

**Minutes of Previous Meetings**  
**RESOURCES OVERVIEW AND SCRUTINY PANEL**

**THURSDAY 21 FEBRUARY 2013 AT 10.10AM**

**PRESENT:** Councillor Watson (Chairman) Councillors Betton, Bowditch, Bowman S, Craig, Forrester, Mrs Parsons (until 11.30am) and Whalen.

**ALSO PRESENT** Professor Councillor Hendry – Leader of the Council

**OFFICERS** Town Clerk and Chief Executive  
Director of Resources  
Policy and Performance Officer (MD and GO)  
Organisational Development Manager  
Scrutiny Officer

**ROSP.10/13 APOLOGIES FOR ABSENCE**

An apology for absence was submitted on behalf of Councillor Dr Tickner – Finance, Governance and Resources Portfolio Holder.

**ROSP.11/13 DECLARATIONS OF INTEREST**

There were no declarations of interest submitted.

**ROSP.12/13 CALL-IN OF DECISIONS**

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

**ROSP.13/13 OVERVIEW REPORT AND WORK PROGRAMME**

The Scrutiny Officer presented report OS.05/13 which provided an overview of matters that related to the work of the Resources Overview and Scrutiny Panel's work.

The Scrutiny Officer reported:

- The Notice of Key Executive Decisions had been published on 8 February 2013 and the following issues fell within the remit of the Panel:

KD.037/12 - Carlisle Plan would be considered at this meeting of Resources Overview and Scrutiny Panel.

KD.044/12 – Asset Review Disposal Programme Land at Morton had been considered by the Executive at their meeting on 11 February 2013. An update on the whole review was due to be considered by the Panel at their meeting on 4 April 2013.

- There were no references from the Executive.
- The Scrutiny Officer provided an update on the Saving Paper Task Group and the MyCMIS Pilot. Councillor Craig had led the Task Group and updated the Panel on how

he had found the pilot. He informed the Panel that a report would be submitted following a full evaluation of the pilot.

The Panel hoped that the pilot would be successful and more facilities could be utilised, such as the smartboards, as a result. The Town Clerk and Chief Executive added that the new way of producing reports would push officers to consider the format and content of their reports to ensure they are presented in a format suitable for Members.

- All Scrutiny Members had been asked if there were any particular issues they wished to see discussed in the Scrutiny Annual report. A draft of the report would be submitted to the Panel's final meeting of the civic year on Thursday 4 April 2013.
- As requested by the Panel, a special meeting of the Resources Overview and Scrutiny Panel had been arranged to take place on 5 March 2013 at 2.00pm to consider the Carlisle Leisure Limited contract. All Members of the Community Overview and Scrutiny Panel had been invited to attend. It was agreed that the Town Clerk and Chief Executive would attend the Members briefing session before the special meeting.

RESOLVED – 1) That the Overview Report incorporating the Work Programme and Key Decision items relevant to this Panel OS.05/13 be noted.

2) That Key Decision item:

KD.044/12 – Asset Review Disposal Programme Land at Morton had been considered by the Executive at their meeting on 11 February 2013. An update on the whole review was due to be considered by the Panel at their meeting on 4 April 2013.

## **ROSP.14/13      SICKNESS ABSENCE 2012/13**

The Town Clerk and Chief Executive presented report CE.03/13 which provided an update about the City Council's sickness absence on 2012/13 with end of year predictions.

The Town Clerk and Chief Executive reported that the 11.1 days lost per full time equivalent employee (FTE) to sickness absence in 2011/12 had been the highest experienced by the Authority in 5 years. Carlisle had been the worst performing District Council in the North West according to data released by North West Employers. As a consequence, a Lean System Review of sickness absence had been initiated and managers had been provided further help to reverse the trend.

The Town Clerk and Chief Executive highlighted the appendices to the report and explained that they showed that the City Council was on course to experience a 10% reduction in sickness absence levels in 2012/13 compared to 2011/12. He added that the end of year sickness absence report due to the Panel in June would provide a full breakdown of the reasons for absence and a summary of the improvements that had been made following the Lean System review.

