter with Carlisle Leisure Limited.

The Deputy Chief Executive (Mr Crossley) advised that Carlisle Leisure Limited had a contract with the City Council and that it should be possible to obtain that part of the financial report that related to the City Council. Mr Crossley stated that he would confirm that to the next meeting and that the figures would be included in the data to be provided in the report to be submitted in December. He reminded members that representatives from other outside bodies attended Scrutiny Panel meetings and Members may wish to request that representatives from Carlisle Leisure Limited attend a meeting in the future.

- The Carlisle Partnership Officer post was funded by direct grant. Had the post been filled since the previous officer left?

Mr Mason advised that the figures related to 2011/12 and that he would respond separately to Members with regard to the position for 2012/13.

- The Carlisle Partnership was not a statutory function. What value did they contribute to the City Council?

Mr Mason advised that he would include that information in his written response to Members. Mr Crossley reminded Members that there were representatives from the NHS, County Council and Police on the Carlisle Partnership Board.

- What was the current position with regard to Tullie House Trust?

The Overview and Scrutiny Officer (Mrs Edwards) reminded Members that the Community Overview and Scrutiny Panel would consider the Tullie House Museum and Art Gallery Trust Business Plan 2013/14 at their meeting on 22 November 2012 and Members from this Panel had been invited.

- At the last meeting of the Panel the Chief Executive stated that the target for processing Revenues and Benefits claims was 21 days but that that figure was presently 30 days. What was the target?

Mr Mason explained that at that time it took 30 days to process new claims. At present it took 26 days which put the City council in the middle quartile; the aim was to get that figure closer to 22 days eventually.

- It was important that such timescales were as short as possible as it could lead to a family becoming homeless.

RESOLVED – 1) That Report RD.41/12 on the annual review of partnerships 2011/12 be noted

2) That in future information with regard to Carlisle Leisure Limited be provided for Members of the Panel.

ROSP.76/12 PROJECTS ASSURANCE GROUP

The Deputy Chief Executive (Mr Crossley) presented report CE.16/12 that provided the most recent summary of significant projects currently being undertaken.

Community Resources Centre

The adjudication meeting had been scheduled for 24 October 2012 to resolve the issue of expenses with the contractor. However the centre was open and operational.

Replacement Family Accommodation

No issues were raised.

Dalton Avenue, Raffles

There had been issues around the land value that had led to problems in taking the project forward. Dialogue had taken place with the contractor and the Portfolio Holder and discussions were ongoing.

The Director of Resources (Mr Mason) explained the issues around the land value and advised that none of the Housing Associations had been able to produce a business case to purchase the properties. The City Council had since considered reducing the value of the land and was presently in discussion with the contractor and the Housing Associations.

- It was considered that the Council was being more than flexible with negotiations. Was the Council tied into using Lovells as the contractor?

Mr Mason advised that other schemes could be looked at but Housing Associations already had their own plans for the next couple of years.

- A Member believed that the time had come to discuss the matter with the Government Minister.

Mr Crossley stated that if that happened the Minister would probably suggest that the land be provided free. If the project continued with Lovells, Housing Associations and the City Council it could be successful.

The Portfolio Holder believed that the Council needed to be as creative as possible with its options and that they were keen to enable people to build on the land. He believed it provided an opportunity for people to build their own houses.

In response to a query Mr Mason confirmed that the value of the land was £370,000 when the scheme was developed but that the Council had considered reducing the value of the land to get the scheme moving.

- The land was worth more than the suggested revised value. Housing Developers would make a profit from the scheme. There was insufficient social housing provided in the City.

Mr Crossley explained that Lovells had reduced the cost of housing in the scheme.

- In the past Councils had built council estates. Maybe now was the time to look at self building.
- There had to be a balance between spending and savings and therefore the Council was not in a position to offer the land for free. It was possible to build houses for £50,000. Where would the remainder of the profit be going?
- A Member believed that not enough was being done to provide social housing. The Member was reminded that the contractor was a social housing provider and when the properties were sold they would be sold to a social housing provider.

Automating Services Phase 1

No issues were raised.

Business Improvement District

Mr Mason confirmed that the information in the report was the final position before removing the project from the register.

Old Town Hall Restoration and Repair

No issues were raised.

Historic Quarter – Castle Street Public Realm Improvements

No issues were raised.

Kingstown Industrial Estate

- Why had the specification been changed from 40 years to 10 years?

Mr Mason advised that the project was progressing even though the County Council were unlikely to adopt the road once the work was completed.

Castle Way Cycle Ramp

No issues were raised.

RESOLVED – That Report CE.16/12 on the Project Assurance Group be noted.

ROSP.77/12 CORPORATE RISK MANAGEMENT

The Deputy Chief Executive (Mr Crossley) submitted report SD.08/12 that updated Members on the Corporate Risk Register. The current corporate risks had been reviewed by the Senior Management Team and the Corporate Risk Management Group.

Limited Resources – the risk was that available resources were not directed to the Council's propriety areas. The Executive (subject to consultation) had identified a further £1.38 million savings to be delivered in 2013/14. In front loading the savings required, that would allow the Council some breathing space to consolidate service provision going forward in resourcing the Council's new priorities and plan for efficiencies from 2015/16 of £439,000.

Welfare Reform Agenda – two risks had previously been identified relating to the implementation of a new system for administration of Council Tax support and those risks were still current. There was both a reputational and financial risk in setting the scheme appropriately. Consultation was ongoing until 19 November 2012 and the implications of that would need to be considered. As the wider agenda of the Welfare Reform became known, the impact on residents and the Council would need to be considered.

The Senior Management Team and the Corporate Risk Management Group had started to identify and analyse the risks in delivering the new priorities within the draft Carlisle Plan, and the action/resources that would be required to mitigate those risks. The risks, although still in draft form, were now incorporated into the Corporate Risk Register and would be further developed as the priorities were worked up and approved by full Council

on 8 January 2013. Considering the risks at an early stage was an important step in assessing both the downside risks and also the emerging opportunities. That would provide valuable information for the further development of the priorities and key actions in delivering them.

RESOLVED – That Report SD.08/12 on Corporate Risk Management be noted.

(The meeting ended at 12:30pm)