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

- The information provided reported that sickness levels were reducing but there had been an increase in long term sickness.

The Town Clerk and Chief Executive clarified that the actual working days lost due to sickness absence was lower; however, there had been an increase in long term absence in some departments. He informed the Panel that when an absence became long term ie more than 28 days, he would meet with the line manager to ensure that the member of staff was receiving the correct support. He stated that the short term absences were decreasing within the authority but this meant that the long term absence increased as a proportion.

- How did officers prepare the sickness forecast?

The Town Clerk and Chief Executive explained that officers mapped the current sickness profile against the previous year's profile and used that to establish a forecast for the next year.

- Why had the Council not conducted 100% of Return to Work Interviews?

The Director of Resources responded that there were three reasons for not having 100% of the interviews conducted. There would be a delay in the system, some cases of sickness absence were at the start of maternity leave so interviews could not be carried out until after the member of staff returned from maternity leave and very occasionally the interviews were not carried out.

- Carlisle had been the worst performing District Council in the North West in 2011/12, had this changed?

The Policy and Performance Officer (GO) informed the Panel that the data would not be available until the end of the financial year.

- How was the City Council addressing the poor performance?

The Town Clerk and Chief Executive responded that the Council was proactively addressing the situation through a number of procedures including Return to Work interviews and health and wellbeing initiatives. The next update to the Panel could include comparison information if required.

- What had been the impact of including the temporary staff in the sickness absence figures?

The Policy and Performance Officer (GO) reported that there had been minimal impact to the sickness absence figures.

- The Panel asked for the figures for industrial injuries to be included in future reports.
- Members raised their concerns regarding the high percentage figure for long term absence within the Resources Directorate.

The Director of Resources explained that in 2012 there had been an unusually high increase in muscular skeletal absences and the Directorate had had four members of staff absent for nearly the whole year. Two members of staff had returned but the figures would not improve until the end of 2013/14. The Town Clerk and Chief Executive had worked closely with managers to ensure that the Council provided the appropriate support. He added that the short term sickness absence had reduced in the Resources Directorate in

line with the other Directorates. Following questions the Director of Resources reported that the four members of staff worked in different sections and none of their absences were work related. He explained that the Safety, Health and Environmental Manager conducted workplace assessments for the staff on their return to work.

The Town Clerk and Chief Executive suggested that the Safety, Health and Environmental Manager submit a report to a future meeting of the Panel detailing the work undertaken regarding work related absences.

RESOLVED – 1) That the Sickness Absence 2012/13 update be welcomed;

2) That future reports to the Panel include figures for industrial injuries;

3) That the Safety, Health and Environmental Manager submit a report to a future meeting of the Panel detailing the work undertaken regarding work related absences.

### **ROSP.15/13      DRAFT CARLISLE PLAN 2013/16**

The Leader submitted report PC.03/13 presenting the draft Carlisle Plan 2013 – 2016. He informed Members that the Plan replaced the previous Corporate Plan 2010 - 2013 and formed part of the Council's Policy Framework.

The Plan set out the Council's vision for Carlisle and the six priorities for action over the medium term (2013 - 2016), with the text under each priority providing the background and further detail on how the priority would be achieved.

The draft Action Plan for delivering the priorities was set out at Appendix 2, including medium term actions aimed to be delivered over the life of the Plan and actions to be delivered within the financial year. That aligned the Plan with the budget year. Future actions which developed could fit into the budget planning process.

The Executive had on 11 February 2013 (EX.10/13) considered the report and decided:

“That the Executive:

1. Had considered the presentation and content of the draft Carlisle Plan with a view to seeking continuous improvement in the way the Council delivered services to its local communities.
2. Referred the draft Carlisle Plan to the Overview and Scrutiny Panels for consultation.
3. Referred the Action Plan to partners, including community and voluntary groups for consultation.”

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

- A Member felt that the Plan concentrated on the City Centre and not the whole of Carlisle.

The Leader agreed that in some ways this was correct, he felt that a healthy active City Centre would benefit the whole of Carlisle and would stimulate the economy for the whole of Cumbria.

- The previous Plans had addressed youth provision within the City but it was not included in the new Plan. Members asked for reassurance that youth provision would still be a priority for the Council.
- A previous priority had been Health and Wellbeing and it was no longer included in the priorities, Members asked that this be included.

The Leader responded that youth provision and rural issues were both very important and overlapped. The Executive had looked thoroughly at both issues and made sure that they were reflected within each priority and action in the Plan. He added that health had also been integrated into each one of the priorities and each Directorate because of its importance.

- The Panel supported the development of the M6 corridor and asked for more detail on the aspirations.

The Leader explained that the idea for a proposal had been instigated by the Government's suggestion for large infrastructure projects. The City Council shared its vision with Eden District Council and South Lakeland District Council to establish enterprise along the corridor to stimulate both the rural and urban economy. The Leader had seen similar projects in Slupsk during a Town Twinning visit and he hoped that the same opportunities could be created in this country. He added that it was vital that the M6 corridor was developed as it was the gateway to the energy coast.

- A Member felt that the Plan should have contained more detail on how the actions would be achieved.

The Town Clerk and Chief Executive explained that the Plan was a strategic document and its purpose was to articulate what the Council's priorities were. The detail for each of the actions did not have to be included in the Plan. Each action would have a business plan or service plan as required and scrutiny would see those plans as the projects developed. Part of scrutiny's role would be to ensure that the plans were in line with the Carlisle Plan and consistent with what the Council was trying to deliver.

- A Member raised concerns regarding fuel poverty in the City and asked if this was a priority for the Council.

The Leader reminded the Panel that the Council was the strategic housing authority and, although all priorities were important, it was most important that the authority could provide affordable housing for the people of Carlisle. The Council had land and partners but needed more resources. The Housing Minister was visiting Carlisle in March and the Leader would meet with him to discuss the resources Carlisle needed to build affordable housing.

- How would scrutiny ensure that the actions in the Carlisle Plan were being carried out?

The Panel discussed the possibility of adding an additional column to the actions table which had a proposed completion date so it could be monitored by Scrutiny. The Town

Clerk and Chief Executive reminded the Panel that the business plans or service plans for each action would be scrutinised as the developments or proposals progressed.

RESOLVED – That the comments and concerns identified by the Panel as detailed above be conveyed to the Executive.

### **ROSP.16/13 PERFORMANCE UPDATE**

The Policy and Communications Officer (MD) presented report PC.06/13 updating the Panel on the latest position regarding the Service Standards which helped measure the City Council's performance and customer satisfaction.

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

- The Service Standards were compared to a variety of other authorities, why were the same authorities not used for all the Service Standards?

The Policy and performance Officer (MD) explained that not all authorities measured the same standards or they measured them in a different way. It was most important for the authority to compare its performance against its own previous performance to ensure that the Council was providing a good service to the residents of Carlisle.

- With regard to the indicator for new benefit claims, how much longer over 28 days did the claimants have to wait?

The Policy and Performance Officer (MD) agreed to provide the information in the next report.

- Would the processing time for new claims increase as a result of the Welfare Reform?

The Director of Resources acknowledged that there were capacity challenges, some of which sat with IT but he was confident that the resources in place would deal with the changes. Claims that were not processed within the 28 days were usually because further information was required from the claimant and any that weren't processed within 28 days were unusual cases.

- Did the Council offer extra support to those claimants who required it?

The Director of Resources outlined the support which the Council offered to claimants which included Visiting Officers, signposting to the free advice agencies and advice networks. The Partnership Manager and the Customer Contact Centre Manager were working together to establish the best way to address issues.

RESOLVED: That the Performance Update report PC.06/13 be noted.

### **ROSP.17/13 ORGANISATIONAL DEVELOPMENT PLAN**

The Organisational Development Manager presented report CE.02/13 setting out the key objectives, outcomes for employees, key actions and measures of success for organisational development issues.

The Organisational Development Manager gave an overview of the work undertaken against each of the priorities on the Organisational Development Plan.

In considering the Organisational Development Plan Members raised the following comments and questions:

- Were Members included in the Health Check Scheme?

The Organisational Development Manager responded that Members had not been included in the recent health checks because they had been funded from the staff Holiday Purchase Scheme. She added that Members were welcome to attend the annual Wellbeing and Learning day which takes place in May. It would be possible to include Members in the Employee Assistance Programme and other health initiatives but the funding for this would need to be considered by the Member Learning and Development Working Group.

- The Panel asked for an update on the review of the flexible working policies.

The Organisational Development Manager reported that a desktop exercise was being undertaken to research other authorities and companies and their flexible working practices. The review would cover more than just the flexi scheme and there were currently no plans to change the existing scheme but guidance and advice would be provided for managers on how to use it.

RESOLVED – That the Organisational Development Plan progress report be welcomed.

## **ROSP.18/13 CAPITAL BUDGET OVERVIEW AND MONITORING REPORT – APRIL TO DECEMBER 2012**

The Director of Resources submitted report RD.77/12 providing an overview of the budgetary position of the City Council's capital programme for the period April to December 2012. He outlined for Members the overall budget position of the various Directorates and the financing of the 2012/13 Capital Programme, details of which were set out in the report.

He further commented upon performance against the 2012/13 programme, informing Members that the Senior Management Team would provide a strategic overview and monitor the effectiveness of the overall programme of work in delivering the Council's priorities and objectives. Technical project support and quality assurance of business cases and associated project management activities would be managed by a Corporate Programme Board chaired by the Chief Executive. Decisions to proceed or otherwise with proposed projects would be made in the usual way in accordance with the Council's decision making framework.

In summary, the Director of Resources said that a review of all capital expenditure incurred was ongoing to ensure that the expenditure had been correctly allocated between revenue and capital schemes. The work would facilitate the year end classification of assets.

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

- The Panel asked for clarification with regard to the legal fees relating to the Community Resource and Training Centre.

The Director of Resources explained that the contractor for the Resource Centre had submitted a last minute adjudication notice. The Council had refuted the claim via arbitration. The variance in the report related to the legal fees to refute the claim.

The Town Clerk and Chief Executive informed the Panel that the Council would use the Northwest Construction Hub where possible for future projects. The City Council would prefer to work with local providers where possible but did need to minimise any risk on future projects and using a set framework agreement would help this. He added that the Council would encourage local organisations to join the Hub and be part of the framework agreement.

- Had a risk assessment been carried out for the Resource Centre project?

The Town Clerk and Chief Executive assured the Panel that a risk assessment had been undertaken as part of the risk register.

RESOLVED – That Report RD.77/12 be noted.

### **ROSP.19/13 REVENUE BUDGET OVERVIEW AND MONITORING REPORT – APRIL TO DECEMBER 2012**

The Director of Resources submitted the Revenue Budget Overview and Monitoring Report for April to December 2012 (RD.78/12). He outlined the overall budgetary position and the monitoring and control of expenditure against budget allocations, together with the exercise of virement. He further provided an explanation of balance sheet management issues; a number of high risk budgets; external factors (including car parking income); performance management; Section 106 Commuted Sums and action taken to write off bad debts. The overall position, based on current projections, was a deficit which would be monitored as the year progressed.

He highlighted and reported on a number of key issues together with their budgetary implications, including the Salary Turnover Savings Budget; the increasing number of empty units at the Enterprise Centre and reduction in income from lettings; Highways Claimed Rights; the running of the ICT Connect Shared Service; income from The Lanes; the purchase in 2009/10 of a new fleet of vehicles for the Recycling and Waste Collection Service; the review of Officers' business travel allowances; the pension deficit budget in relation to shared services staff; the direct revenue financing budget; the Trade Waste VAT claim; and the Bad Debt position. Details of the main variances in the Directorates' budgets were also set out in the report.

The Panel asked if there had been any improvement in the car parking income and the Director of Resources explained that it was too early in the process to be able to provide accurate information.

RESOLVED – That Report RD.78/12 be noted.

(The meeting ended at 12.00pm)

## **SPECIAL RESOURCES OVERVIEW AND SCRUTINY PANEL**

**TUESDAY 5 MARCH 2013 AT 2:00PM**

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

**ALSO PRESENT** Councillor Mrs Quilter – Culture, Health, Leisure and Young People Portfolio Holder  
Councillors Allison (as substitute for Councillor Mrs Luckley), Earp, Mrs Stevenson and Mrs Vasey (as Members of Community Overview and Scrutiny Panel)  
Martin Horne, Carlisle Leisure Limited  
Andy King, Carlisle Leisure Limited  
Tom Rice, Carlisle Leisure Limited  
David Weakley, Carlisle Leisure Limited

**OFFICERS** Town Clerk and Chief Executive  
Director of Community Engagement  
Director of Resources  
Chief Accountant  
Development and Support Manager  
Policy and Performance Officer  
Scrutiny Officer

### **ROSP.20/13 APOLOGIES FOR ABSENCE**

Apologies for absence were submitted on behalf of Councillors Mrs Luckley, Mrs Prest, Miss Sherriff and Dr Tickner – Finance, Governance and Resources Portfolio Holder.

### **ROSP.21/13 DECLARATIONS OF INTEREST**

There were no declarations of interest submitted.

### **ROSP.22/13 PUBLIC AND PRESS**

It was agreed that the items of business within Part B of the agenda should be dealt with in private.

### **ROSP.23/13 REVIEW OF CARLISLE LEISURE FINANCIAL PERFORMANCE** (Public and Press excluded by virtue of Paragraph 3)

Mr King presented slides to the Panel that outlined the historical context to the contract and the key issues. He reminded Members that the contract was a 15 year contract that was won in a competitive bidding process and was due to expire in December 2017. Mr King outlined the areas of leisure for which Carlisle Leisure Limited were responsible within the Carlisle area. That included St James Park which was operated on an annually renewing contract.

Mr King explained how surpluses and savings had been re-invested into facilities or held in reserves for future investment. Monitoring of the contract had been re-established in 2010

and all information requested had been provided on time. Mr King highlighted the awards that had been achieved by Carlisle Leisure Limited and advised that the Sands Centre and Carlisle Pools had been the best performing and third best performing centres in the North West and North East Sport England Regions; the Sands Centre was rated in the top 10 in the UK for customer satisfaction in 2009. All centres had been awarded Cumbria Business Environment Network (CBEN) Gold award for environmental excellence, had improved Display Energy Certificate scores and Net promoter Scores were well above the industry average.

Mr King explained the makeup of the Carlisle Leisure Limited Board, which included 2 Carlisle City Councillors, and the Carlisle Leisure Limited Senior Management team and outlined Carlisle Leisure Limited's vision for Carlisle.

Over the term of the contract both Carlisle Leisure Limited and the City Council had developed the centres and the changes were outlined by Mr King. He acknowledged that some of the facilities required increasing capital spend to keep them open and there was a "price war" as a result of increased, very low cost fitness competition in the city, many of which provided free on site parking. There were also issues with the "in limbo" position at the Sands Centre and the Pools as well as issues raised by customers regarding car parking. The poor weather had been an issue and participation in golf and swimming were declining nationally. The huge increases in utilities costs also needed to be considered.

Carlisle Leisure Limited had been successful in working with a number of partnerships providing activities to 1.1 million visitors per year and had introduced several new programmes, including the Fab 'n' Fifty programme which had been acclaimed internationally by the World Health Organisation (WHO). As a result of the partnership working Carlisle Leisure Limited had been able to attract external funding and employ a number of apprentices. Carlisle Leisure Limited had also injected significant capital into new technology for both sports equipment and telephone/on-line booking equipment.

Carlisle Leisure Limited had worked with the City Council to create the Carlisle Sport and Physical Activity Alliance Foundation (SPAAF) which had accomplished a number of key programmes.

Mr Rice explained that based on the deal types that Carlisle Leisure Limited could flexibly negotiate, they were able to bring leading artists and productions to the city that other external organisation would not risk. Mr Rice presented an analysis of where ticket purchasers lived and as an example cited the recent production of Blood Brothers for which over 70% of ticket purchasers were outside the Carlisle area. Mr Rice presented testimonials from restaurant and bar owners who stated that they had seen their busiest periods during major events at the Sands Centre.

Mr King highlighted some of the future opportunities that Carlisle Leisure Limited were looking towards. Mr King summarised Carlisle Leisure Limited's current position and stated that they were happy to meet with Officers and Members to resolve any issues.

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

*As there was competition for fitness facilities in Carlisle would Carlisle Leisure Limited consider allowing someone else to take responsibility and focus on other areas?*

Mr King acknowledged that some of the facilities were dated but they suited Carlisle Leisure Limited's customers. The Leisure Access card was available and there was a reduction in price for those on benefits. Exercise and referral schemes were available that other organisations did not have and Mr King was certain that service levels were better than those in the private sector. With the right investment into the Sands Centre, he was confident that Carlisle Leisure Limited could fight back.

*The report indicated that the running of Carlisle Leisure Limited had cost more than the Management Fee paid to it by the City Council. What were Carlisle Leisure Limited doing to balance those figures?*

Mr King explained that there were a number of reasons for the current situation and that a lot of the facilities in Carlisle were weather dependent. Mr Weakley explained that the Management Fee was retained in the Head Office costs.

*Members were anxious that the contract was monitored in a proper manner in the future.*

Mr King stated that Carlisle Leisure Limited were trying to bring costs down and the largest investment had been in new gym equipment and ground maintenance equipment which would partly explain the losses to the City Council.

*With regard to St James Park what were the main costs?*

Mr King explained that the main costs were ground maintenance and staffing. The park was part of an annual rolling contract which made it difficult to consider future investment.

*It is important that all sides work together to solve financial issues and look at ideas to provide a better service to the residents of Carlisle.*

*How would the deficit from last year be avoided this year?*

Mr King advised that last year was difficult mainly due to the poor weather. In the coming year it was anticipated that more shows would be brought to the Sands Centre. He confirmed that facilities would not be cut without Officers' knowledge and stated that he believed that Carlisle Leisure Limited could grow their way out of the difficulties.

The Chairman thanked the representatives from Carlisle Leisure Limited for their input into the meeting. The representatives left the meeting.

The Chief Executive stated that discussions in the meeting had been open and transparent and believed that Carlisle Leisure Limited were doing a good job. He advised that he had regular meetings with Mr King to catch up and discuss any problems but he was reassured by the presentation and discussions at the meeting. The Director of Resources explained that Mr King was not involved in the operational day to day running of Carlisle Leisure Limited.

Members were satisfied with the discussions that had been held and were made aware that when the contract was due to expire a further tendering exercise would be undertaken for which Carlisle Leisure Limited could apply. There was no scope to extend the term in the current contract.

The Chairman confirmed that Officers had the support of the Overview and Scrutiny Panels as well as the Council as a whole.

RESOLVED – 1) that the Panel will consider the Audit Report when it is received.

2) That the Panel welcome the suggestion of an annual review and intend to scrutinise this review and will invite representatives from Carlisle Leisure Limited.

3) That the Panel reiterated their concerns about the lack of contract monitoring in the past and looked forward to more robust monitoring in the future.

(The meeting ended at 4:20pm)